

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5720

A bill to amend 1961 PA 120, entitled

"An act to authorize the development or redevelopment of principal shopping districts and business improvement districts; to permit the creation of certain boards; to provide for the operation of principal shopping districts and business improvement districts; to provide for the creation, operation, and dissolution of business improvement zones; and to authorize the collection of revenue and the bonding of certain local governmental units for the development or redevelopment projects,"

by amending section 10 (MCL 125.990), as amended by 2018 PA 262.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 10. As used in this chapter:

2 (a) "Assessable property" means ~~real~~ **1 OR MORE OF THE**
3 **FOLLOWING:**

4 (i) **REAL** property in a zone area other than ~~property~~
5 ~~classified as residential real property under section 34c of the~~
6 ~~general property tax act, 1893 PA 206, MCL 211.34c, or real~~

1 property exempt from the collection of taxes under the general
2 property tax act, 1893 PA 206, MCL 211.1 to 211.155.

3 **(ii) REAL PROPERTY IN A ZONE AREA CLASSIFIED AS RESIDENTIAL**
4 **REAL PROPERTY UNDER SECTION 34C OF THE GENERAL PROPERTY TAX ACT,**
5 **1893 PA 206, MCL 211.34C, ONLY IF THE ONE PLAN FOR THE ZONE AREA**
6 **DESIGNATES PROPERTY CLASSIFIED AS RESIDENTIAL REAL PROPERTY IN THE**
7 **ZONE AREA AS ASSESSABLE PROPERTY UNDER THE ZONE PLAN.**

8 (b) "Assessment" means an assessment imposed under this
9 chapter against assessable property for the benefit of the property
10 owners.

11 (c) "Assessment revenues" means the money collected by a
12 business improvement zone from any assessments, including any
13 interest on the assessments.

14 (d) "Board" means the board of directors of a business
15 improvement zone.

16 (e) "Business improvement zone" means a business improvement
17 zone created under this chapter.

18 (f) "Nonprofit corporation" means a nonprofit corporation
19 organized under the nonprofit corporation act, 1982 PA 162, MCL
20 450.2101 to 450.3192, and that complies with all of the following:

21 (i) The articles of incorporation of the nonprofit corporation
22 provide that the nonprofit corporation may promote a business
23 improvement zone and may also provide management services related
24 to the implementation of a zone plan.

25 (ii) The nonprofit corporation is exempt from federal income
26 tax under section 501(c)(4) or 501(c)(6) of the internal revenue
27 code, 28 USC 501.

1 (g) "Person" means an individual, partnership, corporation,
2 limited liability company, association, or other legal entity.

3 (h) "Project" means any activity for the benefit of property
4 owners authorized by section 10a to enhance the business
5 environment within a zone area.

6 (i) "Property owner" means a person who owns, or an agent
7 authorized in writing by a person who owns, assessable property
8 according to the records of the treasurer of the city or village in
9 which the business improvement zone is located.

10 (j) "Qualifying period" means the period in which a business
11 improvement zone is authorized to operate and impose and collect
12 assessments, beginning on the date that the business improvement
13 zone is approved by the property owners voting on the question as
14 provided in section 10f and ending 7 to 10 calendar years after
15 that date as determined in the petition described in section 10c.
16 The 10-year period or qualifying period of a business improvement
17 zone that was created before ~~the date of the amendatory act that~~
18 ~~added this sentence~~ **JUNE 28, 2018** begins on the date that the
19 business improvement zone was approved by the property owners
20 voting on the question as provided in section 10f.

21 (k) "Zone area" means the area designated in the zone plan as
22 the area to be served by the business improvement zone.

23 (l) "Zone plan" means a set of goals, strategies, objectives,
24 and guidelines for the operation of a business improvement zone.