

HOUSE BILL NO. 4159

February 06, 2019, Introduced by Rep. Iden and referred to the Committee on Local Government and Municipal Finance.

A bill to amend 1996 PA 381, entitled
"Brownfield redevelopment financing act,"
by amending sections 2, 8, 13, 13b, and 16 (MCL 125.2652, 125.2658,
125.2663, 125.2663b, and 125.2666), section 2 as amended by 2018 PA
203, section 8 as amended by 2016 PA 471, and sections 13, 13b, and
16 as amended by 2017 PA 46.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. As used in this act:

1 (a) "Authority" means a brownfield redevelopment authority
2 created under this act.

3 (b) "Baseline environmental assessment" means that term as
4 defined in part 201 or 213.

5 (c) "Blighted" means property that meets any of the following
6 criteria as determined by the governing body:

7 (i) Has been declared a public nuisance in accordance with a
8 local housing, building, plumbing, fire, or other related code or
9 ordinance.

10 (ii) Is an attractive nuisance to children because of physical
11 condition, use, or occupancy.

12 (iii) Is a fire hazard or is otherwise dangerous to the safety
13 of persons or property.

14 (iv) Has had the utilities, plumbing, heating, or sewerage
15 permanently disconnected, destroyed, removed, or rendered
16 ineffective so that the property is unfit for its intended use.

17 (v) Is tax reverted property owned by a qualified local
18 governmental unit, by a county, or by this state. The sale, lease,
19 or transfer of tax reverted property by a qualified local
20 governmental unit, county, or this state after the property's
21 inclusion in a brownfield plan shall not result in the loss to the
22 property of the status as blighted property for purposes of this
23 act.

24 (vi) Is property owned by or under the control of a land bank
25 fast track authority, whether or not located within a qualified
26 local governmental unit. Property included within a brownfield plan
27 prior to the date it meets the requirements of this subdivision to
28 be eligible property shall be considered to become eligible
29 property as of the date the property is determined to have been or

1 becomes qualified as, or is combined with, other eligible property.
2 The sale, lease, or transfer of the property by a land bank fast
3 track authority after the property's inclusion in a brownfield plan
4 shall not result in the loss to the property of the status as
5 blighted property for purposes of this act.

6 (vii) Has substantial buried subsurface demolition debris
7 present so that the property is unfit for its intended use.

8 (d) "Board" means the governing body of an authority.

9 (e) "Brownfield plan" means a plan that meets the requirements
10 of section 13 and section 13b and is adopted under section 14.

11 (f) "Captured taxable value" means the amount in 1 year by
12 which the current taxable value of an eligible property subject to
13 a brownfield plan, including the taxable value or assessed value,
14 as appropriate, of the property for which specific taxes are paid
15 in lieu of property taxes, exceeds the initial taxable value of
16 that eligible property. The state tax commission shall prescribe
17 the method for calculating captured taxable value.

18 (g) "Chief executive officer" means the mayor of a city, the
19 village manager of a village, the township supervisor of a
20 township, or the county executive of a county or, if the county
21 does not have an elected county executive, the chairperson of the
22 county board of commissioners.

23 (h) "Combined brownfield plan" means a brownfield plan that
24 also includes the information necessary to submit the plan to the
25 department or Michigan strategic fund under section 15(20).

26 (i) "Construction period tax capture revenues" means funds
27 equal to the amount of income tax levied and imposed in a calendar
28 year upon wages paid to individuals physically present and working
29 within the eligible property for the construction, renovation, or

1 other improvement of eligible property that is an eligible activity
2 within a transformational brownfield plan. As used in this
3 subdivision, "wages" means that term as defined in section 3401 of
4 the internal revenue code of 1986, 26 USC 3401. To calculate the
5 amount of construction period tax capture revenues for a calendar
6 year under a transformational brownfield plan, the state treasurer
7 shall do all of the following:

8 (i) Require the owner or developer of the eligible property to
9 report the total taxable wages paid to individuals for the
10 construction, renovation, or other improvement of eligible property
11 that is an eligible activity within the transformational brownfield
12 plan. The wages reported under this subparagraph shall exclude any
13 wages paid to employees of the owner or developer.

14 (ii) Multiply the amount under subparagraph (i) by the effective
15 rate as determined by the state treasurer at which the income tax
16 is levied on an individual in this state. The state treasurer shall
17 estimate the effective rate by taking into account the effect of
18 any exemptions, additions, subtractions, and credits allowable
19 under part 1 of the income tax act of 1967, 1967 PA 281, MCL 206.1
20 to 206.532. The state treasurer may require the owner or developer
21 to submit any information necessary for the calculation under this
22 subparagraph.

23 (iii) The wage information and other information required under
24 this subdivision shall be provided to the department of treasury by
25 the owner or developer in a manner prescribed by the state
26 treasurer. The state treasurer may require the owner or developer
27 to provide a review or reconciliation of the wages by an
28 independent auditing firm.

29 (j) "Corrective action" means that term as defined in part 111

1 or part 213.

2 (k) "Department" means the department of environmental
3 quality.

4 (l) "Department specific activities" means baseline
5 environmental assessments, due care activities, response
6 activities, and other environmentally related actions that are
7 eligible activities and are identified as a part of a brownfield
8 plan that are in addition to the minimum due care activities
9 required by part 201, including, but not limited to:

10 (i) Response activities that are more protective of the public
11 health, safety, and welfare and the environment than required by
12 section 20107a, 20114, or 21304c of the natural resources and
13 environmental protection act, 1994 PA 451, MCL 324.20107a,
14 324.20114, and 324.21304c.

15 (ii) Removal and closure of underground storage tanks pursuant
16 to part 211 or 213.

17 (iii) Disposal of solid waste, as defined in part 115 of the
18 natural resources and environmental protection act, 1994 PA 451,
19 MCL 324.11501 to 324.11554, from the eligible property, provided it
20 was not generated or accumulated by the authority or the developer.

21 (iv) Dust control related to construction activities.

22 (v) Removal and disposal of lake or river sediments exceeding
23 part 201 criteria from, at, or related to an economic development
24 project where the upland property is either a facility or would
25 become a facility as a result of the deposition of dredged spoils.

26 (vi) Industrial cleaning.

27 (vii) Sheet piling and shoring necessary for the removal of
28 materials exceeding part 201 criteria at projects requiring a
29 permit pursuant to part 301, 303, or 325 of the natural resources

1 and environmental protection act, 1994 PA 451, MCL 324.30101 to
2 324.30113, MCL 324.30301 to 324.30328, or MCL 324.32501 to
3 324.32515a.

4 (viii) Lead, mold, or asbestos abatement when lead, mold, or
5 asbestos pose an imminent and significant threat to human health.

6 **(ix) Environmental insurance.**

7 (m) "Due care activities" means those response activities
8 identified as part of a brownfield plan that are necessary to allow
9 the owner or operator of an eligible property in the plan to comply
10 with the requirements of section 20107a or 21304c of the natural
11 resources and environmental protection act, 1994 PA 451, MCL
12 324.20107a and 324.21304c.

13 (n) "Economic opportunity zone" means 1 or more parcels of
14 property that meet all of the following:

15 (i) That together are 40 or more acres in size.

16 (ii) That contain or contained a manufacturing operation that
17 consists or consisted of 500,000 or more square feet.

18 (iii) That are located in a municipality that has a population
19 of 30,000 or less and that is contiguous to a qualified local
20 governmental unit.

21 (o) "Eligible activities" or "eligible activity" means 1 or
22 more of the following:

23 (i) For all eligible properties, eligible activities include
24 all of the following:

25 (A) Department specific activities.

26 (B) Relocation of public buildings or operations for economic
27 development purposes.

28 (C) Reasonable costs of environmental insurance.

29 (D) Reasonable costs incurred to develop and prepare

1 brownfield plans, combined brownfield plans, or work plans for the
2 eligible property, including legal and consulting fees that are not
3 in the ordinary course of acquiring and developing real estate.

4 (E) Reasonable costs of brownfield plan and work plan
5 implementation, including, but not limited to, tracking and
6 reporting of data and plan compliance and the reasonable costs
7 incurred to estimate and determine actual costs incurred, whether
8 those costs are incurred by a municipality, authority, or private
9 developer.

10 (F) Demolition of structures that is not a response activity,
11 including removal of manufactured debris comprised of discarded,
12 unused, or unusable manufactured by-products left on the site by a
13 previous owner. The removal of the manufactured by-products left on
14 the site described in this sub-subparagraph is not eligible for
15 interest reimbursement under sub-subparagraph (H).

16 (G) Lead, asbestos, or mold abatement.

17 (H) Except as otherwise provided in sub-subparagraph (F), the
18 repayment of principal of and interest on any obligation issued by
19 an authority to pay the costs of eligible activities attributable
20 to an eligible property.

21 (ii) For eligible properties located in a qualified local unit
22 of government, or an economic opportunity zone, or that is a former
23 mill, eligible activities include:

24 (A) The activities described in subparagraph (i).

25 (B) Infrastructure improvements that directly benefit eligible
26 property.

27 (C) Site preparation that is not a response activity.

28 (iii) For eligible properties that are owned by or under the
29 control of a land bank fast track authority, or a qualified local

1 unit of government or authority, eligible activities include:

2 (A) The eligible activities described in subparagraphs (i) and
3 (ii) .

4 (B) Assistance to a land bank fast track authority in clearing
5 or quieting title to, or selling or otherwise conveying, property
6 owned by or under the control of a land bank fast track authority
7 or the acquisition of property by the land bank fast track
8 authority if the acquisition of the property is for economic
9 development purposes.

10 (C) Assistance to a qualified local governmental unit or
11 authority in clearing or quieting title to, or selling or otherwise
12 conveying, property owned by or under the control of a qualified
13 local governmental unit or authority or the acquisition of property
14 by a qualified local governmental unit or authority if the
15 acquisition of the property is for economic development purposes.

16 (iv) For eligible activities on eligible property that is
17 included in a transformational brownfield plan, any demolition,
18 construction, restoration, alteration, renovation, or improvement
19 of buildings or site improvements on eligible property, including
20 infrastructure improvements that directly benefit eligible
21 property.

22 (p) "Eligible property" means, except as otherwise provided in
23 this subdivision, property for which eligible activities are
24 identified under a brownfield plan that was used or is currently
25 used for commercial, industrial, public, or residential purposes,
26 including personal property located on the property, to the extent
27 included in the brownfield plan, and that is 1 or more of the
28 following:

29 (i) Is in a qualified local governmental unit and is a facility

1 or a site or property as those terms are defined in part 213,
2 historic resource, functionally obsolete, or blighted and includes
3 parcels that are adjacent or contiguous to that property if the
4 development of the adjacent and contiguous parcels is estimated to
5 increase the captured taxable value of that property.

6 (ii) Is not in a qualified local governmental unit and is a
7 facility, historic resource, functionally obsolete, blighted, or a
8 site or property as those terms are defined in part 213, and
9 includes parcels that are adjacent or contiguous to that property
10 if the development of the adjacent and contiguous parcels is
11 estimated to increase the captured taxable value of that property.

12 (iii) Is tax reverted property owned by or under the control of
13 a land bank fast track authority.

14 (iv) Is a transit-oriented development or transit-oriented
15 property.

16 (v) Is located in a qualified local governmental unit and
17 contains a targeted redevelopment area.

18 (vi) Is undeveloped property that was eligible property in a
19 previously approved brownfield plan abolished under section 14(8).

20 (vii) Eligible property does not include qualified agricultural
21 property exempt under section 7ee of the general property tax act,
22 1893 PA 206, MCL 211.7ee, from the tax levied by a local school
23 district for school operating purposes to the extent provided under
24 section 1211 of the revised school code, 1976 PA 451, MCL 380.1211.

25 (q) "Environmental insurance" means liability insurance for
26 environmental contamination and cleanup that is not otherwise
27 required by state or federal law.

28 (r) "Facility" means that term as defined in part 201.

29 (s) "Fiscal year" means the fiscal year of the authority.

1 (t) "Former mill" means a former mill that has not been used
2 for industrial purposes for the immediately preceding 2 years, that
3 is not located in a qualified local governmental unit, that is a
4 facility or is a site or a property as those terms are defined in
5 part 213, functionally obsolete, or blighted, and that is located
6 within 15 miles of a river that is a federal superfund site listed
7 under the comprehensive environmental response, compensation and
8 liability act of 1980, 42 USC 9601 to 9675, and that is located in
9 a municipality with a population of less than 10,000.

10 (u) "Functionally obsolete" means that the property is unable
11 to be used to adequately perform the function for which it was
12 intended due to a substantial loss in value resulting from factors
13 such as overcapacity, changes in technology, deficiencies or
14 superadequacies in design, or other similar factors that affect the
15 property itself or the property's relationship with other
16 surrounding property.

17 (v) "Governing body" means the elected body having legislative
18 powers of a municipality creating an authority under this act.

19 (w) "Historic resource" means that term as defined in section
20 90a of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090a.

21 (x) "Income tax" means the tax levied and imposed under part 1
22 of the income tax act of 1967, 1967 PA 281, MCL 206.1 to 206.532.

23 (y) "Income tax capture revenues" means funds equal to the
24 amount for each tax year by which the aggregate income tax from
25 individuals domiciled within the eligible property subject to a
26 transformational brownfield plan exceeds the initial income tax
27 value. The state treasurer shall calculate annually the income tax
28 capture revenues associated with each transformational brownfield
29 plan. In calculating income tax capture revenues, the state

1 treasurer shall subtract from the aggregate amount of income tax
2 credits under sections 255, 265, 266, and chapter 9 of the income
3 tax act of 1967, 1967 PA 281, MCL 206.255, 206.265, 206.266, and
4 206.501 to 206.532. The state treasurer shall require the owner or
5 developer of the eligible property to provide to the department of
6 treasury all of the following information at the end of each
7 calendar year, including the year in which the resolution adding
8 that eligible property in the transformational brownfield plan is
9 adopted:

10 (i) A list of individuals domiciled within the eligible
11 property.

12 (ii) The addresses of those individuals identified in
13 subparagraph (i) .

14 (iii) Any other information that may be necessary to calculate
15 the income tax capture revenues. The information required under
16 this subdivision shall be provided in a manner prescribed by the
17 state treasurer.

18 (z) "Industrial cleaning" means cleaning or removal of
19 contaminants from within a structure necessary to achieve the
20 intended use of the property.

21 (aa) "Infrastructure improvements" means a street, road,
22 sidewalk, parking facility, pedestrian mall, alley, bridge, sewer,
23 sewage treatment plant, property designed to reduce, eliminate, or
24 prevent the spread of identified soil or groundwater contamination,
25 drainage system, waterway, waterline, water storage facility, rail
26 line, utility line or pipeline, transit-oriented development,
27 transit-oriented property, or other similar or related structure or
28 improvement, together with necessary easements for the structure or
29 improvement, owned or used by a public agency or functionally

1 connected to similar or supporting property owned or used by a
2 public agency, or designed and dedicated to use by, for the benefit
3 of, or for the protection of the health, welfare, or safety of the
4 public generally, whether or not used by a single business entity,
5 provided that any road, street, or bridge shall be continuously
6 open to public access and that other property shall be located in
7 public easements or rights-of-way and sized to accommodate
8 reasonably foreseeable development of eligible property in
9 adjoining areas. Infrastructure improvements also include 1 or more
10 of the following whether publicly or privately owned or operated or
11 located on public or private property:

12 (i) Underground parking.

13 (ii) Multilevel parking structures.

14 (iii) Urban stormwater management systems.

15 (bb) "Initial income tax value" means the aggregate amount of
16 income tax less credits under sections 255, 265, 266, and chapter 9
17 of the income tax act of 1967, 1967 PA 281, MCL 206.255, 206.265,
18 206.266, and 206.501 to 206.532, from individuals domiciled within
19 the eligible property subject to a transformational brownfield plan
20 for the tax year in which the resolution adding that eligible
21 property in the transformational brownfield plan is adopted.

22 (cc) "Initial taxable value" means the taxable value of an
23 eligible property identified in and subject to a brownfield plan at
24 the time the resolution adding that eligible property in the
25 brownfield plan is adopted, as shown either by the most recent
26 assessment roll for which equalization has been completed at the
27 time the resolution is adopted or, if provided by the brownfield
28 plan, by the next assessment roll for which equalization will be
29 completed following the date the resolution adding that eligible

1 property in the brownfield plan is adopted. Property exempt from
2 taxation at the time the initial taxable value is determined shall
3 be included with the initial taxable value of zero. Property for
4 which a specific tax is paid in lieu of property tax shall not be
5 considered exempt from taxation. The state tax commission shall
6 prescribe the method for calculating the initial taxable value of
7 property for which a specific tax was paid in lieu of property tax.
8 The initial assessed value may be modified by lowering the initial
9 assessed value once during the term of the brownfield plan through
10 an amendment as provided in section 14 after the tax increment
11 financing plan fails to generate captured ~~assessed value~~ **taxes** for
12 3 consecutive years due to declines in assessed value.

13 (dd) "Initial withholding tax value" means the amount of
14 income tax withheld under part 3 of the income tax act of 1967,
15 1967 PA 281, MCL 206.701 to 206.713, from individuals employed
16 within the eligible property subject to a transformational
17 brownfield plan for the calendar year in which the resolution
18 adding the eligible property to the plan is adopted. For purposes
19 of this act, an individual is employed within the eligible property
20 if the eligible property is the individual's principal place of
21 employment. The initial withholding tax value shall not include
22 construction period tax capture revenues.

23 (ee) "Land bank fast track authority" means an authority
24 created under the land bank fast track act, 2003 PA 258, MCL
25 124.751 to 124.774.

26 (ff) "Local taxes" means all taxes levied other than taxes
27 levied for school operating purposes.

28 (gg) "Michigan strategic fund" means the Michigan strategic
29 fund created under the Michigan strategic fund act, 1984 PA 270,

1 MCL 125.2001 to 125.2094.

2 (hh) "Mixed-use" means a real estate project with planned
3 integration of some combination of retail, office, residential, or
4 hotel uses.

5 (ii) "Municipality" means all of the following:

6 (i) A city.

7 (ii) A village.

8 (iii) A township in those areas of the township that are outside
9 of a village.

10 (iv) A township in those areas of the township that are in a
11 village upon the concurrence by resolution of the village in which
12 the zone would be located.

13 (v) A county.

14 (jj) "Owned by or under the control of" means that a land bank
15 fast track authority or a qualified local unit of government has 1
16 or more of the following:

17 (i) An ownership interest in the property.

18 (ii) A tax lien on the property.

19 (iii) A tax deed to the property.

20 (iv) A contract with this state or a political subdivision of
21 this state to enforce a lien on the property.

22 (v) A right to collect delinquent taxes, penalties, or
23 interest on the property.

24 (vi) The ability to exercise its authority over the property.

25 (kk) "Part 111", "part 201", "part 211", or "part 213" means
26 that part as described as follows:

27 (i) Part 111 of the natural resources and environmental
28 protection act, 1994 PA 451, MCL 324.11101 to 324.11153.

1 (ii) Part 201 of the natural resources and environmental
2 protection act, 1994 PA 451, MCL 324.20101 to 324.20142.

3 (iii) Part 211 of the natural resources and environmental
4 protection act, 1994 PA 451, MCL 324.21101 to 324.21113.

5 (iv) Part 213 of the natural resources and environmental
6 protection act, 1994 PA 451, MCL 324.21301a to 324.21334.

7 (ll) "Qualified local governmental unit" means that term as
8 defined in the obsolete property rehabilitation act, 2000 PA 146,
9 MCL 125.2781 to 125.2797.

10 (mm) "Qualified taxpayer" means that term as defined in
11 sections 38d and 38g of former 1975 PA 228, or section 437 of the
12 Michigan business tax act, 2007 PA 36, MCL 208.1437, or a recipient
13 of a community revitalization incentive as described in section 90a
14 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090a.

15 (nn) "Release" means that term as defined in part 201 or part
16 213.

17 (oo) "Response activity" means either of the following:

18 (i) Response activity as that term is defined in part 201.

19 (ii) Corrective action.

20 (pp) "Specific taxes" means a tax levied under 1974 PA 198,
21 MCL 207.551 to 207.572; the commercial redevelopment act, 1978 PA
22 255, MCL 207.651 to 207.668; the enterprise zone act, 1985 PA 224,
23 MCL 125.2101 to 125.2123; 1953 PA 189, MCL 211.181 to 211.182; the
24 technology park development act, 1984 PA 385, MCL 207.701 to
25 207.718; the obsolete property rehabilitation act, 2000 PA 146, MCL
26 125.2781 to 125.2797; the neighborhood enterprise zone act, 1992 PA
27 147, MCL 207.771 to 207.786; the commercial rehabilitation act,
28 2005 PA 210, MCL 207.841 to 207.856; or that portion of the tax
29 levied under the tax reverted clean title act, 2003 PA 260, MCL

211.1021 to 211.1025a, that is not required to be distributed to a land bank fast track authority.

(qq) "State brownfield redevelopment fund" means the state brownfield redevelopment fund created in section 8a.

(rr) "Targeted redevelopment area" means not fewer than 40 and not more than 500 contiguous parcels of real property located in a qualified local governmental unit and designated as a targeted redevelopment area by resolution of the governing body and approved by the Michigan strategic fund. A qualified local governmental unit is limited to designating no more than 2 targeted redevelopment areas for the purposes of this section in a calendar year. The Michigan strategic fund may approve no more than 5 targeted redevelopment areas for the purposes of this section in a calendar year.

(ss) "Tax increment revenues" means the amount of ad valorem property taxes and specific taxes attributable to the application of the levy of all taxing jurisdictions upon the captured taxable value of each parcel of eligible property subject to a brownfield plan and personal property located on that property, regardless of whether those taxes began to be levied after the brownfield plan was adopted. Tax increment revenues do not include any of the following:

(i) Ad valorem property taxes specifically levied for the payment of principal of and interest on either obligations approved by the electors or obligations pledging the unlimited taxing power of the local governmental unit, and specific taxes attributable to those ad valorem property taxes.

(ii) For tax increment revenues attributable to eligible property also exclude the amount of ad valorem property taxes or

specific taxes captured by a downtown development authority under ~~1975 PA 197, MCL 125.1651 to 125.1681, part 2 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4201 to 125.4230, tax increment finance authority under the tax increment finance authority act, 1980 PA 450, MCL 125.1801 to 125.1830, part 3 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4301 to 125.4329, corridor improvement authority, under the corridor improvement authority act, 2005 PA 280, MCL 125.2871 to 125.2899, part 6 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4602 to 125.4629, or local development finance authority under the local development financing act, 1986 PA 281, MCL 125.2151 to 125.2174, part 4 of the recodified tax increment financing act, 2018 PA 57, MCL 125.4401 to 125.4420, if those taxes were captured by these other authorities on the date that eligible property became subject to a brownfield plan under this act.~~

(iii) Ad valorem property taxes levied under 1 or more of the following or specific taxes attributable to those ad valorem property taxes:

(A) The zoological authorities act, 2008 PA 49, MCL 123.1161 to 123.1183.

(B) The art institute authorities act, 2010 PA 296, MCL 123.1201 to 123.1229.

(tt) "Taxable value" means the value determined under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

(uu) "Taxes levied for school operating purposes" means all of the following:

(i) The taxes levied by a local school district for operating purposes.

(ii) The taxes levied under the state education tax act, 1993

1 PA 331, MCL 211.901 to 211.906.

2 (iii) That portion of specific taxes attributable to taxes
3 described under subparagraphs (i) and (ii).

4 (vv) "Transformational brownfield plan" means a brownfield
5 plan that meets the requirements of section 13c and is adopted
6 under section 14a and, as designated by resolution of the governing
7 body and approved by the Michigan strategic fund, will have a
8 transformational impact on local economic development and community
9 revitalization based on the extent of brownfield redevelopment and
10 growth in population, commercial activity, and employment that will
11 result from the plan. To be designated a transformational
12 brownfield plan, a transformational brownfield plan under this
13 subdivision shall be for mixed-use development and shall be
14 expected to result in the following levels of capital investment:

15 (i) In a municipality that is not a county and that has a
16 population of at least 600,000, \$500,000,000.00.

17 (ii) In a municipality that is not a county and that has a
18 population of at least 150,000 and not more than 599,999,
19 \$100,000,000.00.

20 (iii) In a municipality that is not a county and that has a
21 population of at least 100,000 and not more than 149,999,
22 \$75,000,000.00.

23 (iv) In a municipality that is not a county and that has a
24 population of at least 50,000 and not more than 99,999,
25 \$50,000,000.00.

26 (v) In a municipality that is not a county and that has a
27 population of at least 25,000 and not more than 49,999,
28 \$25,000,000.00.

29 (vi) In a municipality that is not a county and that has a

1 population of less than 25,000, \$15,000,000.00.

2 (ww) "Transit-oriented development" means infrastructure
3 improvements that are located within 1/2 mile of a transit station
4 or transit-oriented property that promotes transit ridership or
5 passenger rail use as determined by the board and approved by the
6 municipality in which it is located.

7 (xx) "Transit-oriented property" means property that houses a
8 transit station in a manner that promotes transit ridership or
9 passenger rail use.

10 (yy) "Withholding tax capture revenues" means the amount for
11 each calendar year by which the income tax withheld under part 3 of
12 the income tax act of 1967, 1967 PA 281, MCL 206.701 to 206.713,
13 from individuals employed within the eligible property subject to a
14 transformational brownfield plan exceeds the initial withholding
15 tax value. Withholding tax capture revenues shall not include
16 income tax from individuals domiciled within the eligible property
17 or construction period tax capture revenues. To calculate
18 withholding tax capture revenues for a calendar year under a
19 transformational brownfield plan, the state treasurer or the
20 Michigan strategic fund shall do all of the following:

21 (i) The state treasurer shall require the owner or developer of
22 the eligible property to provide the department of treasury with
23 notice not more than 10 days from the date an employer commences or
24 terminates occupancy within the eligible property. As used in this
25 subdivision, "employer" means that term as defined in section 8 of
26 the income tax act of 1967, 1967 PA 281, MCL 206.8.

27 (ii) The state treasurer shall develop methods and processes
28 that are necessary for each employer occupying the eligible
29 property to report the amount of withholding under part 3 of the

1 income tax act of 1967, 1967 PA 281, MCL 206.701 to 206.713, from
2 individuals employed within the eligible property.

3 (iii) The Michigan strategic fund shall include the following
4 provisions in the development or reimbursement agreement for any
5 transformational brownfield plan that utilizes withholding tax
6 capture revenues:

7 (A) That the owner or developer of the eligible property shall
8 require each employer occupying the eligible property to comply
9 with the reporting requirements under this section through a
10 contract requirement, lease requirement, or other such means.

11 (B) That reimbursement of withholding tax capture revenues is
12 limited to amounts that are reported in accordance with part 3 of
13 the income tax act of 1967, 1967 PA 281, MCL 206.701 to 206.713,
14 and this state has no obligation with respect to withholding tax
15 capture revenues that are not reported or paid.

16 (zz) "Work plan" means a plan that describes each individual
17 activity to be conducted to complete eligible activities and the
18 associated costs of each individual activity.

19 (aaa) "Zone" means, for an authority established before June
20 6, 2000, a brownfield redevelopment zone designated under this act.

21 Sec. 8. (1) An authority may establish a local brownfield
22 revolving fund. A local brownfield revolving fund shall consist of
23 funds deposited from the following sources:

24 (a) Funds appropriated or otherwise made available from public
25 or private sources.

26 (b) Local tax and school operating tax increment revenue
27 captured in excess of the amount authorized for eligible expenses
28 under section 13(4) only when all of the following conditions are
29 met:

1 (i) The excess capture occurs during the time of capture for
2 the purpose of paying the costs permitted under section 13(4), or
3 for not more than 5 years after the time that capture is required
4 for the purpose of paying the costs permitted under section 13(4),
5 or both.

6 (ii) The excess local tax ~~excess~~ capture shall not exceed the
7 total of the cost of eligible activities approved in the brownfield
8 plan.

9 (iii) The excess capture of taxes for school operating purposes
10 shall not exceed the total of the cost of eligible department
11 specific activities approved in the applicable brownfield plan,
12 combined brownfield plan, or work plan. **The total excess tax**
13 **capture shall not exceed the total of the cost of eligible**
14 **activities approved in the brownfield plan.**

15 (iv) Excess tax increment revenues from taxes levied for school
16 operating purposes for eligible activities authorized under section
17 13b(4) by the Michigan strategic fund shall not be captured for
18 deposit in the local brownfield revolving fund.

19 (2) The capture of school operating tax increment revenue
20 described in subsection (1)(b) is subject to the 50% capture
21 specified in section 13b(14).

22 (3) The tax increment revenues from eligible property for
23 deposit in the local brownfield revolving fund may include tax
24 increment revenues attributable to taxes levied for school
25 operating purposes in an amount not greater than the tax increment
26 revenues levied for school operating purposes captured from the
27 eligible property pursuant to section 13(4).

28 (4) The local brownfield revolving fund may be used only to
29 pay the costs of eligible activities on ~~eligible~~ property that is

1 located within the municipality **and meets at least 1 of the**
2 **conditions under section 2(o). However, activities outlined in**
3 **section 13b(8) may be conducted and funded on prospective**
4 **properties.**

5 (5) An authority or a municipality on behalf of an authority
6 may incur an obligation for the purpose of funding a local
7 brownfield revolving fund.

8 Sec. 13. (1) When adopting a brownfield plan, the board shall
9 comply with the notice and approval provisions of section 14.

10 (2) Subject to section 15, the board may implement a
11 brownfield plan. The brownfield plan may apply to 1 or more parcels
12 of eligible property whether or not those parcels of eligible
13 property are contiguous and may be amended to apply to additional
14 parcels of eligible property. Except as otherwise authorized by
15 this act, if more than 1 eligible property is included within the
16 plan, the tax increment revenues under the plan shall be determined
17 individually for each eligible property. Each plan or an amendment
18 to a plan shall be approved by the governing body of the
19 municipality and shall contain all of the following:

20 (a) A description of the costs of the plan intended to be paid
21 for with the tax increment revenues or, for a plan for eligible
22 properties qualified on the basis that the property is owned by or
23 under the control of a land bank fast track authority, a listing of
24 all eligible activities that may be conducted for 1 or more of the
25 eligible properties subject to the plan.

26 (b) A brief summary of the eligible activities that are
27 proposed for each eligible property or, for a plan for eligible
28 properties qualified on the basis that the property is owned by or
29 under the control of a land bank fast track authority, a brief

1 summary of eligible activities conducted for 1 or more of the
2 eligible properties subject to the plan.

3 (c) An estimate of the captured taxable value and tax
4 increment revenues for each year of the plan from the eligible
5 property. The plan may provide for the use of part or all of the
6 captured taxable value, including deposits in the local brownfield
7 revolving fund, but the portion intended to be used shall be
8 clearly stated in the plan. The plan shall not provide either for
9 an exclusion from captured taxable value of a portion of the
10 captured taxable value or for an exclusion of the tax levy of 1 or
11 more taxing jurisdictions unless the tax levy is excluded from tax
12 increment revenues in section 2(ss), or unless the tax levy is
13 excluded from capture under section 15.

14 (d) The method by which the costs of the plan will be
15 financed, including a description of any advances made or
16 anticipated to be made for the costs of the plan from the
17 municipality.

18 (e) The maximum amount of note or bonded indebtedness to be
19 incurred, if any.

20 (f) The proposed beginning date and duration of capture of tax
21 increment revenues for each eligible property as determined under
22 section 13b(16).

23 (g) An estimate of the future tax revenues of all taxing
24 jurisdictions in which the eligible property is located to be
25 generated during the term of the plan.

26 (h) A legal description of the eligible property to which the
27 plan applies, a map showing the location and dimensions of each
28 eligible property, a statement of the characteristics that qualify
29 the property as eligible property, and a statement of whether

1 personal property is included as part of the eligible property. If
2 the project is on property that is functionally obsolete, the
3 taxpayer shall include, with the application, an affidavit signed
4 by a level 3 or level 4 assessor, that states that it is the
5 assessor's expert opinion that the property is functionally
6 obsolete and the underlying basis for that opinion.

7 (i) Estimates of the number of persons residing on each
8 eligible property to which the plan applies and the number of
9 families and individuals to be displaced. If occupied residences
10 are designated for acquisition and clearance by the authority, the
11 plan shall include a demographic survey of the persons to be
12 displaced, a statistical description of the housing supply in the
13 community, including the number of private and public units in
14 existence or under construction, the condition of those in
15 existence, the number of owner-occupied and renter-occupied units,
16 the annual rate of turnover of the various types of housing and the
17 range of rents and sale prices, an estimate of the total demand for
18 housing in the community, and the estimated capacity of private and
19 public housing available to displaced families and individuals.

20 (j) A plan for establishing priority for the relocation of
21 persons displaced by implementation of the plan.

22 (k) Provision for the costs of relocating persons displaced by
23 implementation of the plan, and financial assistance and
24 reimbursement of expenses, including litigation expenses and
25 expenses incident to the transfer of title, in accordance with the
26 standards and provisions of the uniform relocation assistance and
27 real property acquisition policies act of 1970, Public Law 91-646.

28 (l) A strategy for compliance with 1972 PA 227, MCL 213.321 to
29 213.332.

(m) Other material that the authority or governing body considers pertinent to the brownfield plan.

(3) When taxes levied for school operating purposes are subject to capture under section 15, the percentage of school operating tax increment revenues captured relating to a parcel of eligible property under a brownfield plan shall not be greater than the percentage of local tax increment revenues that are captured under the brownfield plan relating to that parcel of eligible property.

(4) Except as provided in subsection (5) and sections 8, 13b(4) and (5), and 13c(12), tax increment revenues related to a brownfield plan shall be used only for 1 or more of the following:

(a) Costs of eligible activities attributable to the eligible property that produces the tax increment revenues.

(b) Eligible activities attributable to any eligible property for property that is owned by or under the control of a land bank fast track authority or a qualified local unit of government.

(5) A brownfield plan ~~shall not~~ **may only** authorize the capture of tax increment revenue from eligible property ~~after~~ **until** the year in which the total amount of tax increment revenues captured is equal to the sum of the costs permitted to be funded with tax increment revenues under this act or **for not more than** 30 years from the beginning date of the capture of the tax increment revenues for that eligible property, whichever occurs first. ~~7~~
~~except that a~~ **A** brownfield plan may authorize the capture of additional local and school operating tax increment revenue from an eligible property ~~if~~ **for the local brownfield revolving fund created under section 8 during** 1 or more of the following ~~apply~~ **time frames:**

1 (a) ~~During the~~ **The** time of capture described in this
 2 subsection for the purpose of paying the costs permitted under
 3 subsection (4) or section 13b(4).

4 (b) For not more than 5 years after the date specified in
 5 subdivision (a). ~~, for payment to the local brownfield revolving~~
 6 ~~fund created under section 8.~~

7 Sec. 13b. (1) An authority shall not expend tax increment
 8 revenues to acquire or prepare eligible property unless the
 9 acquisition or preparation is an eligible activity.

10 (2) An authority shall not enter into agreements with the
 11 taxing jurisdictions and the governing body of the municipality to
 12 share a portion of the taxes captured from an eligible property
 13 under this act. Upon adoption of the plan, the collection and
 14 transmission of the amount of tax increment revenues as specified
 15 in this act shall be binding on all taxing units levying ad valorem
 16 property taxes or specific taxes against property located in the
 17 zone.

18 (3) Tax increment revenues captured from taxes levied by this
 19 state under the state education tax act, 1993 PA 331, MCL 211.901
 20 to 211.906, or taxes levied by a local school district shall not be
 21 used to assist a land bank fast track authority with clearing or
 22 quieting title, acquiring, selling, or conveying property, except
 23 as provided in subsection (4).

24 (4) If a brownfield plan includes the use of taxes levied for
 25 school operating purposes captured from an eligible property for
 26 eligible activities that are not department specific activities,
 27 then 1 or more of the following apply:

28 (a) A combined brownfield plan or a work plan shall be
 29 approved by the Michigan strategic fund and a development agreement

1 or reimbursement agreement between the municipality or authority
2 and an owner or developer of eligible property is required before
3 such tax increment may be used for infrastructure improvements that
4 directly benefit eligible property, demolition of structures that
5 is not response activity, lead, mold, or asbestos abatement that is
6 not a department specific activity, site preparation that is not
7 response activity, relocation of public buildings or operations for
8 economic development purposes, or acquisition of property by a land
9 bank fast track authority if acquisition of the property is for
10 economic development purposes.

11 (b) Approval of a combined brownfield plan or a work plan by
12 the Michigan strategic fund in the manner required under section
13 15(12) to (14) or (20) is required in order to use the tax
14 increment revenues to assist a land bank fast track authority or
15 qualified local governmental unit with clearing or quieting title,
16 acquiring, selling, or conveying property.

17 (c) The combined brownfield plan or work plan to be submitted
18 to the Michigan strategic fund under this subsection shall be in a
19 form prescribed by the Michigan strategic fund.

20 (d) The eligible activities to be conducted and described in
21 this subsection shall be consistent with the combined brownfield
22 plan or work plan submitted by the authority to the Michigan
23 strategic fund.

24 (e) The department's approval is not required for the capture
25 of taxes levied for school operating purposes for eligible
26 activities described in this section.

27 (5) If a brownfield plan includes the use of taxes levied for
28 school operating purposes captured from eligible property for
29 department specific activities, a combined brownfield plan or a

1 work plan must be approved by the department with the exception of
2 those activities identified in subsections (8) and (9).

3 (6) An authority shall not do any of the following:

4 (a) Use taxes captured from eligible property to pay for
5 eligible activities conducted before approval of the brownfield
6 plan.

7 (b) Use taxes captured from eligible property to pay for
8 administrative and operating activities of the authority or the
9 municipality on behalf of the authority for activities, other than
10 those identified in subsection (7).

11 (c) ~~For eligible activities not described in subsection (4),~~
12 ~~an authority shall not use~~ **Use** taxes levied for school operating
13 purposes captured from eligible property ~~unless the eligible~~
14 ~~activities to be conducted on the eligible property are eligible~~
15 ~~department specific activities, consistent with a combined~~
16 ~~brownfield plan or a work plan approved by the department after~~
17 ~~July 24, 1996.~~ **for activities other than those identified in**
18 **subsections (4), (5), and (12).**

19 (d) Use construction period tax capture revenues, withholding
20 tax capture revenues, or income tax capture revenues to pay for
21 eligible activities conducted before approval of the
22 transformational brownfield plan except for costs described in
23 section 13c(10).

24 (e) Use construction period tax capture revenues, withholding
25 tax capture revenues, and income tax capture revenues for any
26 expense other than as provided for in section 13c(2), except for
27 the reasonable costs for preparing a transformational brownfield
28 plan and the additional administrative and operating expenses of
29 the authority or municipality as are specifically associated with

1 the implementation of a transformational brownfield plan. For
2 purposes of this subsection, the reasonable costs of preparing a
3 transformational brownfield plan include the reasonable costs of
4 preparing an associated work plan, combined brownfield plan, and
5 development or reimbursement agreement.

6 (7) An authority may use taxes captured from eligible property
7 to pay for the administrative and operating costs under 1 or more
8 of the following:

9 (a) Local taxes captured may be used for 1 or more of the
10 following administrative and operating purposes:

11 (i) Reasonable and actual administrative and operating expenses
12 of the authority.

13 (ii) Department specific activities conducted by or on behalf
14 of the authority related directly to work conducted on prospective
15 eligible properties prior to approval of the brownfield plan.

16 (iii) Reasonable costs of developing and preparing brownfield
17 plans, combined plans, or work plans for which tax increment
18 revenues may be used under subsection (4), including, but not
19 limited to, legal and consulting fees that are not in the ordinary
20 course of acquiring and developing real estate.

21 **(iv) Reasonable cost of brownfield plan or work plan**
22 **implementation, including, but not limited to, tracking and**
23 **reporting data and plan compliance.**

24 (b) Taxes levied for school operating purposes may be used for
25 1 or more of the following administrative and operating purposes:

26 (i) Reasonable costs of developing and preparing brownfield
27 plans, combined brownfield plans, or work plans for which tax
28 increment revenues may be used under section 13(4), including, but
29 not limited to, legal and consulting fees that are not in the

1 ordinary course of acquiring and developing real estate, not to
2 exceed \$30,000.00.

3 (ii) Reasonable costs of brownfield plan or work plan
4 implementation, including, but not limited to, tracking and
5 reporting of data and plan compliance, not to exceed \$30,000.00.

6 (c) In each fiscal year of the authority, the amount of tax
7 increment revenues attributable to local taxes that an authority
8 can use for the purposes described in subdivisions (a) and (b)
9 shall be determined as follows:

10 (i) For authorities that have 5 or fewer active projects,
11 \$100,000.00.

12 (ii) For authorities that have 6 or more but fewer than 11
13 active projects, \$125,000.00.

14 (iii) For authorities that have 11 or more but fewer than 16
15 active projects, \$150,000.00.

16 (iv) For authorities that have 16 or more but fewer than 21
17 active projects, \$175,000.00.

18 (v) For authorities that have 21 or more but fewer than 26
19 active projects, \$200,000.00.

20 (vi) For authorities that have 26 or more but fewer than 31
21 active projects, \$300,000.00.

22 (vii) For authorities that have 31 or more active projects,
23 \$500,000.00.

24 (d) Nothing contained in this subsection shall limit the
25 amount of funds that may be granted, loaned, or expended by a local
26 brownfield revolving fund for eligible activities.

27 (e) As used in this subsection, "active project" means a
28 project in which the authority is currently capturing taxes under
29 this act. The amounts of tax increment revenues attributable to

1 local taxes listed in this subsection that an authority can use for
2 the purposes described in this subsection may be increased by 2%
3 for each written agreement entered into by an authority in either
4 of the following situations up to a total maximum increase of 10%:

5 (i) The authority is an authority established by a county and
6 that authority enters into a written agreement with 1 or more
7 municipalities within that county to serve as the only authority
8 for those other municipalities.

9 (ii) The authority enters into a written agreement with 1 or
10 more other authorities to administer 1 or more administrative
11 operations of those other authorities.

12 (8) The limitations of subsections (4), (5), and (6) upon the
13 use of taxes levied for school operating purposes shall not apply
14 to the costs of 1 or more of the following incurred by a person
15 other than the authority:

16 (a) Site investigation activities required to conduct a
17 baseline environmental assessment and to evaluate compliance with
18 sections 20107a and 21304c of the natural resources and
19 environmental protection act, 1994 PA 451, MCL 324.20107a and
20 324.21304c.

21 (b) Completing a baseline environmental assessment.

22 (c) Preparing a plan for compliance with sections 20107a and
23 21304c of the natural resources and environmental protection act,
24 1994 PA 451, MCL 324.20107a and 324.21304c.

25 (d) Performing pre-demolition and building hazardous materials
26 surveys.

27 (e) Asbestos, mold, and lead surveys.

28 (9) The limitations of subsections (4), (5), and (6) upon the
29 use of local taxes and taxes levied for school operating purposes

1 shall not apply to the following costs and expenses:

2 (a) For tax increment revenues attributable to taxes levied
3 for school operating purposes, eligible activities associated with
4 unanticipated response activities conducted on eligible property if
5 that eligible property has been included in a brownfield plan, if
6 the department is consulted in writing on the unanticipated
7 response activities before they are conducted and the costs of
8 those activities are subsequently included in a brownfield plan,
9 combined brownfield plan or a work plan or amendment approved by
10 the authority and approved by the department.

11 (b) For tax increment revenues attributable to local taxes,
12 any eligible activities conducted on eligible property or
13 prospective eligible properties prior to approval of the brownfield
14 plan, if those costs and the eligible property are subsequently
15 included in a brownfield plan approved by the authority.

16 (c) For tax increment revenues attributable to taxes levied
17 for school operating purposes, eligible activities described in
18 subsection (4) and conducted on eligible property or prospective
19 eligible properties prior to approval of the brownfield plan, if
20 those costs and the eligible property are subsequently included in
21 a brownfield plan approved by the authority and a combined
22 brownfield plan or work plan approved by the Michigan strategic
23 fund.

24 (d) Reasonable cost of developing and preparing brownfield
25 plans, combined brownfield plans, or work plans for which tax
26 increment revenues may be used under section 13(4), including, but
27 not limited to, legal and consulting fees that are not in the
28 ordinary course of acquiring and developing real estate.

29 (e) Reasonable cost of brownfield plan or work plan

1 implementation, including, but not limited to, tracking and
2 reporting of data and plan compliance.

3 (10) An authority shall not use taxes levied for school
4 operating purposes captured from eligible property for response
5 activities that benefit a party responsible for an activity causing
6 a release under section 20126 or 21323a of the natural resources
7 and environmental protection act, 1994 PA 451, MCL 324.20126 and
8 324.21323a, except that a municipality that established the
9 authority may use taxes levied for school operating purposes
10 captured from eligible property for response activities associated
11 with a landfill.

12 (11) A brownfield authority may reimburse advances, with or
13 without interest, made by a municipality under section 7(3), a land
14 bank fast track authority, or any other person or entity for costs
15 of eligible activities with any source of revenue available for use
16 of the brownfield authority under this act.

17 (12) A brownfield authority may capture taxes for the payment
18 of interest, as follows:

19 (a) If an authority reimburses a person or entity under this
20 section for an advance for the payment or reimbursement of the cost
21 of eligible activities and interest thereon, the authority may
22 capture local taxes for the payment of that interest.

23 (b) If an authority reimburses a person or entity under this
24 section for an advance for the payment or reimbursement of the cost
25 of department specific activities and interest thereon included in
26 a combined brownfield plan or a work plan approved by the
27 department, the authority may capture taxes levied for school
28 operating purposes and local taxes for the payment of that
29 interest.

1 (c) If an authority reimburses a person or entity under this
2 section for an advance for the payment or reimbursement of the cost
3 of eligible activities that are not department specific activities
4 and interest thereon included in a combined brownfield plan or a
5 work plan approved by the Michigan strategic fund, the authority
6 may capture taxes levied for school operating purposes and local
7 taxes for the payment of that interest provided that the Michigan
8 strategic fund grants an approval for the capture of taxes levied
9 for school operating purposes to pay such interest.

10 (13) An authority may enter into agreements related to these
11 reimbursements and payments described in this section. A
12 reimbursement agreement for these purposes and the obligations
13 under that reimbursement agreement shall not be subject to section
14 13 or the revised municipal finance act, 2001 PA 34, MCL 141.2101
15 to 141.2821.

16 (14) Notwithstanding anything to the contrary in this act, for
17 a brownfield plan that includes the capture of taxes levied for
18 school operating purposes from each eligible property included in a
19 brownfield plan after January 1, 2013, an authority shall pay to
20 the department of treasury at least once annually an amount equal
21 to 50% of the taxes levied under the state education tax act, 1993
22 PA 331, MCL 211.901 to 211.906, including 50% of that portion of
23 specific taxes attributable to, but not levied under, the state
24 education tax act, 1993 PA 331, MCL 211.901 to 211.906, that are
25 captured under the brownfield plan until the expiration of the
26 earlier of the following:

27 (a) Twenty-five years of capture of tax increment revenues
28 from such eligible property included in the brownfield plan.

29 (b) The later of:

1 (i) The date of repayment of all eligible expenses relative to
2 such eligible property.

3 (ii) The date excess capture is terminated under subsection
4 (16).

5 (15) The department of treasury shall deposit the amounts
6 described in subsection (14) into the state brownfield
7 redevelopment fund. If an authority makes a payment as required
8 under subsection (14) to the department of treasury, the local
9 taxes levied on that parcel and used to reimburse eligible
10 activities under a brownfield plan shall not be increased or
11 decreased due to that payment. If, due to an appeal of any tax
12 assessment, an authority is required to reimburse a taxpayer for
13 any portion of the amount paid to the department of treasury under
14 this subsection, the department of treasury shall reimburse that
15 amount to the authority within 30 days after receiving a request
16 from the authority for reimbursement.

17 (16) The brownfield plan shall include a proposed beginning
18 date of capture. ~~The~~ **If the actual** beginning date of capture of tax
19 increment revenues ~~shall not be~~ **is** later than 5 years following the
20 date of the **adoption of the brownfield plan** resolution, ~~including~~
21 ~~the eligible property in the brownfield plan. then the maximum~~
22 **number of years of capture will decrease. The end date of capture**
23 **must be no later than 35 years after the date of the adoption of**
24 **the brownfield plan resolution.** The authority may amend the
25 beginning date of capture of tax increment revenues for a
26 particular eligible property ~~to a date not later than 5 years~~
27 ~~following the date of the resolution including the eligible~~
28 ~~property in the brownfield plan. The authority may not amend the~~
29 ~~beginning date of capture of tax increment revenues for a~~

~~particular eligible property if~~ **as long as** the authority has **not** begun to reimburse eligible activities from the capture of tax increment revenues from that eligible property. Any tax increment revenues captured from an eligible property before the beginning date of capture of tax increment revenues for that eligible property shall revert proportionately to the respective tax bodies. ~~If an authority amends the beginning date for capture of tax increment revenues that includes the capture of tax increment revenues for school operating purposes, then the authority shall notify the department or the Michigan strategic fund, as applicable, within 30 days after amending the beginning date.~~

Sec. 16. (1) The municipal and county treasurers shall transmit tax increment revenues to the authority not more than 30 days after tax increment revenues are collected.

(2) The authority shall expend the tax increment revenues received only in accordance with the brownfield plan. All surplus funds not deposited in the local brownfield revolving fund of the authority under section 8 shall revert proportionately to the respective taxing bodies, except as provided in section 15(16).

(3) The authority shall submit annually to the governing body, the department, and the Michigan strategic fund a financial report on the status of the activities of the authority for each calendar year. The report shall include all of the following:

~~(a) The amount and source of tax increment revenues received.~~ **total amount of local taxes that are approved for capture and the total amount of taxes levied for school operating purposes that are approved for capture for each parcel included in a brownfield plan.**

(b) The amount and purpose of expenditures of tax increment

1 revenues.

2 (c) The amount ~~of principal and interest on all outstanding~~
 3 ~~indebtedness~~ **and source of tax increment revenues received for each**
 4 **active brownfield plan, including the amount of tax increment**
 5 **revenues captured in the most recent tax year and the cumulative**
 6 **amount of tax increment revenues captured for each brownfield plan.**

7 (d) The initial taxable value of all eligible property subject
 8 to the brownfield plan.

9 (e) The captured taxable value realized by the authority for
 10 each eligible property subject to the brownfield plan.

11 (f) The amount of actual capital investment made for each
 12 project.

13 (g) The amount of tax increment revenues attributable to taxes
 14 levied for school operating purposes used for activities described
 15 in section 13b(6)(c), section ~~2(o)(i)(H)~~, **2(o)(i)(F) and (G)**, and
 16 section ~~2(o)(i)(B)~~ **2(o)(ii)(B)** and (C).

17 (h) The number of residential units constructed or
 18 rehabilitated for each project.

19 (i) The amount, by square foot, of new or rehabilitated
 20 residential, retail, commercial, or industrial space for each
 21 project.

22 (j) The number of new jobs created at the project.

23 **(k) A copy of all brownfield plan amendments approved by the**
 24 **local unit of government.**

25 **(l)** ~~(k)~~ All additional information that the governing body, the
 26 department, or the Michigan strategic fund considers necessary.

27 (4) The department and the Michigan strategic fund shall
 28 collect the financial reports submitted under subsection (3),
 29 compile a combined report, which includes the use of local taxes,

1 taxes levied for school operating purposes, and the state
2 brownfield redevelopment fund, based on the information contained
3 in those reports and any additional information considered
4 necessary, and submit annually a report based on that information
5 to each member of the legislature.

6 (5) Beginning on January 1, 2013, all of the following
7 reporting obligations apply:

8 (a) The department shall on a quarterly basis post on its
9 website the name, location, and amount of tax increment revenues,
10 including taxes levied for school operating purposes, for each
11 project approved by the department under this act during the
12 immediately preceding quarter.

13 (b) The Michigan strategic fund shall on a quarterly basis
14 post on its website the name, location, and amount of tax increment
15 revenues, including taxes levied for school operating purposes, for
16 each project approved by the Michigan strategic fund under this act
17 during the immediately preceding quarter.

18 (6) In addition to any other requirements under this act, not
19 less than once every 3 years beginning not later than June 30,
20 2008, the auditor general shall conduct and report a performance
21 postaudit on the effectiveness of the program established under
22 this act. As part of the performance postaudit, the auditor general
23 shall assess the extent to which the implementation of the program
24 by the department and the Michigan strategic fund facilitate and
25 affect the redevelopment or reuse of eligible property and identify
26 any factors that inhibit the program's effectiveness. The
27 performance postaudit shall also assess the extent to which the
28 interpretation of statutory language, the development of guidance
29 or administrative rules, and the implementation of the program by

1 the department and the Michigan strategic fund is consistent with
2 the fundamental objective of facilitating and supporting timely and
3 efficient brownfield redevelopment of eligible properties.

4 (7) The owner or developer for an active project included
5 within a brownfield plan must annually submit to the authority a
6 report on the status of the project. The report shall be in a form
7 developed by the authority and must contain information necessary
8 for the authority to report under subsection (3)(f), (h), (i), (j),
9 and (k). The authority may waive the requirement to submit a report
10 under this subsection. As used in this subsection, "active project"
11 means a project for which the authority is currently capturing
12 taxes under this act.

13 (8) For a transformational brownfield plan, all of the
14 following shall also apply:

15 (a) The state treasurer shall transfer to the state brownfield
16 redevelopment fund each fiscal year an amount equal to the
17 construction period tax capture revenues, withholding tax capture
18 revenues, and income tax capture revenues under all approved plans
19 as provided for in section 8a(4). Funds shall be transmitted to the
20 authority, or owner or developer of the eligible property to which
21 the revenues are attributable, within 30 days of transfer to the
22 state brownfield redevelopment fund.

23 (b) The authority, the department, and the Michigan strategic
24 fund shall follow the reporting requirements of subsections (3),
25 (4), and (5) with respect to all approved transformational
26 brownfield plans, and shall provide information on the amount and
27 use of construction period tax capture revenues, withholding tax
28 capture revenues, and income tax capture revenues to the same
29 extent required for tax increment revenues.

1 (c) The owner or developer of active projects included within
2 a transformational brownfield plan shall provide the information
3 required for the authority, the department, and the Michigan
4 strategic fund to satisfy the reporting and audit requirements of
5 this section.