

HOUSE BILL No. 4012

January 27, 2005, Introduced by Reps. Meyer and Jones and referred to the Committee on Commerce.

A bill to amend 1986 PA 281, entitled "The local development financing act," by amending sections 4 and 16 (MCL 125.2154 and 125.2166), section 4 as amended by 2000 PA 248.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. (1) The governing body of a municipality may declare
2 by resolution adopted by a majority of its members elected and
3 serving its intention to create and provide for the operation of an
4 authority.

5 (2) In the resolution of intent, the governing body proposing
6 to create the authority shall set a date for holding a public
7 hearing on the adoption of a proposed resolution creating the

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1 authority and designating the boundaries of the authority district
2 or districts. Notice of the public hearing shall be published twice
3 in a newspaper of general circulation in the municipality, not less
4 than 20 nor more than 40 days before the date of the hearing. Not
5 less than 20 days before the hearing, the governing body proposing
6 to create the authority shall also mail notice of the hearing to
7 the property taxpayers of record in a proposed authority district
8 and, for a public hearing to be held after February 15, 1994, to
9 the governing body of each taxing jurisdiction levying taxes that
10 would be subject to capture if the authority is established and a
11 tax increment financing plan is approved. **BEGINNING JUNE 1, 2005,**
12 **THE NOTICE OF HEARING WITHIN THE TIME FRAME DESCRIBED IN THIS**
13 **SUBSECTION SHALL BE MAILED BY CERTIFIED MAIL TO THE <<GOVERNING BODY**
14 **OF EACH TAXING JURISDICTION LEVYING TAXES THAT WOULD BE SUBJECT TO**
15 **CAPTURE IF THE AUTHORITY IS ESTABLISHED AND A TAX INCREMENT FINANCING**
16 **PLAN IS APPROVED>>.** Failure of a property
17 taxpayer to receive the notice shall not invalidate these
18 proceedings. The notice shall state the date, time, and place of
19 the hearing, and shall describe the boundaries of the proposed
20 authority district or districts. At that hearing, a resident,
21 taxpayer, or property owner from a taxing jurisdiction in which the
22 proposed district is located or an official from a taxing
23 jurisdiction with millage that would be subject to capture has the
24 right to be heard in regard to the establishment of the authority
25 and the boundaries of that proposed authority district. The
26 governing body of the municipality in which a proposed district is
27 to be located shall not incorporate land into an authority district
not included in the description contained in the notice of public

1 hearing, but it may eliminate lands described in the notice of
2 public hearing from an authority district in the final
3 determination of the boundaries.

4 (3) Not more than 60 days after a public hearing held after
5 February 15, 1994, the governing body of a taxing jurisdiction with
6 millage that would otherwise be subject to capture may exempt its
7 taxes from capture by adopting a resolution to that effect and
8 filing a copy with the clerk of the municipality proposing to
9 create the authority. However, a resolution by a governing body of
10 a taxing jurisdiction to exempt its taxes from capture is not
11 effective for the capture of taxes that are used for a certified
12 technology park. The resolution takes effect when filed with that
13 clerk and remains effective until a copy of a resolution rescinding
14 that resolution is filed with that clerk.

15 (4) Not less than 60 days after the public hearing, if the
16 governing body creating the authority intends to proceed with the
17 establishment of the authority, it shall adopt, by majority vote of
18 its members elected and serving, a resolution establishing the
19 authority and designating the boundaries of the authority district
20 or districts within which the authority shall exercise its powers.
21 The adoption of the resolution is subject to any applicable
22 statutory or charter provisions with respect to the approval or
23 disapproval of resolutions by the chief executive officer of the
24 municipality and the adoption of a resolution over his or her veto.
25 This resolution shall be filed with the secretary of state promptly
26 after its adoption and shall be published at least once in a
27 newspaper of general circulation in the municipality.

1 (5) The governing body may alter or amend the boundaries of an
2 authority district to include or exclude lands from that authority
3 district or create new authority districts pursuant to the same
4 requirements prescribed for adopting the resolution creating the
5 authority.

6 (6) The validity of the proceedings establishing an authority
7 shall be conclusive unless contested in a court of competent
8 jurisdiction within 60 days after the last of the following takes
9 place:

10 (a) Publication of the resolution creating the authority as
11 adopted.

12 (b) Filing of the resolution creating the authority with the
13 secretary of state.

14 (7) Except as otherwise provided by this subsection, if 2 or
15 more municipalities desire to establish an authority under section
16 3(2), each municipality in which the authority district will be
17 located shall comply with the procedures prescribed by this act.
18 The notice required by subsection (2) may be published jointly by
19 the municipalities establishing the authority. The resolutions
20 establishing the authority shall include, or shall approve an
21 agreement including, provisions governing the number of members on
22 the board, the method of appointment, the members to be represented
23 by governmental units or agencies, the terms of initial and
24 subsequent appointments to the board, the manner in which a member
25 of the board may be removed for cause before the expiration of his
26 or her term, the manner in which the authority may be dissolved,
27 and the disposition of assets upon dissolution. An authority

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1 described in this subsection shall not be considered established
2 unless all of the following conditions are satisfied:

3 (a) A resolution is approved and filed with the secretary of
4 state by each municipality in which the authority district will be
5 located.

6 (b) The same boundaries have been approved for the authority
7 district by the governing body of each municipality in which the
8 authority district will be located.

9 (c) The governing body of the county in which a majority of
10 the authority district will be located has approved by resolution
11 the creation of the authority.

12 Sec. 16. (1) Before adoption of a resolution approving **OR**
13 **AMENDING** a development plan or **APPROVING OR AMENDING A** tax
14 increment financing plan, the governing body shall hold a public
15 hearing on the development plan. Notice of the time and place of
16 the hearing shall be given by publication twice in a newspaper of
17 general circulation designated by the municipality, the first of
18 which shall not be less than 20 days before the date set for the
19 hearing. **BEGINNING JUNE 1, 2005, THE NOTICE OF HEARING WITHIN THE**
20 **TIME FRAME DESCRIBED IN THIS SUBSECTION SHALL BE MAILED BY**
21 **CERTIFIED MAIL TO THE <<GOVERNING BODY OF EACH TAXING JURISDICTION**
22 **LEVING TAXES THAT WOULD BE SUBJECT TO CAPTURE IF THE DEVELOPMENT PLAN**
23 **OR THE TAX INCREMENT FINANCING PLAN IS APPROVED OR AMENDED>>.**

24 (2) Notice of the time and place of hearing on a development
25 plan shall contain the following:

26 (a) A description of the property to which the plan applies in
27 relation to highways, streets, streams, or otherwise.

1 (b) A statement that maps, plats, and a description of the
2 development plan, including the method of relocating families and
3 individuals who may be displaced from the area, are available for
4 public inspection at a place designated in the notice, and that all
5 aspects of the development plan will be open for discussion at the
6 public hearing.

7 (c) Other information that the governing body considers
8 appropriate.

9 (3) At the time set for hearing, the governing body shall
10 provide an opportunity for interested persons to be heard and shall
11 receive and consider communications in writing with reference to
12 the matter. The hearing shall provide the fullest opportunity for
13 expression of opinion, for argument on the merits, and for
14 introduction of documentary evidence pertinent to the development
15 plan. The governing body shall make and preserve a record of the
16 public hearing, including all data presented at that time.