

INDUSTRIAL DEVELOPMENT REVENUE BOND ACT OF 1963 (EXCERPT)
Act 62 of 1963

125.1253 Powers of municipality generally.

Sec. 3. A municipality may:

(a) Construct, acquire by gift or purchase, reconstruct, improve, maintain or repair industrial buildings within or without the municipality, acquire sites for those activities and enlarge or remodel industrial buildings.

(b) Acquire by gift or purchase industrial machinery and equipment, but only in conjunction with a project whereby the municipality will construct, acquire by gift or purchase, reconstruct, improve or remodel the industrial building in or near which the industrial machinery or equipment will be located.

(c) Issue revenue bonds to finance the costs of the acquisition, purchase, construction, reconstruction or remodeling of industrial buildings, the acquisition and improvement of sites, the acquisition of industrial machinery and equipment, and the refunding of bonds issued pursuant to this act.

(d) Enter into lease or lease purchase agreements with any person, firm or corporation for the use of the industrial building, the site therefor and industrial machinery and equipment. The agreement shall provide that the rents to be charged for the use shall be fixed and revised from time to time so as to produce income and revenues sufficient to pay promptly when due the interest upon and the principal of all bonds issued payable therefrom after provision has been made for the payment of operation and maintenance costs. Whenever such agreement shall relate to industrial machinery or equipment, it shall specify that the machinery or equipment shall remain in or near the industrial building until provision has been made for the retirement in full of all bonds issued therefor unless the industrial machinery and equipment is replaced without cost to the municipality with similar machinery and equipment of equivalent value and utility.

(e) Mortgage the industrial building, the site, and any industrial machinery and equipment in favor of the holders of the bonds issued therefor.

(f) Sell and convey the industrial building, the site, and any industrial machinery and equipment, including without limitation the sale and conveyance thereof subject to a mortgage, for a price and at a time which the governing body may determine, but a sale or conveyance shall not be made in a manner that would impair the rights or interests of the holders of bonds issued payable from the rentals of the building, site, machinery or equipment.

History: 1963, Act 62, Imd. Eff. May 8, 1963;—Am. 1966, Act 340, Imd. Eff. Sept. 21, 1966;—Am. 1972, Act 75, Imd. Eff. Mar. 9, 1972;—Am. 1978, Act 229, Imd. Eff. June 14, 1978.