

**PRINCIPAL SHOPPING DISTRICTS AND BUSINESS IMPROVEMENT DISTRICTS (EXCERPT)**  
**Act 120 of 1961**

**125.990f Voting; eligibility; conduct; question; adoption of business improvement zone and zone plan; expenses; duration; compliance with state and federal laws; immunity of city or village; proportional voting; allocation requirements.**

Sec. 10f.

(1) All property owners as of the date of the delivery of the petition as provided in section 10c are eligible to participate in the election. The election must be conducted by mail. The question to be voted on by the property owners is the adoption of the zone plan and the establishment of the business improvement zone, including the identity of the initial board.

(2) A zone plan and the proposal for the establishment of a business improvement zone, including the identity of the initial board, are considered adopted upon the approval of more than 60% of the property owners voting in the election, using proportional voting if applicable under the zone plan.

(3) Upon acceptance or rejection of a business improvement zone and zone plan by the property owners, the resulting business improvement zone or the person filing the petition under section 10c shall, at the request of the city or village, reimburse the city or village for all or a portion of the reasonable expenses incurred to comply with this chapter. The governing body of the city or village may forgive and choose not to collect all or a portion of the reasonable expenses incurred to comply with this chapter.

(4) Adoption of a business improvement zone and zone plan under this section authorizes the creation of the business improvement zone and the implementation of the zone plan for the qualifying period.

(5) Adoption of a business improvement zone and zone plan under this section and the creation of the business improvement zone does not relieve the business improvement zone from following, or does not waive any rights of the city or village to enforce, any applicable laws, statutes, or ordinances. A business improvement zone created under this chapter shall comply with all applicable state and federal laws.

(6) To the extent not protected by the immunity conferred by 1964 PA 170, MCL 691.1401 to 691.1419, a city or village that approves a business improvement zone within its boundaries is immune from civil or administrative liability arising from any actions of that business improvement zone.

(7) Subject to subsection (8), if a zone plan provides for proportional voting, the proportional vote of a property owner must be allocated as follows:

(a) If the zone plan for the zone area provides a basis for allocating assessments based upon taxable value, the votes of property owners may be proportionate to the amount that the taxable value of their respective real property for the preceding calendar year bears to the taxable value of all assessable property in the zone area for that calendar year.

(b) If the zone plan for the zone area provides for allocation of assessments based upon assessed value, the votes of property owners may be proportionate to the amount that the assessed value of their respective real property for the preceding calendar year bears to the assessed value of all assessable property in the zone area for that calendar year.

(c) If the zone plan for the zone area provides a basis for allocating assessments other than taxable value or assessed value, the votes of property owners may be proportionate to the amount that the assessment for their respective real property for the prior calendar year bears to the total value of assessments for assessable property in the zone area in that calendar year.

(8) The proportional vote allocated to any 1 property owner must not exceed 25% of the total vote. If the proportional vote of a single property owner under this section exceeds 25%, the amount in excess of 25% must be reallocated among the remaining property owners in proportion to the amount that the assessment of their respective assessable property for the prior calendar year bears to the assessment of all assessable property in the zone area owned by the remaining property owners during that calendar year. For purposes of this subsection, property owners that are affiliates shall be treated as a single property owner.

(9) As used in this section, "affiliate" means that term as defined in section 90l of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090l.

**History:** Add. 2001, Act 260, Eff. Mar. 1, 2002 ;-- Am. 2013, Act 126, Imd. Eff. Oct. 9, 2013 ;-- Am. 2018, Act 262, Imd. Eff. June 28, 2018 ;-- Am. 2020, Act 91, Imd. Eff. June 16, 2020 ;-- Am. 2023, Act 79, Eff. Feb. 13, 2024

**Popular Name:** Shopping Areas Redevelopment Act