

**SUBSTITUTE FOR
HOUSE BILL NO. 4675**

A bill to amend 2003 PA 258, entitled
"Land bank fast track act,"
by amending sections 4, 13, and 14 (MCL 124.754, 124.763, and
124.764).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. (1) Except as otherwise provided in this act, an
2 authority may do all things necessary or convenient to implement
3 the purposes, objectives, and provisions of this act, and the
4 purposes, objectives, and powers delegated to the board of
5 directors of an authority by other laws or executive orders,
6 including, but not limited to, all of the following:

7 (a) Adopt, amend, and repeal bylaws for the regulation of its
8 affairs and the conduct of its business.

1 (b) Sue and be sued in its own name and plead and be
2 impleaded, including, but not limited to, defending the authority
3 in an action to clear title to property conveyed by the authority.

4 (c) Borrow money and issue bonds and notes according to the
5 provisions of this act.

6 (d) Enter into contracts and other instruments necessary,
7 incidental, or convenient to the performance of its duties and the
8 exercise of its powers, including, but not limited to, interlocal
9 agreements under the urban cooperation act of 1967, 1967 (Ex Sess)
10 PA 7, MCL 124.501 to 124.512, for the joint exercise of powers
11 under this act.

12 (e) Solicit and accept gifts, grants, labor, loans, and other
13 aid from any person, or the federal government, this state, or a
14 political subdivision of this state or any agency of the federal
15 government, this state, a political subdivision of this state, or
16 an intergovernmental entity created under the laws of this state or
17 participate in any other way in a program of the federal
18 government, this state, a political subdivision of this state, or
19 an intergovernmental entity created under the laws of this state.

20 (f) Procure insurance against loss in connection with the
21 property, assets, or activities of the authority.

22 (g) Invest money of the authority, at the discretion of the
23 board of directors of the authority, in instruments, obligations,
24 securities, or property determined proper by the board of directors
25 of the authority, and name and use depositories for its money.

26 (h) Employ legal and technical experts, other officers,
27 agents, or employees, permanent or temporary, paid from the funds
28 of the authority. The authority shall determine the qualifications,
29 duties, and compensation of those it employs. The board of

1 directors of an authority may delegate to 1 or more members,
2 officers, agents, or employees any powers or duties it considers
3 proper. Members of the board of directors of an authority shall
4 serve without compensation but shall be reimbursed for actual and
5 necessary expenses subject to available appropriations.

6 (i) Contract for goods and services and engage personnel as
7 necessary and engage the services of private consultants, managers,
8 legal counsel, engineers, accountants, and auditors for rendering
9 professional financial assistance and advice payable out of any
10 money of the authority.

11 (j) Study, develop, and prepare the reports or plans the
12 authority considers necessary to assist it in the exercise of its
13 powers under this act and to monitor and evaluate progress under
14 this act.

15 (k) Enter into contracts for the management of, the collection
16 of rent from, or the sale of real property held by an authority.

17 (l) Do all other things necessary or convenient to achieve the
18 objectives and purposes of the authority or other laws that relate
19 to the purposes and responsibility of the authority.

20 (2) The enumeration of a power in this act shall not be
21 construed as a limitation ~~upon~~**on** the general powers of an
22 authority. The powers granted under this act are in addition to
23 those powers granted by any other statute or charter.

24 (3) An authority, in its discretion, may contract with others,
25 public or private, for the provision of all or a portion of the
26 services necessary for the management and operation of the
27 authority.

28 (4) If an authority holds a tax deed to abandoned property,
29 the authority may quiet title to the property under section 79a of

1 the general property tax act, 1893 PA 206, MCL 211.79a.

2 (5) The property of an authority and its income and operations
3 are exempt from all ~~taxation~~**taxes, special assessments, and user**
4 **fees imposed** by this state or ~~any of its political subdivisions.~~**a**
5 **local unit of government of this state as provided in section 13.**

6 (6) An authority shall not assist or expend any funds for, or
7 related to, the development of a casino.

8 (7) An authority shall not levy any tax or special assessment.

9 (8) An authority shall not exercise the power of eminent
10 domain or condemn property.

11 (9) An authority shall adopt a code of ethics for its
12 directors, officers, and employees.

13 (10) An authority shall establish policies and procedures
14 requiring the disclosure of relationships that may give rise to a
15 conflict of interest. The governing body of an authority shall
16 require that any member of the governing body with a direct or
17 indirect interest in any matter before the authority disclose the
18 member's interest to the governing body before the board takes any
19 action on the matter.

20 Sec. 13. **(1)** Property of an authority is public property
21 devoted to an essential public and governmental function and
22 purpose. Income of the authority is considered to be for a public
23 and governmental purpose.

24 **(2)** The property of the authority and its income and operation
25 are exempt from all taxes and special assessments of this state or
26 a local unit of government of this state.

27 **(3) Beginning on the effective date of the amendatory act that**
28 **added this subsection, in addition to the exemptions under**
29 **subsection (2), property of the authority and its income and**

operation are exempt from any user fees imposed by a local unit of government of this state. This act does not prevent an authority from contracting with a local unit of government of this state for services. If an authority, or its tenant, enters into an express contract for services with a local unit of government of this state, a user fee may be charged for those services. A local unit of government of this state shall not provide services to an authority, or its tenant, unless an express contract is entered into for those services.

(4) Bonds or notes issued by the authority, and the interest on and income from those bonds and notes, are exempt from all taxation of this state or a local unit of government.

Sec. 14. (1) This act shall be construed liberally to effectuate the legislative intent and the purposes as complete and independent authorization for the performance of each and every act and thing authorized by this act, and all powers granted shall be broadly interpreted to effectuate the intent and purposes and not as a limitation of powers. In the exercise of its powers and duties under this act and its powers relating to property held by the authority, the authority ~~shall have~~ **has** complete control as fully and completely as if it represented a private property owner and ~~shall is~~ not be subject to restrictions imposed on the authority by the charter, ordinances, or resolutions of a local unit of government.

(2) Unless permitted by this act or approved by an authority, any restrictions, standards, conditions, or prerequisites of a city, village, township, or county otherwise applicable to an authority and enacted after ~~the effective date of this act shall~~ **January 5, 2004 do** not apply to an authority. This subsection is

intended to prohibit special local legislation or ordinances applicable exclusively or primarily to an authority and not to exempt an authority from laws generally applicable to other persons or entities.

(3) The provisions of this act apply notwithstanding any resolution, ordinance, or charter provision to the contrary. This ~~section~~**subsection** is not intended to exempt an authority from local zoning or land use controls, including, but not limited to, those controls authorized under the ~~city and village zoning act, 1921 PA 207, MCL 125.581 to 125.600,~~ **Michigan zoning enabling act, 2006 PA 110, MCL 125.3101 to 125.3702**, the local historic districts act, 1970 PA 169, MCL 399.201 to 399.215, or 1945 PA 344, MCL 125.71 to 125.84.

(4) The transfer to an authority of tax reverted property, the title to which involuntarily vested in this state under **former** section 67a of the general property tax act, 1893 PA 206, ~~MCL 211.67a,~~ in a foreclosing governmental unit under section 78m(7) of the general property tax act, 1893 PA 206, MCL 211.78m, or in a qualified city pursuant to procedures established under the charter or ordinances of the qualified city, shall be construed as an involuntary transfer of property to the authority. After a transfer described in this subsection, the authority ~~shall be deemed~~**is considered** to have assumed any governmental immunity or other legal defenses of this state, the foreclosing governmental unit, or the local unit of government related to the property and the manner in which title to the property was held by this state or the local unit of government.

(5) This section does not limit the application of section 13.