

# HOUSE BILL No. 4626

April 25, 2013, Introduced by Rep. Yonker and referred to the Committee on Local Government.

A bill to amend 2003 PA 258, entitled  
"Land bank fast track act,"  
by amending section 23 (MCL 124.773).

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 23. (1) An authority may enter into an intergovernmental  
2 agreement with the Michigan economic development corporation for  
3 the joint exercise of powers and duties under this act, of the  
4 powers and duties of the authority and the Michigan economic  
5 development corporation, and for the provision of economic  
6 development services related to the activities of the authority.

7           (2) An authority may enter into an intergovernmental agreement  
8 with the Michigan state housing development authority for the joint  
9 exercise of powers and duties under this act, of the powers and  
10 duties of the authority and the Michigan state housing development

1 authority, and for the provision of redevelopment services related  
2 to the activities of the authority.

3 (3) A county, city, qualified city, township, or village may  
4 enter into an intergovernmental agreement with the state authority  
5 providing for the transfer to the authority of tax reverted  
6 property held by the county, city, township, or village, for title  
7 clearance, for the disposition of the proceeds from the sale of the  
8 property, and for other activities authorized under this act,  
9 including the return or transfer of property under the control of  
10 the authority to the county, city, township, or village. An  
11 intergovernmental agreement under this subsection may not provide  
12 for a separate legal or administrative entity to administer or  
13 execute the agreement under section 7 of the urban cooperation act  
14 of 1967, 1967 (Ex Sess) PA 7, MCL 124.507.

15 (4) A county foreclosing governmental unit may, with the  
16 approval of the board of commissioners for that county and, if that  
17 county has an elected county executive, with the concurrence of the  
18 elected county executive, enter into an intergovernmental agreement  
19 with the state authority providing for the exercise of the powers,  
20 duties, functions, and responsibilities of an authority under this  
21 act and for the creation of a county authority to exercise those  
22 functions. If a county authority is created under this subsection,  
23 the treasurer of the county shall be a member of the authority  
24 board.

25 (5) A qualified city may enter into an intergovernmental  
26 agreement with the state authority providing for the exercise of  
27 the powers, duties, functions, and responsibilities of an authority

1 under this act and for the creation of a local authority to  
2 exercise those functions.

3 (6) An intergovernmental agreement under subsection (4) or (5)  
4 shall provide for all of the following:

5 (a) The incorporation of a county or local authority as a  
6 public body corporate.

7 (b) The name of the authority.

8 (c) The size of the initial governing body of the county or  
9 local authority, which shall be composed of an odd number of  
10 members.

11 (d) The qualifications, method of selection, and terms of  
12 office of the initial board members.

13 (e) A method for the adoption of articles of incorporation by  
14 the governing body of the county or local authority.

15 (f) A method for the distribution of proceeds from the  
16 activities of the county or local authority.

17 (g) A method for the dissolution of the local or county  
18 authority and for the withdrawal from the authority of any  
19 governmental agencies involved.

20 (h) Any other matters considered advisable by the  
21 participating governmental agencies, consistent with this act.

22 (7) If under the charter of a qualified city the qualified  
23 city collects delinquent city real property taxes and does not  
24 return the delinquent taxes to the treasurer of the county in which  
25 the qualified city is located under the general property tax act,  
26 1893 PA 206, MCL 211.1 to ~~211.157~~, **211.155**, any of the following  
27 property held by the qualified city may be transferred to a local

1 authority:

2 (a) Tax delinquent real property for which a lien has been  
3 deemed sold to a city department director under the charter or  
4 ordinances of the qualified city, except for property that was  
5 deeded to a department director less than 2 years before the  
6 proposed transfer to the local authority.

7 (b) Tax delinquent real property held by the city that has  
8 been foreclosed by the qualified city and for which title has  
9 vested in the city pursuant to procedures established under the  
10 charter or ordinances of the qualified city.

11 (c) Any tax reverted property owned or under the control of  
12 the qualified city.

13 (8) A qualified city may authorize the transfer with or  
14 without consideration of any real property or interest in real  
15 property to a local authority including, but not limited to, tax  
16 reverted property or interests in tax reverted property held or  
17 acquired after the creation of the local authority by the qualified  
18 city, with the consent of the local authority.

19 (9) A qualified city and any agency or department of a  
20 qualified city, or any other official public body, may do 1 or more  
21 of the following:

22 (a) Anything necessary or convenient to aid a local authority  
23 in fulfilling its purposes under this act.

24 (b) Lend, grant, transfer, appropriate, or contribute funds to  
25 a local authority in furtherance of its purposes.

26 (c) Lend, grant, transfer, or convey funds to a local  
27 authority that are received from the federal government or this

1 state or from any nongovernmental entity in aid of the purposes of  
2 this act.

3 (10) A local authority may reimburse advances made by a  
4 qualified city under subsection (9) or by any other person for  
5 costs eligible to be incurred by the local authority with any  
6 source of revenue available for use of the local authority under  
7 this act and enter into agreements related to these reimbursements.  
8 A reimbursement agreement under this subsection is not subject to  
9 section 305 of the revised municipal finance act, 2001 PA 34, MCL  
10 141.2305.

11 (11) A local authority may enter into agreements with the  
12 county treasurer of the county in which the qualified city is  
13 located for the collection of property taxes or the enforcement and  
14 consolidation of tax liens within that qualified city for any  
15 property or interest in property transferred to the local  
16 authority.

17 (12) Unless specifically reserved or conditioned upon the  
18 approval of the governing body of a qualified city, all powers  
19 granted under this act to a local authority may be exercised by the  
20 local authority without the approval of the governing body of the  
21 qualified city, notwithstanding any charter, ordinance, or  
22 resolution to the contrary.

23 (13) Prior to its effectiveness, an intergovernmental  
24 agreement under this section shall be filed with the county clerk  
25 of each county where a party to the agreement is located and with  
26 the secretary of state.

27 (14) **IF THE DEPARTMENT DETERMINES THAT AN AUTHORITY CREATED**

1 UNDER SUBSECTION (3), (4), OR (5) HAS PURCHASED OR ACQUIRED TAX  
2 REVERTED PROPERTY IN VIOLATION OF THIS ACT, THE DEPARTMENT SHALL  
3 SUSPEND THE POWER OF THAT AUTHORITY TO PURCHASE OR ACQUIRE TAX  
4 REVERTED PROPERTY UNTIL THE DEPARTMENT IS SATISFIED THAT THE  
5 AUTHORITY WILL OPERATE IN COMPLIANCE WITH THIS ACT. ANY PERSON OR  
6 BUSINESS ENTITY MAY FILE A COMPLAINT WITH THE DEPARTMENT IF THEY  
7 BELIEVE AN AUTHORITY DESCRIBED IN THIS SUBSECTION HAS VIOLATED THIS  
8 ACT. IF A COMPLAINT IS FILED WITH THE DEPARTMENT UNDER THIS  
9 SUBSECTION, THE DEPARTMENT SHALL MAKE A WRITTEN DETERMINATION OF  
10 ITS DECISION AND PROVIDE A COPY OF THAT WRITTEN DETERMINATION TO  
11 THE AUTHORITY AND THE PERSON OR BUSINESS ENTITY THAT FILED THE  
12 COMPLAINT WITHIN 90 DAYS AFTER THE RECEIPT OF THE COMPLAINT. EITHER  
13 PARTY MAY APPEAL THE DECISION OF THE DEPARTMENT TO THE CIRCUIT  
14 COURT IN WHICH THE AUTHORITY DESCRIBED IN THIS SUBSECTION IS  
15 LOCATED WITH 56 DAYS AFTER THE DETERMINATION. IF AN AUTHORITY  
16 DESCRIBED IN THIS SUBSECTION LOSES AN APPEAL AT THE CIRCUIT COURT,  
17 THE AUTHORITY SHALL PAY THE REASONABLE ATTORNEY FEES OF THE  
18 OPPOSING PARTY. IF THE DEPARTMENT DETERMINES THAT AN AUTHORITY  
19 DESCRIBED IN THIS SUBSECTION HAS PURCHASED OR ACQUIRED TAX REVERTED  
20 PROPERTY IN VIOLATION OF THIS ACT, THE GOVERNING BODY OF THE  
21 COUNTY, CITY, QUALIFIED CITY, TOWNSHIP, OR VILLAGE THAT ENTERED  
22 INTO THE INTERGOVERNMENTAL AGREEMENT TO CREATE THE AUTHORITY SHALL  
23 REMOVE THE DIRECTOR OF THAT AUTHORITY.