

**PRINCIPAL SHOPPING DISTRICTS AND BUSINESS IMPROVEMENT DISTRICTS (EXCERPT)**  
**Act 120 of 1961**

**125.990b Business improvement zone; establishment within city or village; basis for allocation of assessments.**

Sec. 10b. (1) One or more business improvement zones may be established within a city or village.

(2) A zone area must be contiguous, with the exception of public streets, alleys, parks, and other public rights-of-way.

(3) A business improvement zone may be established in a city or village even if the city or village has established a principal shopping district or business improvement district under chapter 1. Assessable property must not be included in any of the following:

(a) More than 1 business improvement zone established under this chapter.

(b) Both a principal shopping district and a business improvement district established under chapter 1.

(4) A zone plan may provide for assessments. If a zone plan provides for assessments, the zone plan must include a basis for the allocation of assessments in compliance with section 10h on the basis of 1 or more of the following:

(a) Assessed value.

(b) Taxable value.

(c) Square footage.

(d) Street frontage.

(e) Any other factor relating to assessable property identified in the zone plan.

(5) If the zone plan for a zone area provides a basis for the allocation of assessments on the basis of assessed value, the majority of all properties within the zone area, both by assessed value and square footage, must be assessable property.

(6) If the zone plan for a zone area provides a basis for the allocation of assessments on a basis other than assessed value, the majority of all properties within the zone area, both by taxable value and square footage, must be assessable property.

(7) A zone plan may provide for caps on the assessment amounts paid by an owner of assessable property and for caps on the growth of assessment amounts.

**History:** Add. 2001, Act 260, Eff. Mar. 1, 2002;—Am. 2013, Act 126, Imd. Eff. Oct. 9, 2013;—Am. 2020, Act 91, Imd. Eff. June 16, 2020;—Am. 2023, Act 79, Eff. Feb. 13, 2024.

**Popular name:** Shopping Areas Redevelopment Act