



HOUSE BILL No. 5766

May 10, 2000, Introduced by Reps. Kukuk, Gosselin, Pappageorge, Green, Ruth Johnson, Garcia, Bisbee, Mortimer, LaSata, Cameron Brown, Jellema, Geiger, Caul, Shulman, Sanborn, Woronchak, Byl, Voorhees, DeVuyst, Jansen, Birkholz, Cassis and Kuipers and referred to the Committee on Economic Development.

A bill to amend 1986 PA 281, entitled
"The local development financing act,"
by amending sections 2, 4, 10, and 12 (MCL 125.2152, 125.2154,
125.2160, and 125.2162), section 2 as amended by 1998 PA 92 and
sections 4, 10, and 12 as amended by 1993 PA 333, and by adding
section 12a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 2. As used in this act:

(a) "Advance" means a transfer of funds made by a municipal-
ity to an authority or to another person on behalf of the author-
ity in anticipation of repayment by the authority. Evidence of
the intent to repay an advance may include, but is not limited
to, an executed agreement to repay, provisions contained in a tax
increment financing plan approved prior to the advance, or a
resolution of the authority or the municipality.

1 (b) "Assessed value" means 1 of the following:

2 (i) For valuations made before January 1, 1995, the state
3 equalized valuation as determined under the general property tax
4 act, 1893 PA 206, MCL 211.1 to 211.157.

5 (ii) For valuations made after December 31, 1994, the tax-
6 able value as determined under section 27a of the general prop-
7 erty tax act, 1893 PA 206, MCL 211.27a.

8 (c) "Authority" means a local development finance authority
9 created pursuant to this act.

10 (d) "Authority district" means an area or areas within which
11 an authority exercises its powers.

12 (e) "Board" means the governing body of an authority.

13 (F) "BUSINESS DEVELOPMENT AREA" MEANS AN AREA DESIGNATED AS
14 A CERTIFIED INDUSTRIAL PARK UNDER THIS ACT PRIOR TO THE EFFECTIVE
15 DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBDIVISION, OR AN
16 AREA DESIGNATED IN THE TAX INCREMENT FINANCING PLAN THAT MEETS
17 ALL OF THE FOLLOWING REQUIREMENTS:

18 (i) THE AREA IS ZONED TO ALLOW ITS USE FOR ELIGIBLE
19 PROPERTY.

20 (ii) THE AREA HAS A SITE PLAN OR PLAT APPROVED BY THE CITY,
21 VILLAGE, OR TOWNSHIP IN WHICH THE AREA IS LOCATED.

22 (iii) THE PARCELS OF LAND WITHIN THE AREA ARE CONTIGUOUS OR
23 ADJACENT TO EACH OTHER, OR OTHERWISE ADJOINED BY RAILROAD LINES
24 OR OTHER INFRASTRUCTURE THAT MAY BE COMMONLY USED BY ELIGIBLE
25 PROPERTY, INCLUDING AREAS SEPARATED BY STREETS, HIGHWAYS, WATER-
26 WAYS, OR OTHER NATURAL OR ARTIFICIAL BOUNDARIES.

1 (G) "BUSINESS INCUBATOR" MEANS LAND IMPROVEMENTS, BUILDINGS,
 2 STRUCTURES, AND OTHER REAL PROPERTY, AND MACHINERY, EQUIPMENT,
 3 FURNITURE, AND FIXTURES THAT MEET ALL OF THE FOLLOWING
 4 REQUIREMENTS:

5 (i) ARE LOCATED IN A CERTIFIED TECHNOLOGY PARK.

6 (ii) ARE SUBJECT TO AN AGREEMENT UNDER SECTION 12A.

7 (iii) ARE DEVELOPED FOR THE PURPOSE OF ATTRACTING 1 OR MORE
 8 OWNERS OR TENANTS WHO WILL ENGAGE IN 1 OR MORE OF THE FOLLOWING:

9 (A) ACTIVITIES THAT WOULD EACH SEPARATELY QUALIFY THE PROP-
 10 ERTY AS ELIGIBLE PROPERTY UNDER SUBDIVISION (P)(iii).

11 (B) ACTIVITIES THAT SUPPORT THE DEVELOPMENT OF BUSINESSES,
 12 SERVICES, AND PRODUCTS RELATED TO A HIGH TECHNOLOGY ACTIVITY.

13 (H) ~~-(f)-~~ "Captured assessed value" means the amount in any
 14 1 year by which the current assessed value ~~-, as equalized,~~ of
 15 the eligible property identified in the tax increment financing
 16 plan OR, FOR A CERTIFIED TECHNOLOGY PARK, THE REAL AND PERSONAL
 17 PROPERTY INCLUDED IN THE TAX INCREMENT FINANCING PLAN, including
 18 the current assessed value of property for which specific local
 19 taxes are paid in lieu of property taxes as determined pursuant
 20 to subdivision ~~-(w)-~~ (BB), exceeds the initial assessed value.
 21 The state tax commission shall prescribe the method for calculat-
 22 ing captured assessed value.

23 (I) ~~-(g)-~~ "Certified ~~industrial~~ BUSINESS park" means ~~an~~
 24 ~~area of land designated by the Michigan jobs commission as meet-~~
 25 ~~ing all of the following requirements:~~ A BUSINESS DEVELOPMENT
 26 AREA THAT HAS BEEN DESIGNATED BY THE MICHIGAN ECONOMIC
 27 DEVELOPMENT CORPORATION AS MEETING CRITERIA ESTABLISHED BY THE

1 MICHIGAN ECONOMIC DEVELOPMENT CORPORATION. THE CRITERIA SHALL
2 ESTABLISH STANDARDS FOR BUSINESS DEVELOPMENT AREAS INCLUDING, BUT
3 NOT LIMITED TO, USE, TYPES OF BUILDING MATERIALS, LANDSCAPING,
4 SETBACKS, PARKING, STORAGE AREAS, AND MANAGEMENT.

5 ~~(i) It contains not less than 40 acres of land.~~

6 ~~(ii) It is zoned exclusively for use for eligible property.~~

7 ~~(iii) It has a site plan or plat approved by the city, vil-~~
8 ~~lage, or township in which the land is located.~~

9 ~~(iv) The developer of the land agrees to comply with other~~
10 ~~requirements, not inconsistent with subparagraphs (i) to (iii),~~
11 ~~imposed upon property classified as a certified industrial park~~
12 ~~by the Michigan jobs commission under the certified industrial~~
13 ~~park program. Compliance with these other requirements is not a~~
14 ~~prerequisite to meeting the requirement of this subparagraph.~~

15 (J) "CERTIFIED TECHNOLOGY PARK" MEANS THAT PORTION OF THE
16 AUTHORITY DISTRICT DESIGNATED BY A WRITTEN AGREEMENT ENTERED INTO
17 PURSUANT TO SECTION 12A BETWEEN THE AUTHORITY, THE MUNICIPALITY,
18 AND THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION.

19 (K) ~~(h)~~ "Chief executive officer" means the mayor or city
20 manager of a city, the president of a village, or, for other
21 local units of government or school districts, the person charged
22 by law with the supervision of the functions of the local unit of
23 government or school district.

24 (L) ~~(i)~~ "Development plan" means that information and
25 those requirements for a development set forth in section 15.

26 (M) ~~(j)~~ "Development program" means the implementation of
27 a development plan.

1 (N) ~~(k)~~ "Eligible advance" means an advance made before
2 August 19, 1993.

3 (O) ~~(t)~~ "Eligible obligation" means an obligation issued
4 or incurred by an authority or by a municipality on behalf of an
5 authority before August 19, 1993 and its subsequent refunding by
6 a qualified refunding obligation. Eligible obligation includes
7 an authority's written agreement entered into before August 19,
8 1993 to pay an obligation issued after August 18, 1993 and before
9 December 31, 1996 by another entity on behalf of the authority.

10 (P) ~~(m)~~ "Eligible property" means land improvements,
11 buildings, structures, and other real property, and machinery,
12 equipment, furniture, and fixtures, or any part or accessory
13 thereof whether completed or in the process of construction com-
14 prising an integrated whole, located within an authority dis-
15 trict, of which the primary purpose and use is OR WILL BE 1 of
16 the following:

17 (i) The manufacture of goods or materials or the processing
18 of goods or materials by physical or chemical change.

19 (ii) Agricultural processing.

20 (iii) A high technology activity. ~~that has as its primary~~
21 ~~purpose research, product development, engineering, laboratory~~
22 ~~testing, or development of industrial technology. This subpara-~~
23 ~~graph applies only to eligible property for which a tax increment~~
24 ~~financing plan or development plan is adopted and bonds are~~
25 ~~issued under this act before January 1, 1993.~~

26 (iv) The production of energy by the processing of goods or
27 materials by physical or chemical change by a small power

1 production facility as defined by the federal energy regulatory
2 commission pursuant to the public utility regulatory policies act
3 of 1978, Public Law 95-617, 92 Stat. 3117, which facility is
4 fueled primarily by biomass or wood waste. This act does not
5 affect a person's rights or liabilities under law with respect to
6 groundwater contamination described in this subparagraph. This
7 subparagraph applies only if all of the following requirements
8 are met:

9 (A) Tax increment revenues captured from the eligible prop-
10 erty will be used to finance, or will be pledged for debt service
11 on tax increment bonds used to finance, a public facility in or
12 near the authority district designed to reduce, eliminate, or
13 prevent the spread of identified soil and groundwater contamina-
14 tion, pursuant to law.

15 (B) The board of the authority exercising powers within the
16 authority district where the eligible property is located adopted
17 an initial tax increment financing plan between January 1, 1991
18 and May 1, 1991.

19 (C) The municipality that created the authority establishes
20 a special assessment district whereby not less than 50% of the
21 operating expenses of the public facility described in this sub-
22 paragraph will be paid for by special assessments. Not less than
23 50% of the amount specially assessed against all parcels in the
24 special assessment district shall be assessed against parcels
25 owned by parties potentially responsible for the identified
26 groundwater contamination pursuant to law.

1 (v) A BUSINESS INCUBATOR.

2 (Q) ~~(n)~~ "Fiscal year" means the fiscal year of the
3 authority.

4 (R) ~~(o)~~ "Governing body" means the elected body having
5 legislative powers of a municipality creating an authority under
6 this act.

7 (S) "HIGH TECHNOLOGY ACTIVITY" MEANS THAT TERM AS DEFINED IN
8 SECTION 3 OF THE MICHIGAN ECONOMIC GROWTH AUTHORITY ACT, 1995 PA
9 24, MCL 207.803.

10 (T) ~~(p)~~ "Initial assessed value" means the assessed value
11 ~~, as equalized,~~ of the eligible property identified in the tax
12 increment financing plan OR, FOR A CERTIFIED TECHNOLOGY PARK, THE
13 ASSESSED VALUE OF ANY REAL AND PERSONAL PROPERTY INCLUDED IN THE
14 TAX INCREMENT FINANCING PLAN, at the time the resolution estab-
15 lishing the tax increment financing plan is approved as shown by
16 the most recent assessment roll for which equalization has been
17 completed at the time the resolution is adopted OR, FOR PROPERTY
18 THAT BECOMES ELIGIBLE PROPERTY IN OTHER THAN A CERTIFIED TECHNOL-
19 OGY PARK AFTER THE DATE THE PLAN IS APPROVED, AT THE TIME THE
20 PROPERTY BECOMES ELIGIBLE PROPERTY. Property exempt from taxa-
21 tion at the time of the determination of the initial assessed
22 value shall be included as zero. Property for which a specific
23 local tax is paid in lieu of property tax shall not be considered
24 exempt from taxation. The initial assessed value of property for
25 which a specific local tax was paid in lieu of property tax shall
26 be determined as provided in subdivision ~~(w)~~ (BB).

1 (U) "MICHIGAN ECONOMIC DEVELOPMENT CORPORATION" MEANS THE
2 PUBLIC BODY CORPORATE CREATED UNDER SECTION 28 OF ARTICLE VII OF
3 THE STATE CONSTITUTION OF 1963 AND THE URBAN COOPERATION ACT OF
4 1967, 1967 (EX SESS) PA 7, MCL 124.501 TO 124.512. IF THE
5 MICHIGAN ECONOMIC DEVELOPMENT CORPORATION IS UNABLE FOR ANY
6 REASON TO PERFORM ITS DUTIES UNDER THIS ACT, THOSE DUTIES MAY BE
7 EXERCISED BY THE MICHIGAN STRATEGIC FUND.

8 (V) "MICHIGAN STRATEGIC FUND" MEANS THE MICHIGAN STRATEGIC
9 FUND AS DESCRIBED IN THE MICHIGAN STRATEGIC FUND ACT, 1984 PA
10 270, MCL 125.2001 TO 125.2093.

11 (W) ~~-(q)-~~ "Municipality" means a city, village, or urban
12 township.

13 (X) ~~-(r)-~~ "Obligation" means a written promise to pay,
14 whether evidenced by a contract, agreement, lease, sublease,
15 bond, or note, or a requirement to pay imposed by law. An obli-
16 gation does not include a payment required solely because of
17 default upon an obligation, employee salaries, or consideration
18 paid for the use of municipal offices. An obligation does not
19 include those bonds that have been economically defeased by
20 refunding bonds issued under this act. Obligation includes, but
21 is not limited to, the following:

22 (i) A requirement to pay proceeds derived from ad valorem
23 property taxes or taxes levied in lieu of ad valorem property
24 taxes.

25 (ii) A management contract or a contract for professional
26 services.

1 (iii) A payment required on a contract, agreement, bond, or
2 note if the requirement to make or assume the payment arose
3 before August 19, 1993.

4 (iv) A requirement to pay or reimburse a person for the cost
5 of insurance for, or to maintain, property subject to a lease,
6 land contract, purchase agreement, or other agreement.

7 (v) A letter of credit, paying agent, transfer agent, bond
8 registrar, or trustee fee associated with a contract, agreement,
9 bond, or note.

10 (Y) ~~—(S)—~~ "On behalf of an authority", in relation to an
11 eligible advance made by a municipality or an eligible obligation
12 or other protected obligation issued or incurred by a municipali-
13 ty, means in anticipation that an authority would transfer tax
14 increment revenues or reimburse the municipality from tax incre-
15 ment revenues in an amount sufficient to fully make payment
16 required by the eligible advance made by a municipality, or eli-
17 gible obligation or other protected obligation issued or incurred
18 by the municipality, if the anticipation of the transfer or
19 receipt of tax increment revenues from the authority is pursuant
20 to or evidenced by 1 or more of the following:

21 (i) A reimbursement agreement between the municipality and
22 an authority it established.

23 (ii) A requirement imposed by law that the authority trans-
24 fer tax increment revenues to the municipality.

25 (iii) A resolution of the authority agreeing to make pay-
26 ments to the incorporating unit.

1 (iv) Provisions in a tax increment financing plan describing
2 the project for which the obligation was incurred.

3 (Z) ~~-(t)-~~ "Other protected obligation" means:

4 (i) A qualified refunding obligation issued to refund an
5 obligation described in subparagraph (ii) or (iii), an obligation
6 that is not a qualified refunding obligation that is issued to
7 refund an eligible obligation, or a qualified refunding obliga-
8 tion issued to refund an obligation described in this
9 subparagraph.

10 (ii) An obligation issued or incurred by an authority or by
11 a municipality on behalf of an authority after August 19, 1993,
12 but before December 31, 1994, to finance a project described in a
13 tax increment finance plan approved by the municipality in
14 accordance with this act before August 19, 1993, for which a con-
15 tract for final design is entered into by the municipality or
16 authority before March 1, 1994.

17 (iii) An obligation incurred by an authority or municipality
18 after August 19, 1993, to reimburse a party to a development
19 agreement entered into by a municipality or authority before
20 August 19, 1993, for a project described in a tax increment
21 financing plan approved in accordance with this act before
22 August 19, 1993, and undertaken and installed by that party in
23 accordance with the development agreement.

24 (iv) An ongoing management or professional services contract
25 with the governing body of a county ~~which~~ THAT was entered into
26 before March 1, 1994 and ~~which~~ THAT was preceded by a series of
27 limited term management or professional services contracts with

1 the governing body of the county, the last of which was entered
2 into before August 19, 1993.

3 (AA) ~~(u)~~ "Public facility" means 1 or more of the
4 following:

5 (i) A street, road, bridge, STORM WATER OR SANITARY sewer,
6 sewage treatment facility, facility designed to reduce, elimi-
7 nate, or prevent the spread of identified soil or groundwater
8 contamination, drainage system, RETENTION BASIN, PRETREATMENT
9 FACILITY, waterway, waterline, water storage facility, rail line,
10 ELECTRIC, GAS, TELEPHONE OR OTHER COMMUNICATIONS, OR ANY OTHER
11 TYPE OF utility line or pipeline, or other similar or related
12 structure or improvement, together with necessary easements for
13 the structure or improvement. ~~—~~ EXCEPT FOR RAIL LINES, UTILITY
14 LINES, OR PIPELINES, THE STRUCTURES OR IMPROVEMENTS DESCRIBED IN
15 THIS SUBPARAGRAPH SHALL BE EITHER owned or used by a public
16 agency, ~~or~~ functionally connected to similar or supporting
17 facilities owned or used by a public agency, or designed and ded-
18 icated to use by, for the benefit of, or for the protection of
19 the health, welfare, or safety of the public generally, whether
20 or not used by a single business entity. ~~—, provided that any~~
21 ANY road, street, or bridge shall be continuously open to public
22 access. ~~and that other facilities shall be located in public~~
23 ~~easements or rights-of-way and sized to accommodate reasonably~~
24 ~~foreseeable development of eligible property in adjoining areas.~~

25 (ii) The acquisition and disposal of ~~real and personal~~
26 ~~property~~ LAND or an interest in that ~~property~~ LAND, demolition

1 of structures, site preparation, AND relocation costs. —,
2 ~~building rehabilitation and all~~

3 (iii) ALL administrative AND REAL AND PERSONAL PROPERTY
4 ACQUISITION AND DISPOSAL costs related to a public facility,
5 including, but not limited to, architect's, engineer's, legal,
6 and accounting fees as ~~contained in the resolution establishing~~
7 PERMITTED BY the district's development plan. REAL AND PERSONAL
8 PROPERTY ACQUISITION AND DISPOSAL COSTS DESCRIBED IN THIS SUB-
9 PARAGRAPH ARE LIMITED TO COSTS ASSOCIATED WITH THOSE STRUCTURES
10 AND IMPROVEMENTS DESCRIBED IN SUBPARAGRAPHS (i) AND (iv).

11 (iv) ~~(iii)~~ An improvement to a facility used by the public
12 or a public facility as those terms are defined in section 1 of
13 1966 PA 1, MCL 125.1351, which improvement is made to comply with
14 the barrier free design requirements of the state construction
15 code promulgated under the state construction code act of 1972,
16 1972 PA 230, MCL 125.1501 to 125.1531.

17 (v) ALL OF THE FOLLOWING COSTS APPROVED BY THE MICHIGAN ECO-
18 NOMIC DEVELOPMENT CORPORATION:

19 (A) OPERATIONAL COSTS OF, AND COSTS FOR ACTIVITIES AUTHO-
20 RIZED UNDER SECTION 7 FOR, A BUSINESS INCUBATOR LOCATED IN A CER-
21 TIFIED TECHNOLOGY PARK.

22 (B) THE COSTS FOR ACTIVITIES AUTHORIZED UNDER SECTION 7,
23 WHICH COSTS ARE LIMITED TO LABORATORIES, RESEARCH AND DEVELOP-
24 MENT, CONFERENCE FACILITIES, TELECONFERENCE FACILITIES, TESTING,
25 TRAINING, AND QUALITY CONTROL, THAT ARE OR THAT SUPPORT ELIGIBLE
26 PROPERTY UNDER SUBDIVISION (P)(iii), THAT ARE OWNED BY A PUBLIC
27 ENTITY, AND THAT ARE LOCATED WITHIN A CERTIFIED TECHNOLOGY PARK.

1 (vi) OPERATING AND PLANNING COSTS INCLUDED IN A PLAN
 2 PURSUANT TO SECTION 12(1)(F), INCLUDING COSTS OF MARKETING PROP-
 3 ERTY WITHIN THE DISTRICT AND ATTRACTING DEVELOPMENT OF ELIGIBLE
 4 PROPERTY WITHIN THE DISTRICT.

5 (BB) ~~-(v)-~~ "Qualified refunding obligation" means an obliga-
 6 tion issued or incurred by an authority or by a municipality on
 7 behalf of an authority to refund an obligation if the refunding
 8 obligation meets both of the following:

9 (i) The net present value of the principal and interest to
 10 be paid on the refunding obligation, including the cost of issu-
 11 ance, will be less than the net present value of the principal
 12 and interest to be paid on the obligation being refunded, as cal-
 13 culated using a method approved by the department of treasury.

14 (ii) The net present value of the sum of the tax increment
 15 revenues described in subdivision ~~-(y)(ii)-~~ (EE)(ii) and the dis-
 16 tributions under section 11a to repay the refunding obligation
 17 will not be greater than the net present value of the sum of the
 18 tax increment revenues described in subdivision ~~-(y)(ii)-~~
 19 (EE)(ii) and the distributions under section 11a to repay the
 20 obligation being refunded, as calculated using a method approved
 21 by the department of treasury.

22 (CC) ~~-(w)-~~ "Specific local taxes" means a tax levied under
 23 1974 PA 198, MCL 207.551 to 207.572, the commercial redevelopment
 24 act, 1978 PA 255, MCL 207.651 to 207.668, the enterprise zone
 25 act, 1985 PA 224, MCL 125.2101 to 125.2123, 1953 PA 189, MCL
 26 211.181 to 211.182, and the technology park development act, 1984
 27 PA 385, MCL 207.701 to 207.718. The initial assessed value or

1 current assessed value of property subject to a specific local
2 tax is the quotient of the specific local tax paid divided by the
3 ad valorem millage rate. However, after 1993, the state tax com-
4 mission shall prescribe the method for calculating the initial
5 assessed value and current assessed value of property for which a
6 specific local tax was paid in lieu of a property tax.

7 (DD) ~~(x)~~ "State fiscal year" means the annual period com-
8 mencing October 1 of each year.

9 (EE) ~~(y)~~ "Tax increment revenues" means the amount of ad
10 valorem property taxes and specific local taxes attributable to
11 the application of the levy of all taxing jurisdictions upon the
12 captured assessed value of ~~real and personal property in the~~
13 ~~development area~~ ELIGIBLE PROPERTY WITHIN THE DISTRICT OR, FOR
14 PURPOSES OF A CERTIFIED TECHNOLOGY PARK, REAL OR PERSONAL PROP-
15 ERTY THAT IS LOCATED WITHIN THE CERTIFIED TECHNOLOGY PARK AND
16 INCLUDED WITHIN THE TAX INCREMENT FINANCING PLAN, subject to the
17 following requirements:

18 (i) Tax increment revenues include ad valorem property taxes
19 and specific local taxes attributable to the application of the
20 levy of all taxing jurisdictions, other than the state pursuant
21 to the state education tax act, 1993 PA 331, MCL 211.901 to
22 211.906, and local or intermediate school districts, upon the
23 captured assessed value of real and personal property in the
24 development area for any purpose authorized by this act.

25 (ii) Tax increment revenues include ad valorem property
26 taxes and specific local taxes attributable to the application of
27 the levy of the state pursuant to the state education tax act,

1 1993 PA 331, MCL 211.901 to 211.906, and local or intermediate
2 school districts upon the captured assessed value of real and
3 personal property in the development area in an amount equal to
4 the amount necessary, without regard to subparagraph (i), ~~to~~
5 FOR THE FOLLOWING PURPOSES:

6 (A) TO repay eligible advances, eligible obligations, and
7 other protected obligations.

8 (B) TO FUND OR TO REPAY AN ADVANCE OR OBLIGATION ISSUED BY
9 OR ON BEHALF OF AN AUTHORITY TO FUND, THE COST OF PUBLIC FACILI-
10 TIES RELATED TO OR FOR THE BENEFIT OF ELIGIBLE PROPERTY LOCATED
11 WITHIN A CERTIFIED TECHNOLOGY PARK TO THE EXTENT THE PUBLIC
12 FACILITIES HAVE BEEN INCLUDED IN AN AGREEMENT UNDER SECTION
13 12A(3).

14 (iii) Tax increment revenues do not include any of the
15 following:

16 (A) Ad valorem property taxes or specific local taxes
17 ~~attributable either to a portion of the captured assessed value~~
18 ~~shared with taxing jurisdictions within the jurisdictional area~~
19 ~~of the authority or to a portion of value of property that may be~~
20 ~~excluded from captured assessed value~~ THAT ARE EXCLUDED FROM AND
21 NOT MADE PART OF THE TAX INCREMENT FINANCING PLAN.

22 (B) Ad valorem property taxes and specific local taxes
23 attributable to ad valorem property taxes excluded by the tax
24 increment financing plan of the authority from the determination
25 of the amount of tax increment revenues to be transmitted to the
26 authority.

1 (C) Ad valorem property taxes exempted from capture under
2 section 4(3) or specific local taxes attributable to such ad
3 valorem property taxes.

4 (D) Ad valorem property taxes specifically levied for the
5 payment of principal and interest of obligations approved by the
6 electors or obligations pledging the unlimited taxing power of
7 the local governmental unit or specific local taxes attributable
8 to such ad valorem property taxes.

9 (E) THE AMOUNT OF AD VALOREM PROPERTY TAXES OR SPECIFIC
10 TAXES CAPTURED BY A DOWNTOWN DEVELOPMENT AUTHORITY UNDER 1975
11 PA 197, MCL 125.1651 TO 125.1681, TAX INCREMENT FINANCING AUTHOR-
12 ITY UNDER THE TAX INCREMENT FINANCE AUTHORITY ACT, 1980 PA 450,
13 MCL 125.1801 TO 125.1830, OR BROWNFIELD REDEVELOPMENT AUTHORITY
14 UNDER THE BROWNFIELD REDEVELOPMENT FINANCING ACT, 1996 PA 381,
15 MCL 125.2651 TO 125.2672, IF THOSE TAXES WERE CAPTURED BY THESE
16 OTHER AUTHORITIES ON THE DATE THAT THE INITIAL ASSESSED VALUE OF
17 A PARCEL OF PROPERTY WAS ESTABLISHED UNDER THIS ACT.

18 (iv) The amount of tax increment revenues authorized to be
19 included under subparagraph (ii), and required to be transmitted
20 to the authority under section 13(1), from ad valorem property
21 taxes and specific local taxes attributable to the application of
22 the levy of the state education tax act, 1993 PA 331, MCL 211.901
23 to 211.906, OR a local school district or an intermediate school
24 district upon the captured assessed value of real and personal
25 property in a development area shall be determined separately for
26 the levy by the state, each school district, and each

1 intermediate school district as the product of sub-subparagraphs
2 (A) and (B):

3 (A) The percentage ~~which~~ THAT the total ad valorem taxes
4 and specific local taxes available for distribution by law to the
5 state, local school district, or intermediate school district,
6 respectively, bears to the aggregate amount of ad valorem millage
7 taxes and specific taxes available for distribution by law to the
8 state, each local school district, and each intermediate school
9 district.

10 (B) The maximum amount of ad valorem property taxes and spe-
11 cific local taxes considered tax increment revenues under sub-
12 paragraph (ii).

13 (FF) ~~(z)~~ "Urban township" means a township that meets 1 or
14 more of the following:

15 (i) Meets all of the following requirements:

16 (A) Has a population of 20,000 or more, or has a population
17 of 10,000 or more but is located in a county with a population of
18 400,000 or more.

19 (B) Adopted a master zoning plan before February 1, 1987.

20 (C) Provides sewer, water, and other public services to all
21 or a part of the township.

22 (ii) Meets all of the following requirements:

23 (A) Has a population of less than 20,000.

24 (B) Is located in a county with a population of 250,000 or
25 more but less than 400,000, and that county is located in a met-
26 ropolitan statistical area.

1 (C) Has within its boundaries a parcel of property under
2 common ownership that is 800 acres or larger and is capable of
3 being served by a railroad, and located within 3 miles of a
4 limited access highway.

5 (D) ~~—(d)—~~ Establishes an authority before December 31,
6 1998.

7 (iii) Meets all of the following requirements:

8 (A) Has a population of less than 20,000.

9 (B) Has a state equalized value for all real and personal
10 property located in the township of more than \$200,000,000.00.

11 (C) Adopted a master zoning plan before February 1, 1987.

12 (D) Is a charter township under the charter township act,
13 1947 PA 359, MCL 42.1 to 42.34.

14 (E) Has within its boundaries a combination of parcels under
15 common ownership that is 800 acres or larger, is immediately
16 adjacent to a limited access highway, is capable of being served
17 by a railroad, and is immediately adjacent to an existing sewer
18 line.

19 (F) Establishes an authority before March 1, 1999.

20 Sec. 4. (1) The governing body of a municipality may
21 declare by resolution adopted by a majority of its members
22 elected and serving its intention to create and provide for the
23 operation of an authority.

24 (2) In the resolution of intent, the governing body propos-
25 ing to create the authority shall set a date for holding a public
26 hearing on the adoption of a proposed resolution creating the
27 authority and designating the boundaries of the authority

1 district or districts. Notice of the public hearing shall be
2 published twice in a newspaper of general circulation in the
3 municipality, not less than 20 nor more than 40 days before the
4 date of the hearing. Not less than 20 days before the hearing,
5 the governing body proposing to create the authority shall also
6 mail notice of the hearing to the property taxpayers of record in
7 a proposed authority district and, for a public hearing to be
8 held after February 15, 1994, to the governing body of each
9 taxing jurisdiction levying taxes that would be subject to cap-
10 ture if the authority is established and a tax increment financ-
11 ing plan is approved. Failure of a property taxpayer to receive
12 the notice shall not invalidate these proceedings. The notice
13 shall state the date, time, and place of the hearing, and shall
14 describe the boundaries of the proposed authority district or
15 districts. At that hearing, a resident, taxpayer, or property
16 owner from a taxing jurisdiction in which the proposed district
17 is located or an official from a taxing jurisdiction with millage
18 that would be subject to capture has the right to be heard in
19 regard to the establishment of the authority and the boundaries
20 of that proposed authority district. The governing body of the
21 municipality in which a proposed district is to be located shall
22 not incorporate land into an authority district not included in
23 the description contained in the notice of public hearing, but it
24 may eliminate lands described in the notice of public hearing
25 from an authority district in the final determination of the
26 boundaries.

1 (3) Not more than 60 days after a public hearing held after
2 February 15, 1994, the governing body of a taxing jurisdiction,
3 OTHER THAN THIS STATE AND A LOCAL SCHOOL DISTRICT EXCEPT FOR
4 MILLS LEVIED UNDER SECTION 1212 OF THE REVISED SCHOOL CODE, 1976
5 PA 451, MCL 380.1212, with millage that would otherwise be
6 subject to capture may exempt its taxes from capture by adopting
7 a resolution to that effect and filing a copy with the clerk of
8 the municipality proposing to create the authority. HOWEVER, A
9 RESOLUTION BY A GOVERNING BODY OF A TAXING JURISDICTION, OTHER
10 THAN A SCHOOL DISTRICT OR AN INTERMEDIATE SCHOOL DISTRICT, TO
11 EXEMPT ITS TAXES FROM CAPTURE IS NOT EFFECTIVE FOR THE CAPTURE OF
12 TAXES THAT ARE USED FOR A CERTIFIED TECHNOLOGY PARK. The resolu-
13 tion takes effect when filed with that clerk and remains effec-
14 tive until a copy of a resolution rescinding that resolution is
15 filed with that clerk.

16 (4) Not less than 60 days after the public hearing, if the
17 governing body creating the authority intends to proceed with the
18 establishment of the authority, it shall adopt, by majority vote
19 of its members elected and serving, a resolution establishing the
20 authority and designating the boundaries of the authority dis-
21 trict or districts within which the authority shall exercise its
22 powers. The adoption of the resolution is subject to any appli-
23 cable statutory or charter provisions with respect to the
24 approval or disapproval of resolutions by the chief executive
25 officer of the municipality and the adoption of a resolution over
26 his or her veto. This resolution shall be filed with the
27 secretary of state promptly after its adoption and shall be

1 published at least once in a newspaper of general circulation in
2 the municipality.

3 (5) The governing body may alter or amend the boundaries of
4 an authority district to include or exclude lands from that
5 authority district or create new authority districts pursuant to
6 the same requirements prescribed for adopting the resolution cre-
7 ating the authority.

8 (6) The validity of the proceedings establishing an author-
9 ity shall be conclusive unless contested in a court of competent
10 jurisdiction within 60 days after the last of the following takes
11 place:

12 (a) Publication of the resolution creating the authority as
13 adopted.

14 (b) Filing of the resolution creating the authority with the
15 secretary of state.

16 Sec. 10. The activities of the authority shall be financed
17 from 1 or more of the following sources:

18 (a) Contributions to the authority for the performance of
19 its functions.

20 (b) Revenues from any property, building, or facility owned,
21 leased, licensed, or operated by the authority or under its con-
22 trol, subject to the limitations imposed upon the authority by
23 trusts or other agreements.

24 (c) Tax increment revenues received pursuant to a tax incre-
25 ment financing plan established under sections 12 to 14.

26 (d) Proceeds of tax increment bonds issued pursuant to
27 section 14.

1 (e) Proceeds of revenue bonds issued pursuant to section
2 11.

3 (f) Money obtained from any other legal source approved by
4 the governing body of the municipality or otherwise authorized by
5 law for use by the authority or the municipality to finance a
6 development program.

7 (g) Money obtained pursuant to section 11a.

8 (H) LOANS FROM THE MICHIGAN STRATEGIC FUND OR THE MICHIGAN
9 ECONOMIC DEVELOPMENT CORPORATION.

10 Sec. 12. (1) If the board determines that it is necessary
11 for the achievement of the purposes of this act, the board shall
12 prepare and submit a tax increment financing plan to the govern-
13 ing body. The plan shall be in compliance with section 13 and
14 shall include a development plan as provided in section 15. The
15 plan shall also contain the following:

16 (a) A statement of the reasons that the plan will result in
17 the development of captured assessed value that could not other-
18 wise be expected. The reasons may include, but are not limited
19 to, activities of the municipality, authority, or others under-
20 taken before formulation or adoption of the plan in reasonable
21 anticipation that the objectives of the plan would be achieved by
22 some means.

23 (b) An estimate of the captured assessed value for each year
24 of the plan. The plan may provide for the use of part or all of
25 the captured assessed value OR, SUBJECT TO SUBSECTION (3), OF THE
26 TAX INCREMENT REVENUES ATTRIBUTABLE TO THE LEVY OF ANY TAXING
27 JURISDICTION, but the portion intended to be used shall be

1 clearly stated in the plan. The board or the municipality
2 creating the authority may exclude from captured assessed value a
3 percentage of captured assessed value as specified in the plan or
4 growth in property value resulting solely from inflation. If
5 excluded, the plan shall set forth the method for excluding
6 growth in property value resulting solely from inflation.

7 (c) The estimated tax increment revenues for each year of
8 the plan.

9 (d) A detailed explanation of the tax increment procedure.

10 (e) The maximum amount of note or bonded indebtedness to be
11 incurred, if any.

12 (f) The amount of operating and planning expenditures of the
13 authority and municipality, the amount of advances extended by or
14 indebtedness incurred by the municipality, and the amount of
15 advances by others to be repaid from tax increment revenues.

16 (g) The costs of the plan anticipated to be paid from tax
17 increment revenues as received.

18 (h) The duration of the development plan and the tax incre-
19 ment plan.

20 (i) An estimate of the impact of tax increment financing on
21 the revenues of all taxing jurisdictions in which the eligible
22 property is OR IS ANTICIPATED TO BE located.

23 (j) A legal description of the eligible property to which
24 the tax increment financing plan applies OR SHALL APPLY UPON
25 QUALIFICATION AS ELIGIBLE PROPERTY.

26 (k) An estimate of the number of jobs to be created as a
27 result of implementation of the tax increment financing plan.

1 (1) THE PROPOSED BOUNDARIES OF A CERTIFIED TECHNOLOGY PARK
 2 TO BE CREATED UNDER AN AGREEMENT PROPOSED TO BE ENTERED INTO PUR-
 3 SUANT TO SECTION 12A, AN IDENTIFICATION OF THE REAL PROPERTY
 4 WITHIN THE CERTIFIED TECHNOLOGY PARK TO BE INCLUDED IN THE TAX
 5 INCREMENT FINANCING PLAN FOR PURPOSES OF DETERMINING TAX INCRE-
 6 MENT REVENUES, AND WHETHER PERSONAL PROPERTY LOCATED IN THE CER-
 7 TIFIED TECHNOLOGY PARK IS EXEMPT FROM DETERMINING TAX INCREMENT
 8 REVENUES.

9 (2) ~~A~~ EXCEPT AS PROVIDED IN SECTION 12A, A tax increment
 10 financing plan shall ~~only~~ provide for the use of tax increment
 11 revenues for public facilities for eligible property whose cap-
 12 tured assessed value produces the tax increment revenues or, to
 13 the extent the eligible property is located within a ~~certified~~
 14 ~~industrial park~~ BUSINESS DEVELOPMENT AREA, for other eligible
 15 property located in the ~~certified industrial park~~ BUSINESS
 16 DEVELOPMENT AREA. Public facilities for eligible property
 17 include the development or improvement of access to and around,
 18 or within the eligible property, of road facilities reasonably
 19 required by traffic flow to be generated by the eligible proper-
 20 ty, and the development or improvement of public facilities that
 21 are necessary to service the eligible property, whether or not
 22 located on that eligible property. If the eligible property
 23 identified in the tax increment financing plan is property to
 24 which section ~~2(l)(iv)~~ 2(P)(iv) applies, the tax increment
 25 financing plan shall not provide for the use of tax increment
 26 revenues for public facilities other than those described in the
 27 development plan as of April 1, 1991. Whether or not ~~so~~

1 provided in the tax increment financing plan, if the eligible
2 property identified in the tax increment financing plan is prop-
3 erty to which section ~~2(I)(iv)~~ 2(P)(iv) applies, then to the
4 extent that captured tax increment revenues are utilized for the
5 costs of cleanup of identified soil and groundwater contamina-
6 tion, the captured tax increment revenues shall be first credited
7 against the shares of responsibility for the total costs of
8 cleanup of uncollectible parties who are responsible for the
9 identified soil and groundwater contamination pursuant to law,
10 and then shall be credited on a pro rata basis against the shares
11 of responsibility for the total costs of cleanup of other parties
12 who are responsible for the identified soil and groundwater con-
13 tamination pursuant to law.

14 (3) The percentage of taxes levied for school operating pur-
15 poses that is captured and used by the tax increment financing
16 plan AND THE TAX INCREMENT FINANCING PLANS UNDER 1975 PA 197, MCL
17 125.1651 TO 125.1681, THE TAX INCREMENT FINANCE AUTHORITY ACT,
18 1980 PA 450, MCL 125.1801 TO 125.1380, AND THE BROWNFIELD REDE-
19 VELOPMENT FINANCING ACT, 1996 PA 381, MCL 125.2651 TO 125.2672,
20 shall not be greater than the ~~plan's~~ percentage capture and use
21 of taxes levied by a municipality or county for operating pur-
22 poses UNDER THE TAX INCREMENT FINANCING PLAN AND TAX INCREMENT
23 FINANCING PLANS UNDER 1975 PA 197, MCL 125.1651 TO 125.1681, THE
24 TAX INCREMENT FINANCE AUTHORITY ACT, 1980 PA 450, MCL 125.1801 TO
25 125.1830, AND THE BROWNFIELD REDEVELOPMENT FINANCING ACT, 1996
26 PA 381, MCL 125.2651 TO 125.2672. For purposes of the previous
27 sentence, taxes levied by a county for operating purposes include

1 only millage allocated for county or charter county purposes
2 under the property tax limitation act, ~~Act No. 62 of the Public~~
3 ~~Acts of 1933, being sections 211.201 to 211.217a of the Michigan~~
4 ~~Compiled Laws 1933 PA 62, MCL 211.201 TO 211.217A.~~

5 ~~(4) If the construction of eligible property has, or may~~
6 ~~reasonably be expected to have, the effect of transferring~~
7 ~~employment of 50 or more full-time jobs from 1 or more local gov=~~
8 ~~ernmental units of this state to the municipality in which the~~
9 ~~eligible property is located, that eligible property shall be~~
10 ~~considered excluded from the authority district or districts~~
11 ~~unless the legislative body of each local governmental unit from~~
12 ~~which 50 or more full-time jobs are to be transferred consents,~~
13 ~~by resolution, to the inclusion of that eligible property in the~~
14 ~~authority district for purposes of the tax increment financing~~
15 ~~plan.~~

16 (4) ~~(5)~~ Approval of the tax increment financing plan shall
17 be in accordance with the notice, hearing, disclosure, and
18 approval provisions of sections 16 and 17. If the development
19 plan is part of the tax increment financing plan, only 1 hearing
20 and approval procedure is required for the 2 plans together.

21 (5) ~~(6)~~ Before the public hearing on the tax increment
22 financing plan, the governing body shall provide a reasonable
23 opportunity to the taxing jurisdictions levying taxes subject to
24 capture to express their views and recommendations regarding the
25 tax increment financing plan. The authority shall fully inform
26 the taxing jurisdictions about the fiscal and economic
27 implications of the proposed tax increment financing plan. The

1 taxing jurisdictions may present their recommendations at the
2 public hearing on the tax increment financing plan. The author-
3 ity may enter into agreements with the taxing jurisdictions and
4 the governing body of the municipality in which the authority
5 district is located to share a portion of the captured assessed
6 value of the district OR TO DISTRIBUTE TAX INCREMENT REVENUES
7 AMONG TAXING JURISDICTIONS. Upon adoption of the plan, the col-
8 lection and transmission of the amount of tax increment revenues,
9 as specified in this act, shall be binding on all taxing units
10 levying ad valorem property taxes or specific local taxes against
11 property located in the authority district.

12 (6) SUBJECT TO SUBSECTION (2) AND SECTION 12A, PROPERTY
13 SHALL NOT BE ACQUIRED AS A PUBLIC FACILITY UNDER SECTION
14 2(AA)(ii) UNLESS IT IS PROPOSED OR INTENDED TO BE USED IN THE
15 DEVELOPMENT OF ELIGIBLE PROPERTY. PROPERTY QUALIFIED AS A PUBLIC
16 FACILITY UNDER SECTION 2(AA)(ii) THAT IS ACQUIRED BY AN AUTHORITY
17 MAY BE SOLD, CONVEYED, OR OTHERWISE DISPOSED TO ANY PERSON,
18 PUBLIC OR PRIVATE, FOR ANY CONSIDERATION ESTABLISHED BY THE
19 AUTHORITY, WHICH MAY BE PAYABLE IN CASH OR NONCASH CONSIDERATION,
20 OR FOR NO CONSIDERATION OTHER THAN TO ASSIST THE AUTHORITY IN
21 FULFILLING THE PURPOSES OF ITS TAX INCREMENT FINANCING PLAN.
22 UNLESS THE PROPERTY ACQUIRED BY AN AUTHORITY WAS LOCATED WITHIN A
23 CERTIFIED BUSINESS PARK OR A CERTIFIED TECHNOLOGY PARK AT THE
24 TIME OF DISPOSITION, AN AUTHORITY SHALL REMIT ALL MONETARY PRO-
25 CEEDS RECEIVED FROM THE SALE OR DISPOSITION OF PROPERTY THAT
26 QUALIFIED AS A PUBLIC FACILITY UNDER SECTION 2(AA)(ii) AND WAS
27 PURCHASED WITH TAX INCREMENT REVENUES TO THE TAXING

1 JURISDICTIONS. PROCEEDS DISTRIBUTED TO TAXING JURISDICTIONS
2 SHALL BE REMITTED IN PROPORTION TO THE AMOUNT OF TAX INCREMENT
3 REVENUES ATTRIBUTABLE TO EACH TAXING JURISDICTION IN THE YEAR THE
4 PROPERTY WAS ACQUIRED. IF THE PROPERTY WAS ACQUIRED IN PART WITH
5 FUNDS OTHER THAN TAX INCREMENT REVENUES, ONLY THAT PORTION OF THE
6 MONETARY PROCEEDS RECEIVED UPON DISPOSITION THAT REPRESENT THE
7 PROPORTION OF THE COST OF ACQUISITION PAID WITH TAX INCREMENT
8 REVENUES IS REQUIRED TO BE REMITTED TO TAXING JURISDICTIONS. IF
9 THE PROPERTY IS LOCATED WITHIN A CERTIFIED BUSINESS PARK OR CER-
10 TIFIED TECHNOLOGY PARK AT THE TIME OF DISPOSITION, THE MONETARY
11 PROCEEDS RECEIVED FROM THE SALE OR DISPOSITION OF THAT PROPERTY
12 MAY BE RETAINED BY THE AUTHORITY FOR ANY PURPOSE NECESSARY TO
13 FURTHER THE DEVELOPMENT PROGRAM FOR THE CERTIFIED BUSINESS PARK
14 OR CERTIFIED TECHNOLOGY PARK IN ACCORDANCE WITH THE TAX INCREMENT
15 FINANCING PLAN.

16 SEC. 12A. (1) A MUNICIPALITY THAT HAS CREATED AN AUTHORITY
17 MAY APPLY TO THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION FOR
18 DESIGNATION OF ALL OR A PORTION OF THE AUTHORITY DISTRICT AS A
19 CERTIFIED TECHNOLOGY PARK AND TO ENTER INTO AN AGREEMENT GOVERN-
20 ING THE TERMS AND CONDITIONS OF THE DESIGNATION. THE FORM OF THE
21 APPLICATION SHALL BE IN A FORM SPECIFIED BY THE MICHIGAN ECONOMIC
22 DEVELOPMENT CORPORATION AND SHALL INCLUDE INFORMATION THE
23 MICHIGAN ECONOMIC DEVELOPMENT CORPORATION DETERMINES NECESSARY TO
24 MAKE THE DETERMINATIONS REQUIRED UNDER THIS SECTION.

25 (2) AFTER RECEIPT OF AN APPLICATION, THE MICHIGAN ECONOMIC
26 DEVELOPMENT CORPORATION MAY DESIGNATE, PURSUANT TO AN AGREEMENT
27 ENTERED INTO UNDER SUBSECTION (3), A CERTIFIED TECHNOLOGY PARK

1 THAT IS DETERMINED BY THE MICHIGAN ECONOMIC DEVELOPMENT
2 CORPORATION TO SATISFY 1 OR MORE OF THE FOLLOWING CRITERIA BASED
3 ON THE APPLICATION:

4 (A) A DEMONSTRATION OF SIGNIFICANT SUPPORT FROM AN INSTITU-
5 TION OF HIGHER EDUCATION OR A PRIVATE RESEARCH-BASED INSTITUTE
6 LOCATED WITHIN THE PROXIMITY OF THE PROPOSED CERTIFIED TECHNOLOGY
7 PARK, AS EVIDENCED BY, BUT NOT LIMITED TO, THE FOLLOWING TYPES OF
8 SUPPORT:

9 (i) GRANTS OF PREFERENCES FOR ACCESS TO AND COMMERCIALIZ-
10 ATION OF INTELLECTUAL PROPERTY.

11 (ii) ACCESS TO LABORATORY AND OTHER FACILITIES OWNED BY OR
12 UNDER CONTROL OF THE INSTITUTION OF HIGHER EDUCATION OR PRIVATE
13 RESEARCH-BASED INSTITUTE.

14 (iii) DONATIONS OF SERVICES.

15 (iv) ACCESS TO TELECOMMUNICATION FACILITIES AND OTHER
16 INFRASTRUCTURE.

17 (v) FINANCIAL COMMITMENTS.

18 (vi) ACCESS TO FACULTY, STAFF, AND STUDENTS.

19 (vii) OPPORTUNITIES FOR ADJUNCT FACULTY AND OTHER TYPES OF
20 STAFF ARRANGEMENTS OR AFFILIATIONS.

21 (B) A DEMONSTRATION OF A SIGNIFICANT COMMITMENT ON BEHALF OF
22 THE INSTITUTION OF HIGHER EDUCATION OR PRIVATE RESEARCH-BASED
23 INSTITUTE TO THE COMMERCIALIZATION OF RESEARCH PRODUCED AT THE
24 CERTIFIED TECHNOLOGY PARK, AS EVIDENCED BY THE INTELLECTUAL PROP-
25 ERTY AND, IF APPLICABLE, TENURE POLICIES THAT REWARD FACULTY AND
26 STAFF FOR COMMERCIALIZATION AND COLLABORATION WITH PRIVATE
27 BUSINESSES.

1 (C) A DEMONSTRATION THAT THE PROPOSED CERTIFIED TECHNOLOGY
2 PARK WILL BE DEVELOPED TO TAKE ADVANTAGE OF THE UNIQUE CHARACTER-
3 ISTICS AND SPECIALTIES OFFERED BY THE PUBLIC AND PRIVATE
4 RESOURCES AVAILABLE IN THE AREA IN WHICH THE PROPOSED CERTIFIED
5 TECHNOLOGY PARK WILL BE LOCATED.

6 (D) THE EXISTENCE OF OR PROPOSED DEVELOPMENT OF A BUSINESS
7 INCUBATOR WITHIN THE PROPOSED CERTIFIED TECHNOLOGY PARK THAT
8 EXHIBITS THE FOLLOWING TYPES OF RESOURCES AND ORGANIZATION:

9 (i) SIGNIFICANT FINANCIAL AND OTHER TYPES OF SUPPORT FROM
10 THE PUBLIC OR PRIVATE RESOURCES IN THE AREA IN WHICH THE PROPOSED
11 CERTIFIED TECHNOLOGY PARK WILL BE LOCATED.

12 (ii) A BUSINESS PLAN EXHIBITING THE ECONOMIC UTILIZATION AND
13 AVAILABILITY OF RESOURCES AND A LIKELIHOOD OF SUCCESSFUL DEVELOP-
14 MENT OF TECHNOLOGIES AND RESEARCH INTO VIABLE BUSINESS
15 ENTERPRISES.

16 (iii) A COMMITMENT TO THE EMPLOYMENT OF A QUALIFIED
17 FULL-TIME MANAGER TO SUPERVISE THE DEVELOPMENT AND OPERATION OF
18 THE BUSINESS INCUBATOR.

19 (E) THE EXISTENCE OF A BUSINESS PLAN FOR THE PROPOSED CERTI-
20 FIED TECHNOLOGY PARK THAT IDENTIFIES ITS OBJECTIVES IN A CLEARLY
21 FOCUSED AND MEASURABLE FASHION AND THAT ADDRESSES THE FOLLOWING
22 MATTERS:

23 (i) A COMMITMENT TO NEW BUSINESS FORMATION.

24 (ii) THE CLUSTERING OF BUSINESSES, TECHNOLOGY, AND
25 RESEARCH.

26 (iii) THE OPPORTUNITY FOR AND COSTS OF DEVELOPMENT OF
27 PROPERTIES UNDER COMMON OWNERSHIP OR CONTROL.

1 (iv) THE AVAILABILITY OF AND METHOD PROPOSED FOR DEVELOPMENT
2 OF INFRASTRUCTURE AND OTHER IMPROVEMENTS, INCLUDING TELECOMMUNI-
3 CATIONS TECHNOLOGY, NECESSARY FOR THE DEVELOPMENT OF THE PROPOSED
4 CERTIFIED TECHNOLOGY PARK.

5 (v) ASSUMPTIONS OF COSTS AND REVENUES RELATED TO THE DEVEL-
6 OPMENT OF THE PROPOSED CERTIFIED TECHNOLOGY PARK.

7 (F) A DEMONSTRABLE AND SATISFACTORY ASSURANCE THAT THE PRO-
8 POSED CERTIFIED TECHNOLOGY PARK CAN BE DEVELOPED TO PRINCIPALLY
9 CONTAIN ELIGIBLE PROPERTY AS DEFINED BY SECTION 2(P)(iii) AND
10 (v).

11 (3) UPON APPROVAL BY THE MICHIGAN ECONOMIC DEVELOPMENT COR-
12 PORATION OF AN APPLICATION MADE PURSUANT TO SUBSECTION (1) FOR
13 DESIGNATION AS A CERTIFIED TECHNOLOGY PARK, AN AUTHORITY AND A
14 MUNICIPALITY THAT INCORPORATED THE AUTHORITY MAY ENTER INTO AN
15 AGREEMENT WITH THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION
16 ESTABLISHING THE TERMS AND CONDITIONS GOVERNING THE CERTIFIED
17 TECHNOLOGY PARK. UPON DESIGNATION OF THE CERTIFIED TECHNOLOGY
18 PARK PURSUANT TO THE TERMS OF THE AGREEMENT, THE SUBSEQUENT FAIL-
19 URE OF ANY PARTY TO COMPLY WITH THE TERMS OF THE AGREEMENT SHALL
20 NOT RESULT IN THE TERMINATION OR RESCISSION OF THE DESIGNATION OF
21 THE AREA AS A CERTIFIED TECHNOLOGY PARK. THE AGREEMENT SHALL
22 INCLUDE, BUT IS NOT LIMITED TO, THE FOLLOWING PROVISIONS:

23 (A) A DESCRIPTION OF THE AREA TO BE INCLUDED WITHIN THE CER-
24 TIFIED TECHNOLOGY PARK.

25 (B) COVENANTS AND RESTRICTIONS, IF ANY, UPON ALL OR A POR-
26 TION OF THE PROPERTIES CONTAINED WITHIN THE CERTIFIED TECHNOLOGY
27 PARK AND TERMS OF ENFORCEMENT OF ANY COVENANTS OR RESTRICTIONS.

1 (C) THE FINANCIAL COMMITMENTS OF ANY PARTY TO THE AGREEMENT
2 AND OF ANY OWNER OR DEVELOPER OF PROPERTY WITHIN THE CERTIFIED
3 TECHNOLOGY PARK.

4 (D) THE TERMS OF ANY COMMITMENT REQUIRED FROM AN INSTITUTION
5 OF HIGHER EDUCATION OR PRIVATE RESEARCH BASED INSTITUTE FOR SUP-
6 PORT OF THE OPERATIONS AND ACTIVITIES AT ELIGIBLE PROPERTIES
7 WITHIN THE CERTIFIED TECHNOLOGY PARK.

8 (E) THE TERMS OF ENFORCEMENT OF THE AGREEMENT, WHICH MAY
9 INCLUDE THE DEFINITION OF EVENTS OF DEFAULT, CURE PERIODS, LEGAL
10 AND EQUITABLE REMEDIES AND RIGHTS, AND PENALTIES AND DAMAGES,
11 ACTUAL OR LIQUIDATED, UPON THE OCCURRENCE OF AN EVENT OF
12 DEFAULT.

13 (F) THE PUBLIC FACILITIES TO BE DEVELOPED FOR THE CERTIFIED
14 TECHNOLOGY PARK.

15 (G) THE COSTS APPROVED FOR PUBLIC FACILITIES UNDER SECTION
16 2(Z).

17 (4) IF THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION HAS
18 DETERMINED THAT A SALE PRICE OR RENTAL VALUE AT BELOW MARKET RATE
19 OR FOR NO CONSIDERATION WILL ASSIST IN INCREASING EMPLOYMENT OR
20 PRIVATE INVESTMENT IN THE CERTIFIED TECHNOLOGY PARK, THE AUTHOR-
21 ITY OR MUNICIPALITY HAS AUTHORITY TO DETERMINE THE SALE PRICE OR
22 RENTAL VALUE FOR PUBLIC FACILITIES OWNED OR DEVELOPED BY THE
23 AUTHORITY OR MUNICIPALITY IN THE CERTIFIED TECHNOLOGY PARK AT
24 BELOW MARKET RATE, OR FOR NO CONSIDERATION OTHER THAN THE ACCOM-
25 PLISHMENT OF THE PLAN.

1 (5) THE TAX INCREMENT FINANCING PLAN MAY PROVIDE FOR THE USE
2 OF TAX INCREMENT REVENUES FROM THE CERTIFIED TECHNOLOGY PARK FOR
3 ANY ELIGIBLE PROPERTY LOCATED IN THE CERTIFIED TECHNOLOGY PARK.

4 (6) AN AGREEMENT DESIGNATING A CERTIFIED TECHNOLOGY PARK MAY
5 NOT BE MADE AFTER DECEMBER 31, 2003, BUT ANY AGREEMENT MADE ON OR
6 BEFORE DECEMBER 31, 2003 MAY BE AMENDED AFTER THAT DATE.

7 (7) THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION SHALL
8 MARKET THE CERTIFIED TECHNOLOGY PARKS AND THE CERTIFIED BUSINESS
9 PARKS. THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION AND AN
10 AUTHORITY MAY CONTRACT WITH EACH OTHER OR ANY THIRD PARTY FOR
11 THESE MARKETING SERVICES.

12 (8) THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION SHALL NOT
13 DESIGNATE MORE THAN 10 CERTIFIED TECHNOLOGY PARKS. NOT MORE THAN
14 7 OF THE CERTIFIED TECHNOLOGY PARKS DESIGNATED UNDER THIS SECTION
15 MAY NOT INCLUDE A FIRM COMMITMENT FROM AT LEAST 1 BUSINESS
16 ENGAGED IN A HIGH TECHNOLOGY ACTIVITY CREATING A SIGNIFICANT
17 NUMBER OF JOBS.