

URBAN REDEVELOPMENT CORPORATIONS LAW (EXCERPT)
Act 250 of 1941

125.907 Limitations imposed upon redevelopment corporations; limitations.

Sec. 7. Limitation of redevelopment corporations. No redevelopment corporation shall:

1. Undertake any clearance, reconstruction, improvement, alteration or construction in connection with any development until the certificates of approval required by section 4 of this act have been issued;
2. Change, alter, amend, add to or depart from the development plan within 20 years of the issuance of the certificates of approval required by section 4 of this act, until the planning commission or the supervising agency, as the case may be, has issued a certificate of approval of that portion of such change, alteration, amendment, addition or departure relevant to the determination required to be made by it as set forth in section 4 of this act;
3. After a development has been commenced, sell, transfer or assign any real property in the development area without first obtaining the consent of the supervising agency;
4. Undertake more than 1 development;
5. Pay interest on its income debentures, if any, except out of net earnings which would have been applicable to the payment of dividends on its capital stock if there were no such income debentures;
6. Pay as compensation for services to, or enter into contracts for the payment of compensation for services to, its officers or employees in an amount greater than the limit thereon contained in the development plan, or in default thereof, then in an amount greater than the reasonable value of the services performed or to be performed by such officers or employees;
7. Lease an entire building or improvement in the development area to any person or corporation without obtaining the approval of the supervising agency, which may be withheld only if the lease is being made for the purpose of evading the regulatory provisions of this act;
8. Mortgage any of its real property without obtaining the approval of the supervising agency;
9. Make any guarantee without obtaining the approval of the supervising agency;
10. Dissolve without obtaining the approval of the supervising agency, which may be given upon such conditions as the supervising agency may deem necessary or appropriate to the protection of the interest of the city in the proceeds of the sale of the real property acquired by condemnation as provided in paragraph 3 of section 6 of this act, such approval to be endorsed on the certificate of dissolution and such certificate not to be filed in the department of state in the absence of such endorsement;
11. Reorganize without obtaining the approval of the supervising agency.

History: 1941, Act 250, Imd. Eff. June 16, 1941;—CL 1948, 125.907.