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HOUSE BILL No. 6508

September 24, 2008, Introduced by Rep. Clemente and referred to the Committee on New Economy and Quality of Life.

A bill to amend 1986 PA 281, entitled

"The local development financing act,"

by amending section 2 (MCL 125.2152), as amended by 2007 PA 200.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 2. As used in this act:
- 2 (a) "Advance" means a transfer of funds made by a municipality
- 3 to an authority or to another person on behalf of the authority in
- 4 anticipation of repayment by the authority. Evidence of the intent
- 5 to repay an advance may include, but is not limited to, an executed
- 6 agreement to repay, provisions contained in a tax increment
- 7 financing plan approved prior to the advance, or a resolution of
- 8 the authority or the municipality.
 - (B) "AEROTROPOLIS DEVELOPMENT AREA" MEANS A PORTION OF AN
 - AUTHORITY DISTRICT DESIGNATED BY AN AEROTROPOLIS DEVELOPMENT

- 1 CORPORATION UNDER SECTION 12C TO WHICH A DEVELOPMENT PLAN IS
- 2 APPLICABLE.
- 3 (C) "AEROTROPOLIS DEVELOPMENT CORPORATION" MEANS THAT TERM AS
- 4 DEFINED IN SECTION 3 OF THE MICHIGAN RENAISSANCE ZONE ACT, 1996 PA
- 5 376, MCL 125.2683.
- 6 (D) (b)—"Assessed value" means 1 of the following:
- 7 (i) For valuations made before January 1, 1995, the state
- 8 equalized valuation as determined under the general property tax
- 9 act, 1893 PA 206, MCL 211.1 to 211.155.
- 10 (ii) For valuations made after December 31, 1994, the taxable
- 11 value as determined under section 27a of the general property tax
- 12 act, 1893 PA 206, MCL 211.27a.
- (E) (c) "Authority" means a local development finance
- 14 authority created pursuant to this act.
- 15 (F) (d)—"Authority district" means an area or areas within
- 16 which an authority exercises its powers.
- 17 (G) (e)—"Board" means the governing body of an authority.
- 18 (H) (f)—"Business development area" means an area designated
- 19 as a certified industrial park under this act prior to the
- 20 effective date of the amendatory act that added this subdivision,
- 21 or an area designated in the tax increment financing plan that
- 22 meets all of the following requirements:
- (i) The area is zoned to allow its use for eligible property.
- 24 (ii) The area has a site plan or plat approved by the city,
- 25 village, or township in which the area is located.
- 26 (I) (g) "Business incubator" means real and personal property
- 27 that meets all of the following requirements:

- 1 (i) Is located in a certified technology park.
- 2 (ii) Is subject to an agreement under section 12a.
- (iii) Is developed for the primary purpose of attracting 1 or
- 4 more owners or tenants who will engage in activities that would
- 5 each separately qualify the property as eligible property under
- 6 subdivision $\frac{(p)(iii)}{(R)(iii)}$.
- 7 (J) (h) "Captured assessed value" means the amount in any 1
- 8 year by which the current assessed value of the eligible property
- 9 identified in the tax increment financing plan or, for a certified
- 10 technology park OR AN AEROTROPOLIS DEVELOPMENT AREA, the real and
- 11 personal property included in the tax increment financing plan,
- 12 including the current assessed value of property for which specific
- 13 local taxes are paid in lieu of property taxes as determined
- 14 pursuant to subdivision (cc) (EE), exceeds the initial assessed
- 15 value. The state tax commission shall prescribe the method for
- 16 calculating captured assessed value. PROPERTY IN A RENAISSANCE ZONE
- 17 AS DEFINED UNDER SECTION 3 OF THE MICHIGAN RENAISSANCE ZONE ACT,
- 18 1996 PA 376, MCL 125.2683, SHALL BE EXCLUDED FROM THE CALCULATION
- 19 OF CAPTURED ASSESSED VALUE TO THE EXTENT THAT THE PROPERTY IS
- 20 EXEMPT FROM AD VALOREM PROPERTY TAXES OR SPECIFIC LOCAL TAXES.
- 21 (K) (i) "Certified business park" means a business development
- 22 area that has been designated by the Michigan economic development
- 23 corporation as meeting criteria established by the Michigan
- 24 economic development corporation. The criteria shall establish
- 25 standards for business development areas including, but not limited
- 26 to, use, types of building materials, landscaping, setbacks,
- 27 parking, storage areas, and management.

- 1 (1) (j) "Certified technology park" means that portion of the
- 2 authority district designated by a written agreement entered into
- 3 pursuant to section 12a between the authority, the municipality,
- 4 and the Michigan economic development corporation.
- 5 (M) (k)—"Chief executive officer" means the mayor or city
- 6 manager of a city, the president of a village, or, for other local
- 7 units of government or school districts, the person charged by law
- 8 with the supervision of the functions of the local unit of
- 9 government or school district.
- 10 (N) $\frac{(l)}{(l)}$ "Development plan" means that information and those
- 11 requirements for a development set forth in section 15.
- 12 (O) (m)—"Development program" means the implementation of a
- 13 development plan.
- 14 (P) (n) "Eligible advance" means an advance made before August
- **15** 19, 1993.
- 16 (Q) (o) "Eligible obligation" means an obligation issued or
- 17 incurred by an authority or by a municipality on behalf of an
- 18 authority before August 19, 1993 and its subsequent refunding by a
- 19 qualified refunding obligation. Eligible obligation includes an
- 20 authority's written agreement entered into before August 19, 1993
- 21 to pay an obligation issued after August 18, 1993 and before
- 22 December 31, 1996 by another entity on behalf of the authority.
- (R) (p) "Eligible property" means land improvements,
- 24 buildings, structures, and other real property, and machinery,
- 25 equipment, furniture, and fixtures, or any part or accessory
- 26 thereof whether completed or in the process of construction
- 27 comprising an integrated whole, located within an authority

- 1 district, of which the primary purpose and use is or will be 1 of
- 2 the following:
- (i) The manufacture of goods or materials or the processing of
- 4 goods or materials by physical or chemical change.
- 5 (ii) Agricultural processing.
- 6 (iii) A high technology activity.
- 7 (iv) The production of energy by the processing of goods or
- 8 materials by physical or chemical change by a small power
- 9 production facility as defined by the federal energy regulatory
- 10 commission pursuant to the public utility regulatory policies act
- 11 of 1978, Public Law 95-617, which facility is fueled primarily by
- 12 biomass or wood waste. This act does not affect a person's rights
- 13 or liabilities under law with respect to groundwater contamination
- 14 described in this subparagraph. This subparagraph applies only if
- 15 all of the following requirements are met:
- 16 (A) Tax increment revenues captured from the eligible property
- 17 will be used to finance, or will be pledged for debt service on tax
- 18 increment bonds used to finance, a public facility in or near the
- 19 authority district designed to reduce, eliminate, or prevent the
- 20 spread of identified soil and groundwater contamination, pursuant
- **21** to law.
- 22 (B) The board of the authority exercising powers within the
- 23 authority district where the eligible property is located adopted
- 24 an initial tax increment financing plan between January 1, 1991 and
- 25 May 1, 1991.
- (C) The municipality that created the authority establishes a
- 27 special assessment district whereby not less than 50% of the

- 1 operating expenses of the public facility described in this
- 2 subparagraph will be paid for by special assessments. Not less than
- 3 50% of the amount specially assessed against all parcels in the
- 4 special assessment district shall be assessed against parcels owned
- 5 by parties potentially responsible for the identified groundwater
- 6 contamination pursuant to law.
- 7 (v) A business incubator.
- 8 (vi) A QUALIFIED AEROTROPOLIS BUSINESS, AS THAT TERM IS DEFINED
- 9 IN SECTION 2 OF 1974 PA 198, MCL 207.552, AND OTHER BUSINESSES
- 10 WITHIN AN AEROTROPOLIS DEVELOPMENT AREA, BUT ONLY TO THE EXTENT
- 11 DESIGNATED AS ELIGIBLE PROPERTY WITHIN A DEVELOPMENT PLAN APPROVED
- 12 BY AN AEROTROPOLIS DEVELOPMENT CORPORATION.
- (S) (q) "Fiscal year" means the fiscal year of the authority.
- 14 (T) (r) "Governing body" means, EXCEPT AS OTHERWISE PROVIDED
- 15 IN THIS SUBDIVISION, the elected body having legislative powers of
- 16 a municipality creating an authority under this act. FOR AN
- 17 AEROTROPOLIS DEVELOPMENT CORPORATION, GOVERNING BODY MEANS THE
- 18 BOARD OR EXECUTIVE BOARD OF THE AEROTROPOLIS DEVELOPMENT
- 19 CORPORATION, AS PROVIDED IN THE INTERGOVERNMENTAL AGREEMENT OR
- 20 ARTICLES OF INCORPORATION CREATING THE AEROTROPOLIS DEVELOPMENT
- 21 CORPORATION.
- 22 (U) (s)—"High technology activity" means that term as defined
- 23 in section 3 of the Michigan economic growth authority act, 1995 PA
- 24 24, MCL 207.803.
- 25 (V) (t) "Initial assessed value" means the assessed value of
- 26 the eligible property identified in the tax increment financing
- 27 plan or, for a certified technology park OR AN AEROTROPOLIS

- 1 DEVELOPMENT AREA, the assessed value of any real and personal
- 2 property included in the tax increment financing plan, at the time
- 3 the resolution establishing the tax increment financing plan is
- 4 approved as shown by the most recent assessment roll for which
- 5 equalization has been completed at the time the resolution is
- 6 adopted or, for property that becomes eligible property in other
- 7 than a certified technology park after the date the plan is
- 8 approved, at the time the property becomes eligible property.
- 9 Property exempt from taxation at the time of the determination of
- 10 the initial assessed value shall be included as zero. Property for
- 11 which a specific local tax is paid in lieu of property tax shall
- 12 not be considered exempt from taxation. The initial assessed value
- 13 of property for which a specific local tax was paid in lieu of
- 14 property tax shall be determined as provided in subdivision (cc)
- 15 (EE).
- 16 (W) (u) "Michigan economic development corporation" means the
- 17 public body corporate created under section 28 of article VII of
- 18 the state constitution of 1963 and the urban cooperation act of
- 19 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, by a contractual
- 20 interlocal agreement effective April 5, 1999 between local
- 21 participating economic development corporations formed under the
- 22 economic development corporations act, 1974 PA 338, MCL 125.1601 to
- 23 125.1636, and the Michigan strategic fund. If the Michigan economic
- 24 development corporation is unable for any reason to perform its
- 25 duties under this act, those duties may be exercised by the
- 26 Michigan strategic fund.
- 27 (X) (v) "Michigan strategic fund" means the Michigan strategic

- 1 fund as described in the Michigan strategic fund act, 1984 PA 270,
- 2 MCL 125.2001 to 125.2094.
- 3 (Y) (w) "Municipality" means a city, village, or urban
- 4 township.
- 5 (Z) (x) "Obligation" means a written promise to pay, whether
- 6 evidenced by a contract, agreement, lease, sublease, bond, or note,
- 7 or a requirement to pay imposed by law. An obligation does not
- 8 include a payment required solely because of default upon an
- 9 obligation, employee salaries, or consideration paid for the use of
- 10 municipal offices. An obligation does not include those bonds that
- 11 have been economically defeased by refunding bonds issued under
- 12 this act. Obligation includes, but is not limited to, the
- 13 following:
- 14 (i) A requirement to pay proceeds derived from ad valorem
- 15 property taxes or taxes levied in lieu of ad valorem property
- 16 taxes.
- 17 (ii) A management contract or a contract for professional
- 18 services.
- 19 (iii) A payment required on a contract, agreement, bond, or note
- 20 if the requirement to make or assume the payment arose before
- 21 August 19, 1993.
- (iv) A requirement to pay or reimburse a person for the cost of
- 23 insurance for, or to maintain, property subject to a lease, land
- 24 contract, purchase agreement, or other agreement.
- 25 (v) A letter of credit, paying agent, transfer agent, bond
- 26 registrar, or trustee fee associated with a contract, agreement,
- 27 bond, or note.

- 1 (AA) (y) "On behalf of an authority", in relation to an
- 2 eligible advance made by a municipality or an eligible obligation
- 3 or other protected obligation issued or incurred by a municipality,
- 4 means in anticipation that an authority would transfer tax
- 5 increment revenues or reimburse the municipality from tax increment
- 6 revenues in an amount sufficient to fully make payment required by
- 7 the eligible advance made by a municipality, or eligible obligation
- 8 or other protected obligation issued or incurred by the
- 9 municipality, if the anticipation of the transfer or receipt of tax
- 10 increment revenues from the authority is pursuant to or evidenced
- 11 by 1 or more of the following:
- 12 (i) A reimbursement agreement between the municipality and an
- 13 authority it established.
- 14 (ii) A requirement imposed by law that the authority transfer
- 15 tax increment revenues to the municipality.
- 16 (iii) A resolution of the authority agreeing to make payments to
- 17 the incorporating unit.
- (iv) Provisions in a tax increment financing plan describing
- 19 the project for which the obligation was incurred.
- 20 (BB) (z) "Other protected obligation" means:
- 21 (i) A qualified refunding obligation issued to refund an
- 22 obligation described in subparagraph (ii) or (iii), an obligation that
- 23 is not a qualified refunding obligation that is issued to refund an
- 24 eligible obligation, or a qualified refunding obligation issued to
- 25 refund an obligation described in this subparagraph.
- 26 (ii) An obligation issued or incurred by an authority or by a
- 27 municipality on behalf of an authority after August 19, 1993, but

- 1 before December 31, 1994, to finance a project described in a tax
- 2 increment finance plan approved by the municipality in accordance
- 3 with this act before August 19, 1993, for which a contract for
- 4 final design is entered into by the municipality or authority
- 5 before March 1, 1994.
- 6 (iii) An obligation incurred by an authority or municipality
- 7 after August 19, 1993, to reimburse a party to a development
- 8 agreement entered into by a municipality or authority before August
- 9 19, 1993, for a project described in a tax increment financing plan
- 10 approved in accordance with this act before August 19, 1993, and
- 11 undertaken and installed by that party in accordance with the
- 12 development agreement.
- 13 (iv) An ongoing management or professional services contract
- 14 with the governing body of a county that was entered into before
- 15 March 1, 1994 and that was preceded by a series of limited term
- 16 management or professional services contracts with the governing
- 17 body of the county, the last of which was entered into before
- **18** August 19, 1993.
- 19 (CC) (aa)—"Public facility" means 1 or more of the following:
- 20 (i) A street, road, bridge, storm water or sanitary sewer,
- 21 sewage treatment facility, facility designed to reduce, eliminate,
- 22 or prevent the spread of identified soil or groundwater
- 23 contamination, drainage system, retention basin, pretreatment
- 24 facility, waterway, waterline, water storage facility, rail line,
- 25 electric, gas, telephone or other communications, or any other type
- 26 of utility line or pipeline, or other similar or related structure
- 27 or improvement, together with necessary easements for the structure

- 1 or improvement. Except for rail lines, utility lines, or pipelines,
- 2 the structures or improvements described in this subparagraph shall
- 3 be either owned or used by a public agency, functionally connected
- 4 to similar or supporting facilities owned or used by a public
- 5 agency, or designed and dedicated to use by, for the benefit of, or
- 6 for the protection of the health, welfare, or safety of the public
- 7 generally, whether or not used by a single business entity. Any
- 8 road, street, or bridge shall be continuously open to public
- 9 access. A public facility shall be located on public property or in
- 10 a public, utility, or transportation easement or right-of-way.
- 11 (ii) The acquisition and disposal of land that is proposed or
- 12 intended to be used in the development of eligible property or an
- 13 interest in that land, demolition of structures, site preparation,
- 14 and relocation costs.
- 15 (iii) All administrative and real and personal property
- 16 acquisition and disposal costs related to a public facility
- 17 described in subparagraphs (i) and (iv), including, but not limited
- 18 to, architect's, engineer's, legal, and accounting fees as
- 19 permitted by the district's development plan.
- (iv) An improvement to a facility used by the public or a
- 21 public facility as those terms are defined in section 1 of 1966 PA
- 22 1, MCL 125.1351, which improvement is made to comply with the
- 23 barrier free design requirements of the state construction code
- 24 promulgated under the Stille-DeRossett-Hale single state
- 25 construction code act, 1972 PA 230, MCL 125.1501 to 125.1531.
- 26 (v) All of the following costs approved by the Michigan
- 27 economic development corporation:

- 1 (A) Operational costs and the costs related to the
- 2 acquisition, improvement, preparation, demolition, disposal,
- 3 construction, reconstruction, remediation, rehabilitation,
- 4 restoration, preservation, maintenance, repair, furnishing, and
- 5 equipping of land and other assets that are or may become eligible
- 6 for depreciation under the internal revenue code of 1986 for a
- 7 business incubator located in a certified technology park.
- 8 (B) Costs related to the acquisition, improvement,
- 9 preparation, demolition, disposal, construction, reconstruction,
- 10 remediation, rehabilitation, restoration, preservation,
- 11 maintenance, repair, furnishing, and equipping of land and other
- 12 assets that, if privately owned, would be eligible for depreciation
- 13 under the internal revenue code of 1986 for laboratory facilities,
- 14 research and development facilities, conference facilities,
- 15 teleconference facilities, testing, training facilities, and
- 16 quality control facilities that are or that support eligible
- 17 property under subdivision $\frac{(p)(iii)}{(R)(iii)}$, that are owned by a
- 18 public entity, and that are located within a certified technology
- **19** park.
- 20 (vi) Operating and planning costs included in a plan pursuant
- 21 to section 12(1)(f), including costs of marketing property within
- 22 the district and attracting development of eligible property within
- 23 the district.
- 24 (vii) FOR AN AUTHORITY ESTABLISHED UNDER SECTION 3(3), AN
- 25 ELIGIBLE ACTIVITY AS THAT TERM IS DEFINED IN SECTION 2 OF THE
- 26 BROWNFIELD REDEVELOPMENT FINANCING ACT, 1996 PA 381, MCL 125.2652.
- 27 (DD) (bb) "Qualified refunding obligation" means an obligation

- 1 issued or incurred by an authority or by a municipality on behalf
- 2 of an authority to refund an obligation if the refunding obligation
- 3 meets both of the following:
- 4 (i) The net present value of the principal and interest to be
- 5 paid on the refunding obligation, including the cost of issuance,
- 6 will be less than the net present value of the principal and
- 7 interest to be paid on the obligation being refunded, as calculated
- 8 using a method approved by the department of treasury.
- 9 (ii) The net present value of the sum of the tax increment
- 10 revenues described in subdivision $\frac{(ee)(ii)}{(GG)(ii)}$ and the
- 11 distributions under section 11a to repay the refunding obligation
- 12 will not be greater than the net present value of the sum of the
- 13 tax increment revenues described in subdivision $\frac{(ee)(ii)}{(ii)}$ (GG) (ii) and
- 14 the distributions under section 11a to repay the obligation being
- 15 refunded, as calculated using a method approved by the department
- 16 of treasury.
- 17 (EE) (cc) "Specific local taxes" means a tax levied under 1974
- 18 PA 198, MCL 207.551 to 207.572, the obsolete property
- 19 rehabilitation act, 2000 PA 146, MCL 125.2781 to 125.2797, the
- 20 commercial redevelopment act, 1978 PA 255, MCL 207.651 to 207.668,
- 21 the enterprise zone act, 1985 PA 224, MCL 125.2101 to 125.2123,
- 22 1953 PA 189, MCL 211.181 to 211.182, and the technology park
- 23 development act, 1984 PA 385, MCL 207.701 to 207.718. The initial
- 24 assessed value or current assessed value of property subject to a
- 25 specific local tax is the quotient of the specific local tax paid
- 26 divided by the ad valorem millage rate. However, after 1993, the
- 27 state tax commission shall prescribe the method for calculating the

- 1 initial assessed value and current assessed value of property for
- 2 which a specific local tax was paid in lieu of a property tax.
- **3 (FF)** (dd) "State fiscal year" means the annual period
- 4 commencing October 1 of each year.
- 5 (GG) (ee) "Tax increment revenues" means the amount of ad
- 6 valorem property taxes and specific local taxes attributable to the
- 7 application of the levy of all taxing jurisdictions upon the
- 8 captured assessed value of eligible property within the district
- 9 or, for purposes of a certified technology park OR AN AEROTROPOLIS
- 10 DEVELOPMENT AREA, real or personal property that is located within
- 11 the certified technology park OR AN AEROTROPOLIS DEVELOPMENT AREA
- 12 and included within the tax increment financing plan, subject to
- the following requirements:
- 14 (i) Tax increment revenues include ad valorem property taxes
- 15 and specific local taxes attributable to the application of the
- 16 levy of all taxing jurisdictions, other than the state pursuant to
- 17 the state education tax act, 1993 PA 331, MCL 211.901 to 211.906,
- 18 and local or intermediate school districts, upon the captured
- 19 assessed value of real and personal property in the development
- 20 area for any purpose authorized by this act.
- 21 (ii) Tax increment revenues include ad valorem property taxes
- 22 and specific local taxes attributable to the application of the
- 23 levy of the state pursuant to the state education tax act, 1993 PA
- 24 331, MCL 211.901 to 211.906, and local or intermediate school
- 25 districts upon the captured assessed value of real and personal
- 26 property in the development area in an amount equal to the amount
- 27 necessary, without regard to subparagraph (i), for the following

- 1 purposes:
- 2 (A) To repay eligible advances, eligible obligations, and
- 3 other protected obligations.
- 4 (B) To fund or to repay an advance or obligation issued by or
- 5 on behalf of an authority to fund the cost of public facilities
- 6 related to or for the benefit of eligible property located within a
- 7 certified technology park to the extent the public facilities have
- 8 been included in an agreement under section 12a(3), not to exceed
- 9 50%, as determined by the state treasurer, of the amounts levied by
- 10 the state pursuant to the state education tax act, 1993 PA 331, MCL
- 11 211.901 to 211.906, and local and intermediate school districts for
- 12 a period not to exceed 15 years, as determined by the state
- 13 treasurer, if the state treasurer determines that the capture under
- 14 this subparagraph is necessary to reduce unemployment, promote
- 15 economic growth, and increase capital investment in the
- 16 municipality.
- 17 (C) TO FUND THE COST OF PUBLIC FACILITIES RELATED TO OR FOR
- 18 THE BENEFIT OF ELIGIBLE PROPERTY LOCATED WITHIN AN AEROTROPOLIS
- 19 DEVELOPMENT AREA TO THE EXTENT THAT THE PUBLIC FACILITIES HAVE BEEN
- 20 INCLUDED IN A DEVELOPMENT PLAN, NOT TO EXCEED 50%, AS DETERMINED BY
- 21 THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND, OF THE AMOUNTS LEVIED
- 22 BY THE STATE PURSUANT TO THE STATE EDUCATION TAX ACT, 1993 PA 331,
- 23 MCL 211.901 TO 211.906, AND LOCAL AND INTERMEDIATE SCHOOL DISTRICTS
- 24 FOR A PERIOD NOT TO EXCEED 15 YEARS, AS DETERMINED BY THE PRESIDENT
- 25 OF THE MICHIGAN STRATEGIC FUND, IF THE PRESIDENT OF THE MICHIGAN
- 26 STRATEGIC FUND DETERMINES THAT THE CAPTURE UNDER THIS SUB-
- 27 SUBPARAGRAPH IS NECESSARY TO REDUCE UNEMPLOYMENT, PROMOTE ECONOMIC

- 1 GROWTH, AND INCREASE CAPITAL INVESTMENT IN THE AUTHORITY DISTRICT.
- 2 (iii) Tax increment revenues do not include any of the
- 3 following:
- 4 (A) Ad valorem property taxes or specific local taxes that are
- 5 excluded from and not made part of the tax increment financing
- 6 plan.
- 7 (B) Ad valorem property taxes and specific local taxes
- 8 attributable to ad valorem property taxes excluded by the tax
- 9 increment financing plan of the authority from the determination of
- 10 the amount of tax increment revenues to be transmitted to the
- **11** authority.
- 12 (C) Ad valorem property taxes exempted from capture under
- 13 section 4(3) or specific local taxes attributable to such ad
- 14 valorem property taxes.
- 15 (D) Ad valorem property taxes specifically levied for the
- 16 payment of principal and interest of obligations approved by the
- 17 electors or obligations pledging the unlimited taxing power of the
- 18 local governmental unit or specific local taxes attributable to
- 19 such ad valorem property taxes.
- 20 (E) The amount of ad valorem property taxes or specific taxes
- 21 captured by a downtown development authority under 1975 PA 197, MCL
- 22 125.1651 to 125.1681, tax increment financing authority under the
- 23 tax increment finance authority act, 1980 PA 450, MCL 125.1801 to
- 24 125.1830, or brownfield redevelopment authority under the
- 25 brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651
- 26 to 125.2672, if those taxes were captured by these other
- 27 authorities on the date that the initial assessed value of a parcel

- 1 of property was established under this act.
- 2 (iv) The amount of tax increment revenues authorized to be
- 3 included under subparagraph (ii), and required to be transmitted to
- 4 the authority under section 13(1), from ad valorem property taxes
- 5 and specific local taxes attributable to the application of the
- 6 levy of the state education tax act, 1993 PA 331, MCL 211.901 to
- 7 211.906, or a local school district or an intermediate school
- 8 district upon the captured assessed value of real and personal
- 9 property in a development area shall be determined separately for
- 10 the levy by the state, each school district, and each intermediate
- 11 school district as the product of sub-subparagraphs (A) and (B):
- 12 (A) The percentage that the total ad valorem taxes and
- 13 specific local taxes available for distribution by law to the
- 14 state, local school district, or intermediate school district,
- 15 respectively, bears to the aggregate amount of ad valorem millage
- 16 taxes and specific taxes available for distribution by law to the
- 17 state, each local school district, and each intermediate school
- 18 district.
- 19 (B) The maximum amount of ad valorem property taxes and
- 20 specific local taxes considered tax increment revenues under
- 21 subparagraph (ii).
- 22 (HH) (ff) "Urban township" means a township that meets 1 or
- 23 more of the following:
- 24 (i) Meets all of the following requirements:
- 25 (A) Has a population of 20,000 or more, or has a population of
- 26 10,000 or more but is located in a county with a population of
- 27 400,000 or more.

- 1 (B) Adopted a master zoning plan before February 1, 1987.
- 2 (C) Provides sewer, water, and other public services to all or
- 3 a part of the township.
- 4 (ii) Meets all of the following requirements:
- 5 (A) Has a population of less than 20,000.
- 6 (B) Is located in a county with a population of 250,000 or
- 7 more but less than 400,000, and that county is located in a
- 8 metropolitan statistical area.
- 9 (C) Has within its boundaries a parcel of property under
- 10 common ownership that is 800 acres or larger and is capable of
- 11 being served by a railroad, and located within 3 miles of a limited
- 12 access highway.
- (D) Establishes an authority before December 31, 1998.
- 14 (iii) Meets all of the following requirements:
- 15 (A) Has a population of less than 20,000.
- 16 (B) Has a state equalized valuation for all real and personal
- 17 property located in the township of more than \$200,000,000.00.
- 18 (C) Adopted a master zoning plan before February 1, 1987.
- 19 (D) Is a charter township under the charter township act, 1947
- 20 PA 359, MCL 42.1 to 42.34.
- 21 (E) Has within its boundaries a combination of parcels under
- 22 common ownership that is 800 acres or larger, is immediately
- 23 adjacent to a limited access highway, is capable of being served by
- 24 a railroad, and is immediately adjacent to an existing sewer line.
- **25** (F) Establishes an authority before March 1, 1999.
- 26 (iv) Meets all of the following requirements:
- 27 (A) Has a population of 13,000 or more.

- 1 (B) Is located in a county with a population of 150,000 or
- 2 more.
- 3 (C) Adopted a master zoning plan before February 1, 1987.
- 4 (v) Meets all of the following requirements:
- 5 (A) Is located in a county with a population of 1,000,000 or
- 6 more.
- 7 (B) Has a written agreement with an adjoining township to
- 8 develop 1 or more public facilities on contiguous property located
- 9 in both townships.
- 10 (C) Has a master plan in effect.
- 11 (vi) Meets all of the following requirements:
- (A) Has a population of less than 10,000.
- 13 (B) Has a state equalized valuation for all real and personal
- 14 property located in the township of more than \$280,000,000.00.
- 15 (C) Adopted a master zoning plan before February 1, 1987.
- 16 (D) Has within its boundaries a combination of parcels under
- 17 common ownership that is 199 acres or larger, is located within 1
- 18 mile of a limited access highway, and is located within 1 mile of
- 19 an existing sewer line.
- 20 (E) Has rail service.
- 21 (F) Establishes an authority before May 7, 2009.
- 22 (vii) IS A CONSTITUENT MEMBER OF AN AEROTROPOLIS DEVELOPMENT
- 23 CORPORATION.
- 24 Enacting section 1. This amendatory act does not take effect
- 25 unless all of the following bills of the 94th Legislature are
- 26 enacted into law:
- 27 (a) Senate Bill No. ____ or House Bill No. 6502(request no.

07377'08 **). 1 2 (b) Senate Bill No. ____ or House Bill No. 6503(request no. 07781'08 **). 3 (c) Senate Bill No. or House Bill No. 6504 (request no. 07806'08 **). 5 (d) Senate Bill No. ____ or House Bill No. 6505(request no. 6 07807'08 **). 7 (e) Senate Bill No. ____ or House Bill No. 6506(request no. 8 08280'08 *). 9 (f) Senate Bill No. ____ or House Bill No. 6507(request no. 10 11 08281'08 *). 12 (g) Senate Bill No. ____ or House Bill No. 6509(request no. 08283'08 *). 13 (h) Senate Bill No. ____ or House Bill No. 6510(request no. 14

(i) Senate Bill No. or House Bill No. 6511 (request no.

08284'08 *).

17 08285'08 *).

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