



House Office Building, 9 South
Lansing, Michigan 48909
Phone: 517/373-6466

INCLUDE LAND BANKS IN BROWNFIELD ACTIVITIES

House Bill 6137

Sponsor: Rep. Laura M. Toy

Committee: Land Use and Environment

Complete to 5-28-02

A SUMMARY OF HOUSE BILL 6137 AS INTRODUCED 5-28-02

The bill would amend the Brownfield Redevelopment Financing Act so that, generally speaking, the activities of a land bank operating under the Michigan Land Bank and Community Development Authority Act would be included in the activities authorized by brownfield statutes. The various brownfield statutes grant tax incentives and tax recapture opportunities for efforts to redevelop contaminated, blighted, and functionally obsolete property. (Land banks would be established under House Bill 5450, which would create the Michigan Land Bank and Community Development Authority Act, and several related bills.)

Specifically, House Bill 6137 would:

- include assistance to a land bank as an eligible activity under the act. (This would include the clearing or quieting of title to tax reverted property and disposing of tax reverted property, including related land bank activities.)
- include property owned or under the control of a land bank under the definition of "eligible property" (to the extent the property was included in a brownfield plan) and under the definition of "blighted" property, and would specify that the sale, lease, or transfer of the property by a land bank after it had been included in a brownfield plan would not result in the loss of the "blighted" status.
- allow tax increment revenues related to a brownfield plan to be used for eligible activities attributable to eligible property owned or under the control of a land bank.
- include among the specific taxes referred to in the act (for recapture and other purposes) the specific tax put in place by the Tax Reverted Property Clean Title Act (which would be created by House Bill 4852).

MCL 125.2652

Analyst: C. Couch

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