

**SUBSTITUTE FOR
SENATE BILL NO. 218**

A bill to amend 2008 PA 94, entitled
"Water resource improvement tax increment finance authority act,"
by amending sections 3 and 10 (MCL 125.1773 and 125.1780); and to
repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. As used in this act:

2 (a) "Operations" means office maintenance, including salaries
3 and expenses of employees, office supplies, consultation fees,
4 design costs, and other expenses incurred in the daily management
5 of the authority and planning of its activities.

6 (b) "Parcel" means an identifiable unit of land that is
7 treated as separate for valuation or zoning purposes.

8 (c) "Public facility" means a street, and any improvements to

1 a street, including street furniture and beautification, park,
2 parking facility, recreational facility, right-of-way, structure,
3 waterway, bridge, lake, pond, canal, utility line or pipe, or
4 building, including access routes designed and dedicated to use by
5 the public generally, or used by a public agency, that is related
6 to access to inland lakes or a water resource improvement, or means
7 a water resource improvement. Public facility includes an
8 improvement to a facility used by the public or a public facility
9 as those terms are defined in section 1 of 1966 PA 1, MCL 125.1351,
10 if the improvement complies with the barrier free design
11 requirements of the state construction code promulgated under the
12 Stille-DeRossett-Hale single state construction code act, 1972 PA
13 230, MCL 125.1501 to 125.1531.

14 (d) "Specific local tax" means a tax levied under 1974 PA 198,
15 MCL 207.551 to 207.572, the commercial redevelopment act, 1978 PA
16 255, MCL 207.651 to 207.668, the technology park development act,
17 1984 PA 385, MCL 207.701 to 207.718, or 1953 PA 189, MCL 211.181 to
18 211.182. The initial assessed value or current assessed value of
19 property subject to a specific local tax shall be the quotient of
20 the specific local tax paid divided by the ad valorem millage rate.
21 The state tax commission shall prescribe the method for calculating
22 the initial assessed value and current assessed value of property
23 for which a specific local tax was paid in lieu of a property tax.

24 (e) "State fiscal year" means the annual period commencing
25 October 1 of each year.

26 (f) "Tax increment revenues" means the amount of ad valorem
27 property taxes and specific local taxes attributable to the

1 application of the levy of all taxing jurisdictions upon the
2 captured assessed value of real and personal property in the
3 development area. Tax increment revenues do not include any of the
4 following:

5 (i) Taxes under the state education tax act, 1993 PA 331, MCL
6 211.901 to 211.906.

7 (ii) Taxes levied by local or intermediate school districts.

8 (iii) Ad valorem property taxes attributable either to a portion
9 of the captured assessed value shared with taxing jurisdictions
10 within the jurisdictional area of the authority or to a portion of
11 value of property that may be excluded from captured assessed value
12 or specific local taxes attributable to the ad valorem property
13 taxes.

14 (iv) Ad valorem property taxes excluded by the tax increment
15 financing plan of the authority from the determination of the
16 amount of tax increment revenues to be transmitted to the authority
17 or specific local taxes attributable to the ad valorem property
18 taxes.

19 (v) Ad valorem property taxes exempted from capture under
20 section 15(5) or specific local taxes attributable to the ad
21 valorem property taxes.

22 (vi) Ad valorem property taxes specifically levied for the
23 payment of principal and interest of obligations approved by the
24 electors or obligations pledging the unlimited taxing power of the
25 local governmental unit or specific taxes attributable to those ad
26 valorem property taxes.

27 (g) "Water resource improvement" means enhancement of water

1 quality and water dependent natural resources, including, but not
2 limited to, the following:

3 (i) The elimination of the causes and the proliferation of
4 aquatic nuisance species, as defined in section 3101 of the natural
5 resources and environmental protection act, 1994 PA 451, MCL
6 324.3101. ~~For purposes of this act, water resources improvement
7 does not include chemical treatment of waters for aquatic nuisance
8 control.~~

9 (ii) Sewer systems that service existing structures that have
10 failing on-site disposal systems.

11 (iii) Storm water systems that service existing infrastructure.

12 (iv) **DREDGING, REMOVAL OF SPOILS, OR OTHER IMPROVEMENTS OR
13 MAINTENANCE ACTIVITIES THAT ENHANCE NAVIGABILITY OF A WATERWAY.**

14 (h) "Water resource improvement district" or "district" means
15 1 or ~~both~~ **MORE** of the following:

16 (i) An inland body of water and land that is up to 1 mile from
17 the shoreline of an inland lake that contains 1 or more public
18 access points.

19 (ii) An inland body of water and parcels of land that are
20 contiguous to the shoreline of an inland lake that does not contain
21 a public access point.

22 (iii) **THE SHORELINE OF A HARBOR ON A GREAT LAKE AND 1 OR MORE OF
23 THE FOLLOWING:**

24 (A) **LAND UP TO 1 MILE FROM THE SHORELINE OF THE HARBOR.**

25 (B) **A TRIBUTARY TO THAT GREAT LAKE HARBOR UP TO 5 MILES
26 UPSTREAM FROM THE SHORELINE OF THE GREAT LAKE HARBOR.**

27 (C) **LAND UP TO 1 MILE FROM EACH BANK OF THE TRIBUTARY**

1 **DESCRIBED IN SUB-SUBPARAGRAPH (B) .**

2 Sec. 10. (1) The board may do any of the following:

3 (a) Prepare an analysis of water resource improvement and
4 access to inland lakes issues taking place in the development area.

5 (b) Study and analyze the need for water resource improvements
6 and access to inland lakes upon the development area.

7 (c) Plan and propose the construction, renovation, repair,
8 remodeling, rehabilitation, restoration, preservation, or
9 reconstruction of a public facility that may be necessary or
10 appropriate to the execution of a plan that, in the opinion of the
11 board, aids in water resource improvement or access to inland lakes
12 in the development area. The board is encouraged to develop a plan
13 that conserves the natural features, reduces impervious surfaces,
14 and uses landscaping and natural features to reflect the
15 predevelopment site.

16 (d) Plan, propose, and implement an improvement to a public
17 facility within the development area to comply with the barrier
18 free design requirements of the state construction code promulgated
19 under the Stille-DeRossett-Hale single state construction code act,
20 1972 PA 230, MCL 125.1501 to 125.1531.

21 (e) Develop long-range plans for water resource improvement
22 and access to inland lakes within the district.

23 (f) Implement any plan of development for water resource
24 improvement and access to inland lakes in the development area
25 necessary to achieve the purposes of this act in accordance with
26 the powers of the authority granted by this act.

27 (g) Make and enter into contracts necessary or incidental to

1 the exercise of its powers and the performance of its duties.

2 (h) Acquire by purchase or otherwise, on terms and conditions
3 and in a manner the authority considers proper or own, convey, or
4 otherwise dispose of, or lease as lessor or lessee, land and other
5 property, real or personal, or rights or interests in the property,
6 that the authority determines is reasonably necessary to achieve
7 the purposes of this act, and to grant or acquire licenses,
8 easements, and options.

9 (i) Improve land and construct, reconstruct, rehabilitate,
10 restore and preserve, equip, clear, improve, maintain, and repair
11 any public facility, building, and any necessary or desirable
12 appurtenances to those buildings and operate a water resource
13 improvement, as determined by the authority to be reasonably
14 necessary to achieve the purposes of this act, within the
15 development area for the use, in whole or in part, of any public or
16 private person or corporation, or a combination thereof.

17 (j) Fix, charge, and collect fees, rents, and charges for the
18 use of any facility, building, or property under its control or any
19 part of the facility, building, or property, and pledge the fees,
20 rents, and charges for the payment of revenue bonds issued by the
21 authority.

22 (k) Lease, in whole or in part, any facility, building, or
23 property under its control.

24 (l) Accept grants and donations of property, labor, or other
25 things of value from a public or private source.

26 (m) Acquire and construct public facilities.

27 **(N) PLAN AND IMPLEMENT WATER RESOURCE IMPROVEMENTS IN HARBORS**

1 OF THE GREAT LAKES AND THEIR TRIBUTARIES, INCLUDING, BUT NOT
2 LIMITED TO, DREDGING, REMOVAL OF SPOILS, AND OTHER IMPROVEMENTS OR
3 MAINTENANCE ACTIVITIES THAT ENHANCE NAVIGABILITY OF A WATERWAY.

4 (2) The board shall prepare a water resource management plan
5 in consultation with the department of environmental quality, the
6 department of natural resources, or any other entity with expertise
7 in water quality management and invasive species management.

8 (3) THE BOARD MAY APPLY FOR THE NECESSARY STATE AND FEDERAL
9 PERMITS REQUIRED FOR A PUBLIC FACILITY OR A WATER RESOURCE
10 IMPROVEMENT UNDER THIS ACT.

11 Enacting section 1. Section 24 of the water resource
12 improvement tax increment finance authority act, 2008 PA 94, MCL
13 125.1794, is repealed.