

HOUSE BILL No. 6182

September 23, 1998, Introduced by Rep. Byl and referred to the Committee on Urban Policy and Economic Development.

A bill to create an urban homestead program for certain vacant land; to empower certain local governmental units to create and administer urban homestead programs for vacant land; to prescribe the powers and duties of certain state and local governmental units; and to provide for the disposition of personal and real property.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "urban homesteading on vacant land act".

3 Sec. 2. As used in this act:

4 (a) "Local governmental unit" means a city, village, town-
5 ship, or county.

6 (b) "Program" means the urban homesteading program for
7 vacant land described in this act.

1 (c) "Vacant property" means surplus vacant residential
2 property owned by the local governmental unit.

3 Sec. 3. By resolution, a local unit of government may oper-
4 ate an urban homesteading program for vacant land that makes
5 vacant properties available to individuals to rent and purchase
6 under this act.

7 Sec. 4. An individual who meets all the following criteria
8 is eligible to rent and purchase vacant property under this act:

9 (a) The individual intends to occupy the vacant property by
10 constructing a home on the premises.

11 (b) The individual meets all other criteria as determined by
12 the local governmental unit operating the program.

13 Sec. 5. (1) An individual may apply to the local governmen-
14 tal unit to rent vacant property in that local governmental
15 unit. The application shall be in a form and in a manner pro-
16 vided by the local governmental unit. If the application is
17 approved, the individual and the local governmental unit shall
18 enter into a lease agreement for the vacant lot. The local gov-
19 ernmental unit may add additional terms and conditions to the
20 lease agreement.

21 (2) The local governmental unit shall charge fair market
22 value as rental for the vacant lot.

23 (3) The individual who is renting the vacant property is
24 responsible for all taxes, utilities, and costs of construction
25 and improvements to the vacant lot.

26 (4) If the individual is in compliance with the terms of the
27 lease, constructed a home, and occupied the home for not less

1 than 1 year, the local governmental unit shall deed that property
2 to the individual without additional consideration.

3 Sec. 6. Before placing vacant property into the program,
4 the local governmental unit shall first offer the vacant property
5 to owners of adjoining property who own and occupy the adjoining
6 property. If adjoining landowners do not purchase the property,
7 the local governmental unit may sell the vacant property to
8 neighborhood resident organizations or other community groups as
9 determined by the local governmental unit. The local governmen-
10 tal unit shall determine the sales price for any sale under this
11 section.