

BROWNFIELD REDEVELOPMENT FINANCING ACT (EXCERPT)
Act 381 of 1996

125.2666 Tax increment revenues; transmission to authority; expenditure; reversion of surplus funds; financial status report; collection and compilation of financial reports by department, Michigan strategic fund, and Michigan state housing development authority; reporting obligations; performance postaudit report by auditor general; report by owner or developer for active project within brownfield plan; requirements applicable to transformational brownfield plan.

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 must 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, the Michigan state housing development authority, and the Michigan strategic fund a financial report on the status of the activities of the authority for each calendar year. The report must include all of the following:

(a) The 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 revenues.

(c) The amount and source of tax increment revenues received for each active brownfield plan, including the amount of tax increment revenues captured in the most recent tax year and the cumulative amount of tax increment revenues captured for each brownfield plan.

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

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

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

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

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

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

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

(k) A copy of all brownfield plan amendments approved by the local governmental unit.

(l) All additional information that the governing body, the department, or the Michigan strategic fund considers necessary.

(4) The department, the Michigan state housing development authority, and the Michigan strategic fund shall collect the financial reports submitted under subsection (3), compile a combined report that includes the use of local taxes, taxes levied for school operating purposes, and the state brownfield redevelopment fund, based on the information contained in those reports and any additional information considered necessary, and submit annually a report based on that information to each member of the legislature.

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

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

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

(c) The Michigan state housing development authority shall on a quarterly basis post on its website the name, location, and amount of tax increment revenues, including taxes levied for school operating purposes, for each project approved by the Michigan state housing development authority under this act during the immediately preceding quarter.

(6) In addition to any other requirements under this act, not less than once every 3 years beginning not later than June 30, 2008, the auditor general shall conduct and report a performance postaudit on the effectiveness of the program established under this act. As part of the performance postaudit, the auditor general shall assess the extent to which the implementation of the program by the department, the Michigan state housing development authority, and the Michigan strategic fund facilitate and affect the redevelopment or reuse of

eligible property and identify any factors that inhibit the program's effectiveness. The performance postaudit must also assess the extent to which the interpretation of statutory language, the development of guidance or administrative rules, and the implementation of the program by the department, the Michigan state housing development authority, and the Michigan strategic fund is consistent with the fundamental objective of facilitating and supporting timely and efficient brownfield redevelopment of eligible properties.

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

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

(a) The state treasurer shall transfer to the state brownfield redevelopment fund each fiscal year an amount equal to the construction period tax capture revenues, withholding tax capture revenues, income tax capture revenues, and sales and use tax capture revenues under all approved plans as provided for in section 8a(4). Funds must be transmitted to the authority, or owner or developer of the eligible property to which the revenues are attributable, not later than 30 days after transfer to the state brownfield redevelopment fund.

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

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

(9) If activities of the authority include housing development activities, the report under subsection (3) must also include all of the following:

(a) The number of housing units produced.

(b) The number of income qualified purchaser households served.

(c) The number of income qualified renting households assisted.

(d) For the initial reporting period, the prices at which the housing units were sold or rented.

(e) Racial and socioeconomic data on the individuals purchasing or renting the housing units, or, if this data is not available, racial and socioeconomic data on the census tract in which the housing units are located.

History: 1996, Act 381, Eff. Sept. 16, 1996;—Am. 2000, Act 145, Imd. Eff. June 6, 2000;—Am. 2007, Act 203, Imd. Eff. Dec. 27, 2007;—Am. 2012, Act 502, Imd. Eff. Dec. 28, 2012;—Am. 2016, Act 471, Eff. Apr. 5, 2017;—Am. 2017, Act 46, Eff. July 24, 2017;—Am. 2020, Act 259, Imd. Eff. Dec. 29, 2020;—Am. 2023, Act 89, Imd. Eff. July 19, 2023;—Am. 2023, Act 90, Imd. Eff. July 19, 2023.