

**SUBSTITUTE FOR
SENATE BILL NO. 1210**

A bill to amend 1996 PA 381, entitled "Brownfield redevelopment financing act," by amending sections 2, 4, 8, 13, 15, and 16 (MCL 125.2652, 125.2654, 125.2658, 125.2663, 125.2665, and 125.2666), section 2 as amended by 2010 PA 246, section 4 as amended by 2005 PA 101, section 8 as amended by 2000 PA 145, section 13 as amended by 2010 PA 288, section 15 as amended by 2007 PA 201, and section 16 as amended by 2007 PA 203, and by adding section 8a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. As used in this act:

2 (a) "Additional response activities" means response activities
3 identified as part of a brownfield plan that are in addition to
4 baseline environmental assessment activities and due care
5 activities for an eligible property.

1 (b) "Authority" means a brownfield redevelopment authority
2 created under this act.

3 (c) "Baseline environmental assessment" means that term as
4 defined in section 20101 of the natural resources and environmental
5 protection act, 1994 PA 451, MCL 324.20101.

6 (d) "Baseline environmental assessment activities" means those
7 response activities identified as part of a brownfield plan that
8 are necessary to complete a baseline environmental assessment for
9 an eligible property in the brownfield plan.

10 (e) "Blighted" means property that meets any of the following
11 criteria as determined by the governing body:

12 (i) Has been declared a public nuisance in accordance with a
13 local housing, building, plumbing, fire, or other related code or
14 ordinance.

15 (ii) Is an attractive nuisance to children because of physical
16 condition, use, or occupancy.

17 (iii) Is a fire hazard or is otherwise dangerous to the safety
18 of persons or property.

19 (iv) Has had the utilities, plumbing, heating, or sewerage
20 permanently disconnected, destroyed, removed, or rendered
21 ineffective so that the property is unfit for its intended use.

22 (v) Is tax reverted property owned by a qualified local
23 governmental unit, by a county, or by this state. The sale, lease,
24 or transfer of tax reverted property by a qualified local
25 governmental unit, county, or this state after the property's
26 inclusion in a brownfield plan shall not result in the loss to the
27 property of the status as blighted property for purposes of this

1 act.

2 (vi) Is property owned or under the control of a land bank fast
3 track authority, ~~under the land bank fast track act,~~ whether or not
4 located within a qualified local governmental unit. Property
5 included within a brownfield plan prior to the date it meets the
6 requirements of this subdivision to be eligible property shall be
7 considered to become eligible property as of the date the property
8 is determined to have been or becomes qualified as, or is combined
9 with, other eligible property. The sale, lease, or transfer of the
10 property by a land bank fast track authority after the property's
11 inclusion in a brownfield plan shall not result in the loss to the
12 property of the status as blighted property for purposes of this
13 act.

14 (vii) Has substantial subsurface demolition debris buried on
15 site so that the property is unfit for its intended use.

16 (f) "Board" means the governing body of an authority.

17 (g) "Brownfield plan" means a plan that meets the requirements
18 of section 13 and is adopted under section 14.

19 (h) "Captured taxable value" means the amount in 1 year by
20 which the current taxable value of an eligible property subject to
21 a brownfield plan, including the taxable value or assessed value,
22 as appropriate, of the property for which specific taxes are paid
23 in lieu of property taxes, exceeds the initial taxable value of
24 that eligible property. The state tax commission shall prescribe
25 the method for calculating captured taxable value.

26 (i) "Chief executive officer" means the mayor of a city, the
27 village manager of a village, the township supervisor of a

1 township, or the county executive of a county or, if the county
 2 does not have an elected county executive, the chairperson of the
 3 county board of commissioners.

4 (J) "COMBINED BROWNFIELD PLAN" MEANS A BROWNFIELD PLAN THAT
 5 ALSO INCLUDES THE INFORMATION NECESSARY TO SUBMIT THE PLAN TO THE
 6 DEPARTMENT OR MICHIGAN STRATEGIC FUND UNDER SECTION 15(25).

7 (K) ~~(j)~~ "Department" means the department of ~~natural resources~~
 8 ~~and environment.~~ ENVIRONMENTAL QUALITY.

9 (L) ~~(k)~~ "Due care activities" means those response activities
 10 identified as part of a brownfield plan that are necessary to allow
 11 the owner or operator of an eligible property in the plan to comply
 12 with the requirements of section 20107a of the natural resources
 13 and environmental protection act, 1994 PA 451, MCL 324.20107a.

14 (M) ~~(l)~~ "Economic opportunity zone" means 1 or more parcels of
 15 property that meet all of the following:

16 (i) That together are 40 or more acres in size.

17 (ii) That contain a manufacturing facility that consists of
 18 500,000 or more square feet.

19 (iii) That are located in a municipality that has a population
 20 of 30,000 or less and that is contiguous to a qualified local
 21 governmental unit.

22 (N) ~~(m)~~ "Eligible activities" or "eligible activity" means 1
 23 or more of the following:

24 (i) Baseline environmental assessment activities.

25 (ii) Due care activities.

26 (iii) Additional response activities.

27 (iv) For eligible activities on eligible property that was used

1 or is currently used for commercial, industrial, or residential
2 purposes that is in a qualified local governmental unit, that is
3 owned or under the control of a land bank fast track authority, or
4 that is located in an economic opportunity zone, and is a facility,
5 **HISTORIC RESOURCE**, functionally obsolete, or blighted, and except
6 for purposes of section 38d of former 1975 PA 228, the following
7 additional activities:

8 (A) Infrastructure improvements that directly benefit eligible
9 property.

10 (B) Demolition of structures that is not response activity
11 under section 20101 of the natural resources and environmental
12 protection act, 1994 PA 451, MCL 324.20101.

13 (C) Lead or asbestos abatement.

14 (D) Site preparation that is not response activity under
15 section 20101 of the natural resources and environmental protection
16 act, 1994 PA 451, MCL 324.20101.

17 (E) Assistance to a land bank fast track authority in clearing
18 or quieting title to, or selling or otherwise conveying, property
19 owned or under the control of a land bank fast track authority or
20 the acquisition of property by the land bank fast track authority
21 if the acquisition of the property is for economic development
22 purposes.

23 (F) Assistance to a qualified local governmental unit or
24 authority in clearing or quieting title to, or selling or otherwise
25 conveying, property owned or under the control of a qualified local
26 governmental unit or authority or the acquisition of property by a
27 qualified local governmental unit or authority if the acquisition

1 of the property is for economic development purposes.

2 (v) Relocation of public buildings or operations for economic
3 development purposes.

4 (vi) For eligible activities on eligible property that is a
5 qualified facility that is not located in a qualified local
6 governmental unit and that is a facility, functionally obsolete, or
7 blighted, the following additional activities:

8 (A) Infrastructure improvements that directly benefit eligible
9 property.

10 (B) Demolition of structures that is not response activity
11 under section 20101 of the natural resources and environmental
12 protection act, 1994 PA 451, MCL 324.20101.

13 (C) Lead or asbestos abatement.

14 (D) Site preparation that is not response activity under
15 section 20101 of the natural resources and environmental protection
16 act, 1994 PA 451, MCL 324.20101.

17 (vii) For eligible activities on eligible property that is not
18 located in a qualified local governmental unit and that is a
19 facility, **HISTORIC RESOURCE**, functionally obsolete, or blighted,
20 the following additional activities:

21 (A) Demolition of structures that is not response activity
22 under section 20101 of the natural resources and environmental
23 protection act, 1994 PA 451, MCL 324.20101.

24 (B) Lead or asbestos abatement.

25 (viii) Reasonable costs of developing and preparing brownfield
26 plans, **COMBINED BROWNFIELD PLANS**, and work plans.

27 (ix) For property that is not located in a qualified local

1 governmental unit and that is a facility, functionally obsolete, or
2 blighted, that is a former mill that has not been used for
3 industrial purposes for the immediately preceding 2 years, that is
4 located along a river that is a federal superfund site listed under
5 the comprehensive environmental response, compensation, and
6 liability act of 1980, 42 USC 9601 to 9675, and that is located in
7 a city with a population of less than 10,000 persons, the following
8 additional activities:

9 (A) Infrastructure improvements that directly benefit the
10 property.

11 (B) Demolition of structures that is not response activity
12 under section 20101 of the natural resources and environmental
13 protection act, 1994 PA 451, MCL 324.20101.

14 (C) Lead or asbestos abatement.

15 (D) Site preparation that is not response activity under
16 section 20101 of the natural resources and environmental protection
17 act, 1994 PA 451, MCL 324.20101.

18 (x) For eligible activities on eligible property that is
19 located north of the 45th parallel, that is a facility,
20 functionally obsolete, or blighted, and the owner or operator of
21 which makes new capital investment of \$250,000,000.00 or more in
22 this state, the following additional activities:

23 (A) Demolition of structures that is not response activity
24 under section 20101 of the natural resources and environmental
25 protection act, 1994 PA 451, MCL 324.20101.

26 (B) Lead or asbestos abatement.

27 (xi) Reasonable costs of environmental insurance.

1 (O) ~~(n)~~—Except as otherwise provided in this subdivision,
2 "eligible property" means property for which eligible activities
3 are identified under a brownfield plan that was used or is
4 currently used for commercial, industrial, public, or residential
5 purposes, including personal property located on the property, to
6 the extent included in the brownfield plan, and that is 1 or more
7 of the following:

8 (i) Is in a qualified local governmental unit and is a
9 facility, **HISTORIC RESOURCE**, functionally obsolete, or blighted and
10 includes parcels that are adjacent or contiguous to that property
11 if the development of the adjacent and contiguous parcels is
12 estimated to increase the captured taxable value of that property.

13 (ii) Is not in a qualified local governmental unit and is a
14 facility, and includes parcels that are adjacent or contiguous to
15 that property if the development of the adjacent and contiguous
16 parcels is estimated to increase the captured taxable value of that
17 property.

18 (iii) Is tax reverted property owned or under the control of a
19 land bank fast track authority.

20 (iv) Is not in a qualified local governmental unit, is a
21 qualified facility, and is a facility, functionally obsolete, or
22 blighted, if the eligible activities on the property are limited to
23 the eligible activities identified in subdivision ~~(m) (vi)~~. **(N) (vi)** .

24 (v) Is not in a qualified local governmental unit and is a
25 facility, **HISTORIC RESOURCE**, functionally obsolete, or blighted, if
26 the eligible activities on the property are limited to the eligible
27 activities identified in subdivision ~~(m) (vii)~~. **(N) (vii)** .

1 (vi) Is not in a qualified local governmental unit and is a
2 facility, functionally obsolete, or blighted, if the eligible
3 activities on the property are limited to the eligible activities
4 identified in subdivision ~~(m)-(ix)~~. **(N) (ix)** .

5 (vii) Is located north of the 45th parallel, is a facility,
6 functionally obsolete, or blighted, and the owner or operator makes
7 new capital investment of \$250,000,000.00 or more in this state.
8 Eligible property does not include qualified agricultural property
9 exempt under section 7ee of the general property tax act, 1893 PA
10 206, MCL 211.7ee, from the tax levied by a local school district
11 for school operating purposes to the extent provided under section
12 1211 of the revised school code, 1976 PA 451, MCL 380.1211.

13 (viii) Is a transit-oriented development.

14 (ix) Is a transit-oriented facility.

15 **(P)** ~~(e)~~—"Environmental insurance" means liability insurance
16 for environmental contamination and cleanup that is not otherwise
17 required by state or federal law.

18 **(Q)** ~~(p)~~—"Facility" means that term as defined in section 20101
19 of the natural resources and environmental protection act, 1994 PA
20 451, MCL 324.20101.

21 **(R)** ~~(q)~~—"Fiscal year" means the fiscal year of the authority.

22 **(S)** ~~(r)~~—"Functionally obsolete" means that the property is
23 unable to be used to adequately perform the function for which it
24 was intended due to a substantial loss in value resulting from
25 factors such as overcapacity, changes in technology, deficiencies
26 or superadequacies in design, or other similar factors that affect
27 the property itself or the property's relationship with other

1 surrounding property.

2 (T) ~~(s)~~—"Governing body" means the elected body having
3 legislative powers of a municipality creating an authority under
4 this act.

5 (U) "HISTORIC RESOURCE" MEANS THAT TERM AS DEFINED IN SECTION
6 90A OF THE MICHIGAN STRATEGIC FUND ACT, 1984 PA 270, MCL 125.2090A.

7 (V) ~~(t)~~—"Infrastructure improvements" means a street, road,
8 sidewalk, parking facility, pedestrian mall, alley, bridge, sewer,
9 sewage treatment plant, property designed to reduce, eliminate, or
10 prevent the spread of identified soil or groundwater contamination,
11 drainage system, waterway, waterline, water storage facility, rail
12 line, utility line or pipeline, transit-oriented development,
13 transit-oriented facility, or other similar or related structure or
14 improvement, together with necessary easements for the structure or
15 improvement, owned or used by a public agency or functionally
16 connected to similar or supporting property owned or used by a
17 public agency, or designed and dedicated to use by, for the benefit
18 of, or for the protection of the health, welfare, or safety of the
19 public generally, whether or not used by a single business entity,
20 provided that any road, street, or bridge shall be continuously
21 open to public access and that other property shall be located in
22 public easements or rights-of-way and sized to accommodate
23 reasonably foreseeable development of eligible property in
24 adjoining areas. **INFRASTRUCTURE IMPROVEMENTS ALSO INCLUDE 1 OR MORE**
25 **OF THE FOLLOWING WHETHER PUBLICLY OR PRIVATELY OWNED OR OPERATED OR**
26 **LOCATED ON PUBLIC OR PRIVATE PROPERTY:**

27 (i) UNDERGROUND PARKING.

1 (ii) **MULTILEVEL PARKING STRUCTURES.**

2 (iii) **URBAN STORM WATER MANAGEMENT SYSTEMS.**

3 (W) ~~(u)~~—"Initial taxable value" means the taxable value of an
4 eligible property identified in and subject to a brownfield plan at
5 the time the resolution adding that eligible property in the
6 brownfield plan is adopted, as shown either by the most recent
7 assessment roll for which equalization has been completed at the
8 time the resolution is adopted or, if provided by the brownfield
9 plan, by the next assessment roll for which equalization will be
10 completed following the date the resolution adding that eligible
11 property in the brownfield plan is adopted. Property exempt from
12 taxation at the time the initial taxable value is determined shall
13 be included with the initial taxable value of zero. Property for
14 which a specific tax is paid in lieu of property tax shall not be
15 considered exempt from taxation. The state tax commission shall
16 prescribe the method for calculating the initial taxable value of
17 property for which a specific tax was paid in lieu of property tax.

18 (X) ~~(v)~~—"Land bank fast track authority" means an authority
19 created under the land bank fast track act, 2003 PA 258, MCL
20 124.751 to 124.774.

21 (Y) ~~(w)~~—"Local taxes" means all taxes levied other than taxes
22 levied for school operating purposes.

23 (Z) **"MICHIGAN STRATEGIC FUND" MEANS THE MICHIGAN STRATEGIC**
24 **FUND CREATED UNDER THE MICHIGAN STRATEGIC FUND ACT, 1984 PA 270,**
25 **MCL 125.2001 TO 125.2094.**

26 (AA) ~~(x)~~—"Municipality" means all of the following:

27 (i) A city.

1 (ii) A village.

2 (iii) A township in those areas of the township that are outside
3 of a village.

4 (iv) A township in those areas of the township that are in a
5 village upon the concurrence by resolution of the village in which
6 the zone would be located.

7 (v) A county.

8 **(BB)** ~~(y)~~ "Owned or under the control of" means that a land
9 bank fast track authority has 1 or more of the following:

10 (i) An ownership interest in the property.

11 (ii) A tax lien on the property.

12 (iii) A tax deed to the property.

13 (iv) A contract with this state or a political subdivision of
14 this state to enforce a lien on the property.

15 (v) A right to collect delinquent taxes, penalties, or
16 interest on the property.

17 (vi) The ability to exercise its authority over the property.

18 **(CC)** ~~(z)~~ "Qualified facility" means a landfill facility area
19 of 140 or more contiguous acres that is located in a city and that
20 contains a landfill, a material recycling facility, and an asphalt
21 plant that are no longer in operation.

22 **(DD)** ~~(aa)~~ "Qualified local governmental unit" means that term
23 as defined in the obsolete property rehabilitation act, 2000 PA
24 146, MCL 125.2781 to 125.2797.

25 **(EE)** ~~(bb)~~ "Qualified taxpayer" means that term as defined in
26 sections 38d and 38g of former 1975 PA 228, or section 437 of the
27 Michigan business tax act, 2007 PA 36, MCL 208.1437, **OR A RECIPIENT**

1 OF A COMMUNITY REVITALIZATION INCENTIVE AS DESCRIBED IN SECTION 90A
2 OF THE MICHIGAN STRATEGIC FUND ACT, 1984 PA 270, MCL 125.2090A.

3 (FF) ~~(ee)~~—"Response activity" means that term as defined in
4 section 20101 of the natural resources and environmental protection
5 act, 1994 PA 451, MCL 324.20101.

6 (GG) ~~(dd)~~—"Specific taxes" means a tax levied under 1974 PA
7 198, MCL 207.551 to 207.572; the commercial redevelopment act, 1978
8 PA 255, MCL 207.651 to 207.668; the enterprise zone act, 1985 PA
9 224, MCL 125.2101 to 125.2123; 1953 PA 189, MCL 211.181 to 211.182;
10 the technology park development act, 1984 PA 385, MCL 207.701 to
11 207.718; the obsolete property rehabilitation act, 2000 PA 146, MCL
12 125.2781 to 125.2797; the neighborhood enterprise zone act, 1992 PA
13 147, MCL 207.771 to 207.786; the commercial rehabilitation act,
14 2005 PA 210, MCL 207.841 to 207.856; or that portion of the tax
15 levied under the tax reverted clean title act, 2003 PA 260, MCL
16 211.1021 to 211.1026, that is not required to be distributed to a
17 land bank fast track authority.

18 (HH) "STATE BROWNFIELD REDEVELOPMENT FUND" MEANS THE STATE
19 BROWNFIELD REDEVELOPMENT FUND CREATED IN SECTION 8A.

20 (II) ~~(ee)~~—"Tax increment revenues" means the amount of ad
21 valorem property taxes and specific taxes attributable to the
22 application of the levy of all taxing jurisdictions upon the
23 captured taxable value of each parcel of eligible property subject
24 to a brownfield plan and personal property located on that
25 property, **REGARDLESS OF WHETHER THOSE TAXES BEGAN TO BE LEVIED**
26 **AFTER THE BROWNFIELD PLAN WAS ADOPTED.** Tax increment revenues
27 exclude ad valorem property taxes specifically levied for the

1 payment of principal of and interest on either obligations approved
2 by the electors or obligations pledging the unlimited taxing power
3 of the local governmental unit, and specific taxes attributable to
4 those ad valorem property taxes. Tax increment revenues
5 attributable to eligible property also exclude the amount of ad
6 valorem property taxes or specific taxes captured by a downtown
7 development authority, tax increment finance authority, or local
8 development finance authority if those taxes were captured by these
9 other authorities on the date that eligible property became subject
10 to a brownfield plan under this act.

11 (JJ) ~~(ff)~~—"Taxable value" means the value determined under
12 section 27a of the general property tax act, 1893 PA 206, MCL
13 211.27a.

14 (KK) ~~(gg)~~—"Taxes levied for school operating purposes" means
15 all of the following:

16 (i) The taxes levied by a local school district for operating
17 purposes.

18 (ii) The taxes levied under the state education tax act, 1993
19 PA 331, MCL 211.901 to 211.906.

20 (iii) That portion of specific taxes attributable to taxes
21 described under subparagraphs (i) and (ii).

22 (ll) ~~(hh)~~—"Transit-oriented development" means infrastructure
23 improvements that are located within 1/2 mile of a transit station
24 or transit-oriented facility that promotes transit ridership or
25 passenger rail use as determined by the board and approved by the
26 municipality in which it is located.

27 (mm) ~~(ii)~~—"Transit-oriented facility" means a facility that

1 houses a transit station in a manner that promotes transit
2 ridership or passenger rail use.

3 (NN) ~~(jj)~~—"Work plan" means a plan that describes each
4 individual activity to be conducted to complete eligible activities
5 and the associated costs of each individual activity.

6 (OO) ~~(kk)~~—"Zone" means, for an authority established before
7 June 6, 2000, a brownfield redevelopment zone designated under this
8 act.

9 Sec. 4. (1) A governing body may declare by resolution adopted
10 by a majority of its members elected and serving its intention to
11 create and provide for the operation of an authority.

12 (2) In the resolution of intent, the governing body shall set
13 a date for holding a public hearing on the adoption of a proposed
14 resolution creating the authority. ~~Notice of the public hearing~~
15 ~~shall be published twice in a newspaper of general circulation in~~
16 ~~the municipality, not less than 20 nor more than 40 days before the~~
17 ~~date of the hearing.~~ The notice **OF THE PUBLIC HEARING** shall state
18 the date, time, and place of the hearing. At that hearing, a
19 citizen, taxpayer, official from a taxing jurisdiction whose
20 millage may be subject to capture under a brownfield plan, or
21 property owner of the municipality has the right to be heard in
22 regard to the establishment of the authority.

23 (3) Not more than 30 days after the public hearing, if the
24 governing body intends to proceed with the establishment of the
25 authority, the governing body shall adopt, by majority vote of its
26 members elected and serving, a resolution establishing the
27 authority. The adoption of the resolution is subject to all

1 applicable statutory or charter provisions with respect to the
2 approval or disapproval by the chief executive or other officer of
3 the municipality and the adoption of a resolution over his or her
4 veto. This resolution shall be filed with the secretary of state
5 promptly after its adoption.

6 (4) The proceedings establishing an authority shall be
7 presumptively valid unless contested in a court of competent
8 jurisdiction within 60 days after the filing of the resolution with
9 the secretary of state.

10 (5) The exercise by an authority of the powers conferred by
11 this act shall be considered to be an essential governmental
12 function and benefit to, and a legitimate public purpose of, the
13 state, the authority, and the municipality or units.

14 (6) If the board implements or modifies a brownfield plan that
15 contains a qualified facility, the governing body shall mail notice
16 of that implementation or modification to each taxing jurisdiction
17 that levies ad valorem property taxes in the municipality. Not more
18 than 60 days after receipt of that notice, the governing body of a
19 taxing jurisdiction levying ad valorem property taxes that would
20 otherwise be subject to capture may exempt its taxes from capture
21 by adopting a resolution to that effect and filing a copy with the
22 clerk of the municipality in which the qualified facility is
23 located. The resolution takes effect when filed with that clerk and
24 remains effective until a copy of a resolution rescinding that
25 resolution is filed with that clerk.

26 Sec. 8. (1) An authority may establish a local site
27 remediation revolving fund. A local site remediation revolving fund

1 shall consist of money available under section 13(5) and may also
2 consist of money appropriated or otherwise made available from
3 public or private sources. ~~An authority shall separately account~~
4 ~~for money deposited to the fund that is directly derived from tax~~
5 ~~increment revenues levied for school operating purposes.~~

6 (2) The local site remediation revolving fund may be used only
7 to pay the costs of eligible activities on eligible property that
8 is located within the municipality.

9 (3) An authority or a municipality on behalf of an authority
10 may incur an obligation for the purpose of funding a local site
11 remediation revolving fund.

12 **SEC. 8A. (1) THE STATE BROWNFIELD REDEVELOPMENT FUND IS**
13 **CREATED AS A REVOLVING FUND WITHIN THE DEPARTMENT OF TREASURY TO BE**
14 **ADMINISTERED AS PROVIDED IN THIS SECTION. THE STATE TREASURER SHALL**
15 **DIRECT THE INVESTMENT OF THE STATE BROWNFIELD REDEVELOPMENT FUND.**
16 **MONEY IN THE STATE BROWNFIELD REDEVELOPMENT FUND AT THE CLOSE OF**
17 **THE FISCAL YEAR SHALL REMAIN IN THE STATE BROWNFIELD REDEVELOPMENT**
18 **FUND AND SHALL NOT LAPSE TO THE GENERAL FUND.**

19 (2) THE STATE TREASURER SHALL CREDIT TO THE FUND MONEY FROM
20 THE FOLLOWING SOURCES:

21 (A) ALL AMOUNTS DEPOSITED INTO THE STATE BROWNFIELD
22 REDEVELOPMENT FUND UNDER SECTION 13(21).

23 (B) THE PROCEEDS FROM REPAYMENT OF A LOAN, INCLUDING INTEREST
24 ON THOSE REPAYMENTS, UNDER SUBSECTION (5)(F).

25 (C) INTEREST ON FUNDS DEPOSITED INTO THE STATE BROWNFIELD
26 REDEVELOPMENT FUND.

27 (D) MONEY OBTAINED FROM ANY OTHER SOURCE AUTHORIZED BY LAW.

1 (3) THE STATE BROWNFIELD REDEVELOPMENT FUND MAY BE USED ONLY
2 FOR THE FOLLOWING PURPOSES:

3 (A) TO PAY ADMINISTRATIVE COSTS OF ALL OF THE FOLLOWING:

4 (i) THE MICHIGAN STRATEGIC FUND TO IMPLEMENT THIS ACT.

5 (ii) THE DEPARTMENT TO IMPLEMENT THIS ACT.

6 (iii) THE DEPARTMENT TO IMPLEMENT PART 196 OF THE NATURAL
7 RESOURCES AND ENVIRONMENTAL PROTECTION ACT, 1994 PA 451, MCL
8 324.19601 TO 324.19616.

9 (B) TO FUND A GRANT AND LOAN PROGRAM FOR THE COSTS OF ELIGIBLE
10 ACTIVITIES DESCRIBED IN SECTION 13(15) ON ELIGIBLE PROPERTY AS
11 PROVIDED IN SUBSECTION (5).

12 (C) TO MAKE DEPOSITS INTO THE CLEAN MICHIGAN INITIATIVE BOND
13 FUND UNDER SECTION 19606(2)(D) OF THE NATURAL RESOURCES AND
14 ENVIRONMENTAL PROTECTION ACT, 1994 PA 451, MCL 324.19606, FOR USE
15 IN PROVIDING GRANTS AND LOANS UNDER PART 196 OF THE NATURAL
16 RESOURCES AND ENVIRONMENTAL PROTECTION ACT, 1994 PA 451, MCL
17 324.19601 TO 324.19616.

18 (4) NOT MORE THAN 15% OF THE AMOUNTS DEPOSITED ANNUALLY INTO
19 THE STATE BROWNFIELD REDEVELOPMENT FUND MAY BE USED FOR PURPOSES OF
20 SUBSECTION (3)(A).

21 (5) THE STATE BROWNFIELD REDEVELOPMENT FUND MAY BE USED TO
22 FUND A GRANT AND LOAN PROGRAM FOR THE COSTS OF ELIGIBLE ACTIVITIES
23 DESCRIBED IN SECTION 13(15) ON ELIGIBLE PROPERTY UNDER THIS
24 SUBSECTION. THE GRANT AND LOAN PROGRAM SHALL PROVIDE FOR ALL OF THE
25 FOLLOWING:

26 (A) THE MICHIGAN STRATEGIC FUND SHALL CREATE AND OPERATE A
27 GRANT AND LOAN PROGRAM TO PROVIDE GRANTS AND LOANS TO FUND ELIGIBLE

1 ACTIVITIES DESCRIBED IN SECTION 13(15) ON ELIGIBLE PROPERTY. THE
2 MICHIGAN STRATEGIC FUND SHALL DEVELOP AND USE A DETAILED
3 APPLICATION, APPROVAL, AND COMPLIANCE PROCESS ADOPTED BY RESOLUTION
4 OF THE BOARD OF THE MICHIGAN STRATEGIC FUND. THIS PROCESS SHALL BE
5 PUBLISHED AND AVAILABLE ON THE MICHIGAN STRATEGIC FUND WEBSITE.
6 PROGRAM STANDARDS, GUIDELINES, TEMPLATES, OR ANY OTHER FORMS TO
7 IMPLEMENT THE GRANT AND LOAN PROGRAM SHALL BE APPROVED BY THE BOARD
8 OF THE MICHIGAN STRATEGIC FUND. THE MICHIGAN STRATEGIC FUND MAY
9 DELEGATE ITS APPROVAL AUTHORITY UNDER THIS SUBSECTION TO A
10 DESIGNEE.

11 (B) A PERSON MAY APPLY TO THE MICHIGAN STRATEGIC FUND FOR
12 APPROVAL OF A GRANT OR LOAN TO FUND ELIGIBLE ACTIVITIES DESCRIBED
13 IN SECTION 13(15) ON ELIGIBLE PROPERTY.

14 (C) THE MICHIGAN STRATEGIC FUND SHALL APPROVE OR DENY AN
15 APPLICATION NOT MORE THAN 90 DAYS AFTER RECEIPT OF AN
16 ADMINISTRATIVELY COMPLETE APPLICATION. IF THE APPLICATION IS
17 NEITHER APPROVED NOR DENIED WITHIN 90 DAYS, IT SHALL BE CONSIDERED
18 BY THE BOARD OF THE MICHIGAN STRATEGIC FUND, OR ITS DESIGNEE IF
19 DELEGATED, FOR ACTION AT, OR BY, THE NEXT REGULARLY SCHEDULED BOARD
20 MEETING. THE MICHIGAN STRATEGIC FUND MAY DELEGATE THE APPROVAL OR
21 DENIAL OF AN APPLICATION TO THE CHAIRPERSON OF THE MICHIGAN
22 STRATEGIC FUND OR OTHER DESIGNEES DETERMINED BY THE BOARD.

23 (D) WHEN AN APPLICATION IS APPROVED UNDER THIS SUBSECTION, THE
24 MICHIGAN STRATEGIC FUND SHALL ENTER INTO A WRITTEN AGREEMENT WITH
25 THE APPLICANT. THE WRITTEN AGREEMENT SHALL PROVIDE ALL THE
26 CONDITIONS IMPOSED ON THE APPLICANT AND THE TERMS OF THE GRANT OR
27 LOAN. THE WRITTEN AGREEMENT SHALL ALSO PROVIDE FOR PENALTIES IF THE

1 APPLICANT FAILS TO COMPLY WITH THE PROVISIONS OF THE WRITTEN
2 AGREEMENT.

3 (E) AFTER THE MICHIGAN STRATEGIC FUND AND THE APPLICANT HAVE
4 ENTERED INTO A WRITTEN AGREEMENT UNDER SUBDIVISION (D), THE
5 MICHIGAN STRATEGIC FUND SHALL DISTRIBUTE THE PROCEEDS TO THE
6 APPLICANT ACCORDING TO THE TERMS OF THE WRITTEN AGREEMENT.

7 (F) ANY PROCEEDS FROM REPAYMENT OF A LOAN, INCLUDING INTEREST
8 ON THOSE REPAYMENTS, UNDER THIS SUBSECTION SHALL BE PAID INTO THE
9 STATE BROWNFIELD REDEVELOPMENT FUND.

10 Sec. 13. (1) Subject to section 15, the board may implement a
11 brownfield plan. The brownfield plan may apply to 1 or more parcels
12 of eligible property whether or not those parcels of eligible
13 property are contiguous and may be amended to apply to additional
14 parcels of eligible property. Except as otherwise authorized by
15 this act, if more than 1 eligible property is included within the
16 plan, the tax increment revenues under the plan shall be determined
17 individually for each eligible property. Each plan or an amendment
18 to a plan shall be approved by the governing body of the
19 municipality and shall contain all of the following:

20 (a) A description of the costs of the plan intended to be paid
21 for with the tax increment revenues or, for a plan for eligible
22 properties qualified on the basis that the property is owned or
23 under the control of a land bank fast track authority, a listing of
24 all eligible activities that may be conducted for 1 or more of the
25 eligible properties subject to the plan.

26 (b) A brief summary of the eligible activities that are
27 proposed for each eligible property or, for a plan for eligible

1 properties qualified on the basis that the property is owned or
2 under the control of a land bank fast track authority, a brief
3 summary of eligible activities conducted for 1 or more of the
4 eligible properties subject to the plan.

5 (c) An estimate of the captured taxable value and tax
6 increment revenues for each year of the plan from the eligible
7 property. The plan may provide for the use of part or all of the
8 captured taxable value, including deposits in the local site
9 remediation revolving fund, but the portion intended to be used
10 shall be clearly stated in the plan. The plan shall not provide
11 either for an exclusion from captured taxable value of a portion of
12 the captured taxable value or for an exclusion of the tax levy of 1
13 or more taxing jurisdictions unless the tax levy is excluded from
14 tax increment revenues in section ~~2(dd)~~, **2(II)**, or unless the tax
15 levy is excluded from capture under section 15.

16 (d) The method by which the costs of the plan will be
17 financed, including a description of any advances made or
18 anticipated to be made for the costs of the plan from the
19 municipality.

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

22 ~~(f) The duration of the brownfield plan for eligible~~
23 ~~activities on a particular eligible property which shall not exceed~~
24 ~~30 years following the beginning date of the capture of tax~~
25 ~~increment revenues for that particular eligible property. Each plan~~
26 ~~amendment shall also contain the duration of capture of tax~~
27 ~~increment revenues including the beginning date of the capture of~~

~~1 tax increment revenues, which beginning date shall be identified in
2 the brownfield plan and which beginning date shall not be later
3 than 5 years following the date of the resolution approving the
4 plan amendment related to a particular eligible property and which
5 duration shall not exceed the lesser of the period authorized under
6 subsections (4) and (5) or 30 years from the beginning date of the
7 capture of tax increment revenues. The date for the beginning of
8 capture of tax increment revenues from a particular eligible
9 property may be amended by the authority but not to a date later
10 than 5 years after the date of the resolution adopting the plan for
11 that eligible property. If a project fails to occur for which
12 eligible activities on a particular eligible property were
13 identified in a plan, the date for the beginning of capture of tax
14 increment revenues from that eligible property may be amended by
15 the authority for eligible activities associated with a new project
16 but not to a date later than 5 years after the date of the
17 resolution amending the plan for that new project. The authority
18 may not amend the date for the beginning of capture of tax
19 increment revenues for a particular eligible property if the
20 authority has begun to reimburse eligible activities from the
21 capture of tax increment revenues from that eligible property. Any
22 tax increment revenues captured from an eligible property before
23 the beginning date of capture of tax increment revenues for that
24 eligible property shall revert proportionately to the respective
25 tax bodies. The authority may not amend the date for the beginning
26 of capture if that amendment would lead to the duration of capture
27 of tax increment revenues being longer than 30 years or the period~~

1 ~~authorized under subsections (4) and (5). If the date for the~~
2 ~~beginning of capture of tax increment revenues is amended by the~~
3 ~~authority and that plan includes the capture of tax increment~~
4 ~~revenues for school operating purposes, then the authority that~~
5 ~~amended that plan shall notify the department and the Michigan~~
6 ~~economic growth authority within 30 days of the approval of the~~
7 ~~amendment.~~ **THE BEGINNING DATE AND DURATION OF CAPTURE OF TAX**

8 **INCREMENT REVENUES FOR EACH ELIGIBLE PROPERTY AS DETERMINED UNDER**
9 **SUBSECTION (22).**

10 (g) An estimate of the impact of tax increment financing on
11 the revenues of all taxing jurisdictions in which the eligible
12 property is located.

13 (h) A legal description of the eligible property to which the
14 plan applies, a map showing the location and dimensions of each
15 eligible property, a statement of the characteristics that qualify
16 the property as eligible property, and a statement of whether
17 personal property is included as part of the eligible property. If
18 the project is on property that is functionally obsolete, the
19 taxpayer shall include, with the application, an affidavit signed
20 by a level 3 or level 4 assessor, that states that it is the
21 assessor's expert opinion that the property is functionally
22 obsolete and the underlying basis for that opinion.

23 (i) Estimates of the number of persons residing on each
24 eligible property to which the plan applies and the number of
25 families and individuals to be displaced. If occupied residences
26 are designated for acquisition and clearance by the authority, the
27 plan shall include a demographic survey of the persons to be

1 displaced, a statistical description of the housing supply in the
2 community, including the number of private and public units in
3 existence or under construction, the condition of those in
4 existence, the number of owner-occupied and renter-occupied units,
5 the annual rate of turnover of the various types of housing and the
6 range of rents and sale prices, an estimate of the total demand for
7 housing in the community, and the estimated capacity of private and
8 public housing available to displaced families and individuals.

9 (j) A plan for establishing priority for the relocation of
10 persons displaced by implementation of the plan.

11 (k) Provision for the costs of relocating persons displaced by
12 implementation of the plan, and financial assistance and
13 reimbursement of expenses, including litigation expenses and
14 expenses incident to the transfer of title, in accordance with the
15 standards and provisions of the uniform relocation assistance and
16 real property acquisition policies act of 1970, Public Law 91-646.

17 (l) A strategy for compliance with 1972 PA 227, MCL 213.321 to
18 213.332.

19 (m) A description of proposed use of the local site
20 remediation revolving fund.

21 (n) Other material that the authority or governing body
22 considers pertinent.

23 (2) The percentage of all taxes levied on a parcel of eligible
24 property for school operating expenses that is captured and used
25 under a brownfield plan and all tax increment finance plans under
26 1975 PA 197, MCL 125.1651 to 125.1681, the tax increment finance
27 authority act, 1980 PA 450, MCL 125.1801 to 125.1830, or the local

1 development financing act, 1986 PA 281, MCL 125.2151 to 125.2174,
2 shall not be greater than the combination of the plans' percentage
3 capture and use of all local taxes levied for purposes other than
4 for the payment of principal of and interest on either obligations
5 approved by the electors or obligations pledging the unlimited
6 taxing power of the local unit of government. This subsection shall
7 apply only when taxes levied for school operating purposes are
8 subject to capture under section 15.

9 (3) Except as provided in this subsection and subsections (5),
10 (15), and (16), tax increment revenues related to a brownfield plan
11 shall be used only for costs of eligible activities attributable to
12 the eligible property, the captured taxable value of which produces
13 the tax increment revenues, including the cost of principal of and
14 interest on any obligation issued by the authority to pay the costs
15 of eligible activities attributable to the eligible property, and
16 the reasonable costs of preparing a brownfield plan, **COMBINED**
17 **BROWNFIELD PLAN**, or a work plan for the eligible property. ~~7~~
18 ~~including the actual cost of the review of the work plan under~~
19 ~~section 15.~~ For property owned or under the control of a land bank
20 fast track authority, tax increment revenues related to a
21 brownfield plan may be used for eligible activities attributable to
22 any eligible property owned or under the control of the land bank
23 fast track authority, the cost of principal of and interest on any
24 obligation issued by the authority to pay the costs of eligible
25 activities, the reasonable costs of preparing a **COMBINED BROWNFIELD**
26 **PLAN OR** work plan. ~~7~~ ~~and the actual cost of the review of the work~~
27 ~~plan under section 15.~~ Except as provided in subsection (18), tax

1 increment revenues captured from taxes levied by this state under
2 the state education tax act, 1993 PA 331, MCL 211.901 to 211.906,
3 or taxes levied by a local school district shall not be used for
4 eligible activities described in section ~~2(m)(iv)(E)~~-2(N)(iv)(E).

5 (4) Except as provided in subsection (5), a brownfield plan
6 shall not authorize the capture of tax increment revenue from
7 eligible property after the year in which the total amount of tax
8 increment revenues captured is equal to the sum of the costs
9 permitted to be funded with tax increment revenues under this act.

10 (5) A brownfield plan may authorize the capture of additional
11 tax increment revenue from an eligible property in excess of the
12 amount authorized under subsection (4) during the time of capture
13 for the purpose of paying the costs permitted under subsection (3),
14 or for not more than 5 years after the time that capture is
15 required for the purpose of paying the costs permitted under
16 subsection (3), or both. Excess revenues captured under this
17 subsection shall be deposited in the local site remediation
18 revolving fund created under section 8 and used for the purposes
19 authorized in section 8. If tax increment revenues attributable to
20 taxes levied for school operating purposes from eligible property
21 are captured by the authority for purposes authorized under
22 subsection (3), the tax increment revenues captured for deposit in
23 the local site remediation revolving fund also may include tax
24 increment revenues attributable to taxes levied for school
25 operating purposes in an amount not greater than the tax increment
26 revenues levied for school operating purposes captured from the
27 eligible property by the authority for the purposes authorized

1 under subsection (3). Excess tax increment revenues from taxes
2 levied for school operating purposes for eligible activities
3 authorized under subsection (15) by the Michigan ~~economic growth~~
4 ~~authority~~ **STRATEGIC FUND** shall not be captured for deposit in the
5 local site remediation revolving fund.

6 (6) An authority shall not expend tax increment revenues to
7 acquire or prepare eligible property, unless the acquisition or
8 preparation is an eligible activity.

9 (7) Costs of eligible activities attributable to eligible
10 property include all costs that are necessary or related to a
11 release from the eligible property, including eligible activities
12 on properties affected by a release from the eligible property. For
13 purposes of this subsection, "release" means that term as defined
14 in section 20101 of the natural resources and environmental
15 protection act, 1994 PA 451, MCL 324.20101.

16 (8) Costs of a response activity paid with tax increment
17 revenues that are captured pursuant to subsection (3) may be
18 recovered from a person who is liable for the costs of eligible
19 activities at an eligible property. This state or an authority may
20 undertake cost recovery for tax increment revenue captured. Before
21 an authority or this state may institute a cost recovery action, it
22 must provide the other with 120 days' notice. This state or an
23 authority that recovers costs under this subsection shall apply
24 those recovered costs to the following, in the following order of
25 priority:

26 (a) The reasonable attorney fees and costs incurred by this
27 state or an authority in obtaining the cost recovery.

1 (b) One of the following:

2 (i) If an authority undertakes the cost recovery action, the
3 authority shall deposit the remaining recovered funds into the
4 local site remediation fund created pursuant to section 8, if such
5 a fund has been established by the authority. If a local site
6 remediation fund has not been established, the authority shall
7 disburse the remaining recovered funds to the local taxing
8 jurisdictions in the proportion that the local taxing
9 jurisdictions' taxes were captured.

10 (ii) If this state undertakes a cost recovery action, this
11 state shall deposit the remaining recovered funds into the
12 revitalization revolving loan fund established under section 20108a
13 of the natural resources and environmental protection act, 1994 PA
14 451, MCL 324.20108a.

15 (iii) If this state and an authority each undertake a cost
16 recovery action, undertake a cost recovery action jointly, or 1 on
17 behalf of the other, the amount of any remaining recovered funds
18 shall be deposited pursuant to subparagraphs (i) and (ii) in the
19 proportion that the tax increment revenues being recovered
20 represent local taxes and taxes levied for school operating
21 purposes, respectively.

22 (9) Approval of the brownfield plan or an amendment to a
23 brownfield plan shall be in accordance with the notice and approval
24 provisions of this section and section 14.

25 (10) Before approving a brownfield plan for an eligible
26 property, the governing body shall hold a public hearing on the
27 brownfield plan. By resolution, the governing body may delegate the

1 public hearing process to the authority or to a subcommittee of the
2 governing body subject to final approval by the governing body.

3 ~~Notice of the time and place of the hearing shall be given by~~
4 ~~publication twice in a newspaper of general circulation designated~~
5 ~~by the municipality, not less than 10 or more than 40 days before~~
6 ~~the date set for the hearing.~~

7 (11) Notice of the time and place of the hearing on a
8 brownfield plan shall contain all of the following:

9 (a) A description of the property to which the plan applies in
10 relation to existing or proposed highways, streets, streams, or
11 otherwise.

12 (b) A statement that maps, plats, and a description of the
13 brownfield plan are available for public inspection at a place
14 designated in the notice and that all aspects of the brownfield
15 plan are open for discussion at the public hearing required by this
16 section.

17 (c) Any other information that the governing body considers
18 appropriate.

19 (12) At the time set for the hearing on the brownfield plan
20 required under subsection (10), the governing body shall ensure
21 that interested persons have an opportunity to be heard and that
22 written communications with reference to the brownfield plan are
23 received and considered. The governing body shall ensure that a
24 record of the public hearing is made and preserved, including all
25 data presented at the hearing.

26 (13) Not less than 10 days before the hearing on the
27 brownfield plan, the governing body shall provide notice of the

1 hearing to the taxing jurisdictions that levy taxes subject to
2 capture under this act. The authority shall fully inform the taxing
3 jurisdictions about the fiscal and economic implications of the
4 proposed brownfield plan. At that hearing, an official from a
5 taxing jurisdiction with millage that would be subject to capture
6 under this act has the right to be heard in regard to the adoption
7 of the brownfield plan. Not less than 10 days before the hearing on
8 the brownfield plan, the governing body shall provide notice of the
9 hearing to the department if the brownfield plan involves the use
10 of taxes levied for school operating purposes to pay for eligible
11 activities that require the approval of a **COMBINED BROWNFIELD PLAN**
12 **OR A** work plan by the department under section 15(1)(a) and the
13 Michigan ~~economic growth authority~~, **STRATEGIC FUND**, or its
14 designee, if the brownfield plan involves the use of taxes levied
15 for school operating purposes to pay for eligible activities
16 subject to subsection (15) or (18).

17 (14) The authority shall not enter into agreements with the
18 taxing jurisdictions and the governing body of the municipality to
19 share a portion of the captured taxable value of an eligible
20 property. Upon adoption of the plan, the collection and
21 transmission of the amount of tax increment revenues as specified
22 in this act shall be binding on all taxing units levying ad valorem
23 property taxes or specific taxes against property located in the
24 zone.

25 (15) Except as provided by subsection (18), if a brownfield
26 plan includes the capture of taxes levied for school operating
27 purposes approval of a **COMBINED BROWNFIELD PLAN OR A** work plan by

1 the Michigan ~~economic growth authority before January 1, 2013~~
2 **STRATEGIC FUND** to use taxes levied for school operating purposes
3 and a development agreement or reimbursement agreement between the
4 municipality or authority and an owner or developer of eligible
5 property are required if the taxes levied for school operating
6 purposes will be used for infrastructure improvements that directly
7 benefit eligible property, demolition of structures that is not
8 response activity under part 201 of the natural resources and
9 environmental protection act, 1994 PA 451, MCL 324.20101 to
10 324.20142, lead or asbestos abatement, site preparation that is not
11 response activity under section 20101 of the natural resources and
12 environmental protection act, 1994 PA 451, MCL 324.20101,
13 relocation of public buildings or operations for economic
14 development purposes, or acquisition of property by a land bank
15 fast track authority if acquisition of the property is for economic
16 development purposes. The eligible activities to be conducted
17 described in this subsection shall be consistent with the work plan
18 submitted by the authority to the Michigan ~~economic growth~~
19 ~~authority.~~ **STRATEGIC FUND.** The department's approval is not
20 required for the capture of taxes levied for school operating
21 purposes for eligible activities described in this subsection.

22 (16) The limitations of section 15(1) upon use of tax
23 increment revenues by an authority shall ~~not apply to the following~~
24 ~~costs and expenses.~~ **EXCEPT AS FOLLOWS:**

25 **(A) THE LIMITATIONS OF SECTION 15(1) UPON USE OF TAX INCREMENT**
26 **REVENUES BY AN AUTHORITY SHALL NOT APPLY TO THE FOLLOWING COSTS AND**
27 **EXPENSES:**

1 (i) ~~(a)~~—In each fiscal year of the authority, the amount
2 described in subsection (19) for the following purposes for tax
3 increment revenues attributable to local taxes:

4 (A) ~~(i)~~ Reasonable and actual administrative and operating
5 expenses of the authority.

6 (B) ~~(ii)~~—Baseline environmental assessments, due care
7 activities, and additional response activities conducted by or on
8 behalf of the authority related directly to work conducted on
9 prospective eligible properties prior to approval of the brownfield
10 plan.

11 (ii) ~~(b)~~—Reasonable costs of preparing a work plan ~~or the cost~~
12 ~~of the review of a work plan~~ for which tax increment revenues may
13 be used under section 13(3).

14 (B) THE LIMITATIONS OF SECTION 15(1)(A), (B), AND (C) UPON THE
15 USE OF TAXES LEVIED FOR SCHOOL OPERATING PURPOSES BY AN AUTHORITY
16 SHALL NOT APPLY TO THE COSTS OF 1 OR MORE OF THE FOLLOWING INCURRED
17 BY A PERSON OTHER THAN THE AUTHORITY:

18 (i) SITE INVESTIGATION ACTIVITIES REQUIRED TO CONDUCT A
19 BASELINE ENVIRONMENTAL ASSESSMENT AND TO EVALUATE COMPLIANCE WITH
20 SECTION 20107A OF THE NATURAL RESOURCES AND ENVIRONMENTAL
21 PROTECTION ACT, 1994 PA 451, MCL 324.20107A.

22 (ii) COMPLETING A BASELINE ENVIRONMENTAL ASSESSMENT REPORT.

23 (iii) PREPARING A PLAN FOR COMPLIANCE WITH SECTION 20107A OF THE
24 NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION ACT, 1994 PA 451,
25 MCL 324.20107A.

26 (c) ~~For tax increment revenues attributable to local taxes,~~
27 ~~reasonable costs of site investigations described in section~~

1 ~~15(1) (a) (i), baseline environmental assessments, and due care~~
2 ~~activities incurred by a person other than the authority related~~
3 ~~directly to work conducted on eligible property or prospective~~
4 ~~eligible properties prior to approval of the brownfield plan, if~~
5 ~~these costs and the eligible property are included in a brownfield~~
6 ~~plan approved by the authority.~~ THE LIMITATIONS OF SECTION 15(1) (B)
7 UPON USE OF TAX INCREMENT REVENUES BY AN AUTHORITY SHALL NOT APPLY
8 TO THE FOLLOWING COSTS AND EXPENSES:

9 (i) FOR TAX INCREMENT REVENUES ATTRIBUTABLE TO TAXES LEVIED FOR
10 SCHOOL OPERATING PURPOSES, ELIGIBLE ACTIVITIES ASSOCIATED WITH
11 UNANTICIPATED RESPONSE ACTIVITIES CONDUCTED ON ELIGIBLE PROPERTY IF
12 THAT ELIGIBLE PROPERTY HAS BEEN INCLUDED IN A BROWNFIELD PLAN, IF
13 THE DEPARTMENT IS CONSULTED ON THE UNANTICIPATED RESPONSE
14 ACTIVITIES BEFORE THEY ARE CONDUCTED AND THE COSTS OF THOSE
15 ACTIVITIES ARE SUBSEQUENTLY INCLUDED IN A BROWNFIELD PLAN APPROVED
16 BY THE AUTHORITY AND A COMBINED BROWNFIELD PLAN OR A WORK PLAN
17 APPROVED BY THE DEPARTMENT.

18 (ii) FOR TAX INCREMENT REVENUES ATTRIBUTABLE TO LOCAL TAXES,
19 ANY ELIGIBLE ACTIVITIES CONDUCTED ON ELIGIBLE PROPERTY OR
20 PROSPECTIVE ELIGIBLE PROPERTIES PRIOR TO APPROVAL OF THE BROWNFIELD
21 PLAN, IF THOSE COSTS AND THE ELIGIBLE PROPERTY ARE SUBSEQUENTLY
22 INCLUDED IN A BROWNFIELD PLAN APPROVED BY THE AUTHORITY.

23 (iii) FOR TAX INCREMENT REVENUES ATTRIBUTABLE TO TAXES LEVIED
24 FOR SCHOOL OPERATING PURPOSES, ELIGIBLE ACTIVITIES DESCRIBED IN
25 SECTION 13(15) AND CONDUCTED ON ELIGIBLE PROPERTY OR PROSPECTIVE
26 ELIGIBLE PROPERTIES PRIOR TO APPROVAL OF THE BROWNFIELD PLAN, IF
27 THOSE COSTS AND THE ELIGIBLE PROPERTY ARE SUBSEQUENTLY INCLUDED IN

1 **A BROWNFIELD PLAN APPROVED BY THE AUTHORITY AND A COMBINED**
2 **BROWNFIELD PLAN OR WORK PLAN APPROVED BY THE MICHIGAN STRATEGIC**
3 **FUND.**

4 (17) A brownfield authority may reimburse advances, with or
5 without interest, made by a municipality under section 7(3), a land
6 bank fast track authority, or any other person or entity for costs
7 of eligible activities with any source of revenue available for use
8 of the brownfield authority under this act. If an authority
9 reimburses a person or entity under this section for an advance for
10 the payment or reimbursement of the cost of eligible activities and
11 interest thereon, the authority may capture local taxes for the
12 payment of that interest. If an authority reimburses a person or
13 entity under this section for an advance for the payment or
14 reimbursement of the cost of baseline environmental assessments,
15 due care, and additional response activities and interest thereon
16 included in a **COMBINED BROWNFIELD PLAN OR A** work plan approved by
17 the department, the authority may capture taxes levied for school
18 operating purposes and local taxes for the payment of that
19 interest. If an authority reimburses a person or entity under this
20 section for an advance for the payment or reimbursement of the cost
21 of eligible activities that are not baseline environmental
22 assessments, due care, and additional response activities and
23 interest thereon included in a **COMBINED BROWNFIELD PLAN OR A** work
24 plan approved by the Michigan ~~economic growth authority,~~ **STRATEGIC**
25 **FUND**, the authority may capture taxes levied for school operating
26 purposes and local taxes for the payment of that interest provided
27 that the Michigan ~~economic growth authority~~ **STRATEGIC FUND** grants

1 an approval for the capture of taxes levied for school operating
2 purposes to pay such interest. An authority may enter into
3 agreements related to these reimbursements and payments. A
4 reimbursement agreement for these purposes and the obligations
5 under that reimbursement agreement shall not be subject to section
6 12 or the revised municipal finance act, 2001 PA 34, MCL 141.2101
7 to 141.2821.

8 (18) If a brownfield plan includes the capture of taxes levied
9 for school operating purposes, approval of a **COMBINED BROWNFIELD**
10 **PLAN OR A** work plan by the Michigan ~~economic growth authority~~
11 **STRATEGIC FUND** in the manner required under section 15(14) to (16)
12 **OR (25)** is required in order to use tax increment revenues
13 attributable to taxes levied for school operating purposes for
14 purposes of eligible activities described in section ~~2(m)(iv)(E)~~
15 **2(N)(iv)(E)** for 1 or more parcels of eligible property. The **COMBINED**
16 **BROWNFIELD PLAN OR** work plan to be submitted to the Michigan
17 ~~economic growth authority~~ **STRATEGIC FUND** under this subsection
18 shall be in a form prescribed by the Michigan ~~economic growth~~
19 ~~authority~~ **STRATEGIC FUND**. The eligible activities to be conducted
20 and described in this subsection shall be consistent with the
21 **COMBINED BROWNFIELD PLAN OR** work plan submitted by the authority to
22 the Michigan ~~economic growth authority~~ **STRATEGIC FUND**. The
23 department's approval is not required for the capture of taxes
24 levied for school operating purposes for eligible activities
25 described in this section.

26 (19) In each fiscal year of the authority, the amount of tax
27 increment revenues attributable to local taxes that an authority

1 can use for the purposes described in subsection (16) (a) shall be
2 determined as follows:

3 (a) For authorities that have 5 or fewer active projects,
4 \$100,000.00.

5 (b) For authorities that have 6 or more but fewer than 11
6 active projects, \$125,000.00.

7 (c) For authorities that have 11 or more but fewer than 16
8 active projects, \$150,000.00.

9 (d) For authorities that have 16 or more but fewer than 21
10 active projects, \$175,000.00.

11 (e) For authorities that have 21 or more but fewer than 26
12 active projects, \$200,000.00.

13 (f) For authorities that have 26 or more **BUT FEWER THAN 31**
14 active projects, \$300,000.00.

15 **(G) FOR AUTHORITIES THAT HAVE 31 OR MORE ACTIVE PROJECTS,**
16 **\$500,000.00.**

17 (20) As used in subsection (19), "active project" means a
18 project in which the authority is currently capturing taxes under
19 this act. **THE AMOUNTS OF TAX INCREMENT REVENUES ATTRIBUTABLE TO**
20 **LOCAL TAXES LISTED IN SUBSECTION (19) THAT AN AUTHORITY CAN USE FOR**
21 **THE PURPOSES DESCRIBED IN SUBSECTION (16) (A) MAY BE INCREASED BY 2%**
22 **FOR EACH WRITTEN AGREEMENT ENTERED INTO BY AN AUTHORITY IN EITHER**
23 **OF THE FOLLOWING SITUATIONS UP TO A TOTAL MAXIMUM INCREASE OF 10%:**

24 **(A) THE AUTHORITY IS AN AUTHORITY ESTABLISHED BY A COUNTY AND**
25 **THAT AUTHORITY ENTERS INTO A WRITTEN AGREEMENT WITH 1 OR MORE**
26 **MUNICIPALITIES WITHIN THAT COUNTY TO SERVE AS THE ONLY AUTHORITY**
27 **FOR THOSE OTHER MUNICIPALITIES.**

1 (B) THE AUTHORITY ENTERS INTO A WRITTEN AGREEMENT WITH 1 OR
2 MORE OTHER AUTHORITIES TO ADMINISTER 1 OR MORE ADMINISTRATIVE
3 OPERATIONS OF THOSE OTHER AUTHORITIES.

4 (21) NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS ACT, FOR
5 A BROWNFIELD PLAN THAT INCLUDES THE CAPTURE OF TAXES LEVIED FOR
6 SCHOOL OPERATING PURPOSES FROM ELIGIBLE PROPERTY INCLUDED IN A
7 BROWNFIELD PLAN AFTER JANUARY 1, 2013, AN AUTHORITY SHALL PAY TO
8 THE DEPARTMENT OF TREASURY AT LEAST ONCE ANNUALLY AN AMOUNT EQUAL
9 TO 3 MILLS OF THE TAXES LEVIED UNDER THE STATE EDUCATION TAX, 1993
10 PA 331, MCL 211.901 TO 211.906, THAT ARE CAPTURED UNDER THE
11 BROWNFIELD PLAN FOR UP TO THE FIRST 25 YEARS OF THE DURATION OF
12 CAPTURE OF TAX INCREMENT REVENUES FOR EACH ELIGIBLE PROPERTY
13 INCLUDED IN THE BROWNFIELD PLAN. THE DEPARTMENT OF TREASURY SHALL
14 DEPOSIT THESE AMOUNTS INTO THE STATE BROWNFIELD REDEVELOPMENT FUND.
15 IF AN AUTHORITY PAYS AN AMOUNT EQUAL TO 3 MILLS OF THE TAXES LEVIED
16 UNDER THE STATE EDUCATION TAX, 1993 PA 331, MCL 211.901 TO 211.906,
17 ON A PARCEL OF ELIGIBLE PROPERTY TO THE DEPARTMENT OF TREASURY
18 UNDER THIS SUBSECTION, THE PERCENTAGE OF LOCAL TAXES LEVIED ON THAT
19 PARCEL AND USED TO REIMBURSE ELIGIBLE ACTIVITIES FOR A PROJECT
20 UNDER A BROWNFIELD PLAN SHALL NOT EXCEED THE PERCENTAGE OF LOCAL
21 TAXES LEVIED ON THAT PARCEL THAT WOULD HAVE BEEN USED TO REIMBURSE
22 ELIGIBLE ACTIVITIES FOR THE PROJECT UNDER A BROWNFIELD PLAN IF THE
23 3 MILLS OF THE TAXES LEVIED UNDER THE STATE EDUCATION TAX, 1993 PA
24 331, MCL 211.901 TO 211.906, ON THAT PARCEL WERE NOT PAID TO THE
25 DEPARTMENT OF TREASURY UNDER THIS SUBSECTION. IF, DUE TO AN APPEAL
26 OF ANY TAX ASSESSMENT, AN AUTHORITY IS REQUIRED TO REIMBURSE A
27 TAXPAYER FOR ANY PORTION OF THE 3 MILLS THAT ARE PAID TO THE

1 DEPARTMENT OF TREASURY UNDER THIS SUBSECTION, THE DEPARTMENT OF
2 TREASURY SHALL REIMBURSE THAT AMOUNT TO THE AUTHORITY WITHIN 30
3 DAYS AFTER RECEIVING A REQUEST FROM THE AUTHORITY FOR
4 REIMBURSEMENT.

5 (22) THE DURATION OF CAPTURE OF TAX INCREMENT REVENUES UNDER A
6 BROWNFIELD PLAN FOR A PARTICULAR ELIGIBLE PROPERTY SHALL NOT EXCEED
7 THE LESSER OF THE PERIOD AUTHORIZED UNDER SUBSECTIONS (4) AND (5)
8 OR 30 YEARS FROM THE BEGINNING DATE OF THE CAPTURE OF TAX INCREMENT
9 REVENUES FOR THAT ELIGIBLE PROPERTY. THE BEGINNING DATE OF CAPTURE
10 OF TAX INCREMENT REVENUES FOR AN ELIGIBLE PROPERTY SHALL NOT BE
11 LATER THAN 5 YEARS FOLLOWING THE DATE OF THE RESOLUTION INCLUDING
12 THE ELIGIBLE PROPERTY IN THE BROWNFIELD PLAN. THE AUTHORITY MAY
13 AMEND THE BEGINNING DATE OF CAPTURE OF TAX INCREMENT REVENUES FOR A
14 PARTICULAR ELIGIBLE PROPERTY TO A DATE NOT LATER THAN 5 YEARS
15 FOLLOWING THE DATE OF THE RESOLUTION INCLUDING THE ELIGIBLE
16 PROPERTY IN THE BROWNFIELD PLAN. THE AUTHORITY MAY NOT AMEND THE
17 BEGINNING DATE OF CAPTURE OF TAX INCREMENT REVENUES FOR A
18 PARTICULAR ELIGIBLE PROPERTY IF THE AUTHORITY HAS BEGUN TO
19 REIMBURSE ELIGIBLE ACTIVITIES FROM THE CAPTURE OF TAX INCREMENT
20 REVENUES FROM THAT ELIGIBLE PROPERTY. ANY TAX INCREMENT REVENUES
21 CAPTURED FROM AN ELIGIBLE PROPERTY BEFORE THE BEGINNING DATE OF
22 CAPTURE OF TAX INCREMENT REVENUES FOR THAT ELIGIBLE PROPERTY SHALL
23 REVERT PROPORTIONATELY TO THE RESPECTIVE TAX BODIES. IF AN
24 AUTHORITY AMENDS THE BEGINNING DATE FOR CAPTURE OF TAX INCREMENT
25 REVENUES THAT INCLUDES THE CAPTURE OF TAX INCREMENT REVENUES FOR
26 SCHOOL OPERATING PURPOSES, THEN THE AUTHORITY SHALL NOTIFY THE
27 DEPARTMENT OR THE MICHIGAN STRATEGIC FUND, AS APPLICABLE, WITHIN 30

1 **DAYS AFTER AMENDING THE BEGINNING DATE.**

2 Sec. 15. (1) An authority shall not do any of the following:

3 (a) For eligible activities not described in section 13(15),
4 use taxes levied for school operating purposes captured from
5 eligible property unless the eligible activities to be conducted on
6 the eligible property are eligible activities under part 201 of the
7 natural resources and environmental protection act, 1994 PA 451,
8 MCL 324.20101 to 324.20142, consistent with a **COMBINED BROWNFIELD**
9 **PLAN OR A** work plan approved by the department after July 24, 1996.

10 ~~and before January 1, 2013. However, except as provided in~~
11 ~~subdivision (c), an authority may use taxes levied for school~~
12 ~~operating purposes captured from eligible property without the~~
13 ~~approval of a work plan by the department for the reasonable costs~~
14 ~~of 1 or more of the following:~~

15 ~~—— (i) Site investigation activities required to conduct a~~
16 ~~baseline environmental assessment and to evaluate compliance with~~
17 ~~section 20107a of the natural resources and environmental~~
18 ~~protection act, 1994 PA 451, MCL 324.20107a.~~

19 ~~—— (ii) Completing a baseline environmental assessment report.~~

20 ~~—— (iii) Preparing a plan for compliance with section 20107a of the~~
21 ~~natural resources and environmental protection act, 1994 PA 451,~~
22 ~~MCL 324.20107a.~~

23 ~~—— (b) For eligible activities not described in section 13(15),~~
24 ~~other than activities that are exempt from the work plan approval~~
25 ~~process under subsection (1)(a), use funds from a local site~~
26 ~~remediation revolving fund that are derived from taxes levied for~~
27 ~~school operating purposes unless the eligible activities to be~~

1 ~~conducted are eligible activities under part 201 of the natural~~
2 ~~resources and environmental protection act, 1994 PA 451, MCL~~
3 ~~324.20101 to 324.20142, consistent with a work plan that has been~~
4 ~~approved by the department after July 24, 1996.~~

5 ~~—— (c) Use funds from a local site remediation revolving fund~~
6 ~~created pursuant to section 8 that are derived from taxes levied~~
7 ~~for school operating purposes for the eligible activities described~~
8 ~~in section 13(15) unless the eligible activities to be conducted~~
9 ~~are consistent with a work plan approved by the Michigan economic~~
10 ~~growth authority.~~

11 (B) ~~(d)~~—Use taxes captured from eligible property to pay for
12 eligible activities conducted before approval of the brownfield
13 plan except for costs described in section 13(16).

14 (C) ~~(e)~~—Use taxes levied for school operating purposes
15 captured from eligible property for response activities that
16 benefit a party liable under section 20126 of the natural resources
17 and environmental protection act, 1994 PA 451, MCL 324.20126,
18 except that a municipality that established the authority may use
19 taxes levied for school operating purposes captured from eligible
20 property for response activities associated with a landfill.

21 (D) ~~(f)~~—Use taxes captured from eligible property to pay for
22 administrative and operating activities of the authority or the
23 municipality on behalf of the authority except for costs described
24 in section 13(16) and for the reasonable costs for preparing a
25 **COMBINED BROWNFIELD PLAN OR A** work plan for the eligible property.
26 ~~, including the actual cost of the review of the work plan under~~
27 ~~this section.~~

1 (2) To seek department approval of a work plan under
2 subsection (1)(a), ~~or (b)~~, the authority shall submit all of the
3 following for each eligible property:

4 (a) A copy of the brownfield plan.

5 (b) Current ownership information for each eligible property
6 and a summary of available information on proposed future
7 ownership, including the amount of any delinquent taxes, interest,
8 and penalties that may be due.

9 (c) A summary of available information on the historical and
10 current use of each eligible property, including a brief summary of
11 site conditions and what is known about environmental contamination
12 as that term is defined in section 20101 of the natural resources
13 and environmental protection act, 1994 PA 451, MCL 324.20101.

14 (d) Existing and proposed future zoning for each eligible
15 property.

16 (e) A brief summary of the proposed redevelopment and future
17 use for each eligible property.

18 ~~(f) A separate work plan, or part of a work plan, for each~~
19 ~~eligible activity to be undertaken.~~

20 (3) Upon receipt of a request for approval of a work plan
21 under subsection (2) or a portion of a work plan that pertains to
22 only baseline environmental assessment activities or due care
23 activities, or both, the department shall review the work plan
24 according to subsection (4) and provide 1 of the following written
25 responses to the requesting authority within 60 days:

26 (a) An unconditional approval.

27 (b) A conditional approval that delineates specific necessary

1 modifications to the work plan to meet the criteria of subsection
2 (4), including, but not limited to, individual activities to be
3 added or deleted from the work plan and revision of costs.

4 (c) If the work plan lacks sufficient information for the
5 department to respond under subdivision (a), (b), or (d) for any
6 specific activity, a letter stating with specificity the necessary
7 additions or changes to the work plan to be submitted before that
8 activity will be considered by the department. The department shall
9 respond under subdivision (a), (b), or (d) according to this
10 section for the other activities in the work plan.

11 (d) A denial if the property is not an eligible property under
12 this act, if the work plan contemplates the use of taxes levied for
13 school operating purposes prohibited by subsection ~~(1)(e)~~, **(1)(C)**,
14 or for any specific activity if the activity is prohibited by
15 subsection ~~(1)(d)~~, **(1)(B)**. The department may also deny any
16 activity in a work plan that does not meet the conditions in
17 subsection (4) only if the department cannot respond under
18 subdivision (b) or (c). The department shall accompany the denial
19 with a letter that states with specificity the reason for the
20 denial. The department shall respond under subdivision (a), (b), or
21 (c) according to this section for any activities in the work plan
22 that are not denied under this subdivision. If the department
23 denies all or a portion of a work plan under this subdivision, the
24 authority may subsequently resubmit the work plan.

25 (4) The department may approve a work plan if the following
26 conditions have been met:

27 (a) Whether some or all of the activities constitute due care

1 activities or additional response activities other than activities
2 that are exempt from the work plan approval process under
3 subsection (1)(a).

4 (b) The due care activities and response activities, other
5 than the activities that are exempt from the work plan approval
6 process under subsection (1)(a), are protective of the public
7 health, safety, and welfare and the environment. The department may
8 approve additional response activities that are more protective of
9 the public health, safety, and welfare and the environment than
10 required by section 20107a of the natural resources and
11 environmental protection act, 1994 PA 451, MCL 324.20107a, if those
12 activities provide public health or environmental benefit. In
13 review of a work plan that includes activities that are more
14 protective of the public health, safety, and welfare and the
15 environment, the department's considerations may include, but are
16 not limited to, all of the following:

17 (i) Proposed new land use and reliability of restrictions to
18 prevent exposure to contamination.

19 (ii) Cost of implementation activities minimally necessary to
20 achieve due care compliance, the incremental cost of all additional
21 response activities relative to the cost of all response
22 activities, and the total cost of all response activities.

23 (iii) Long-term obligations associated with leaving
24 contamination in place and the value of reducing or eliminating
25 these obligations.

26 (c) The estimated costs for the activities as a whole are
27 reasonable for the stated purpose. Except as provided in

1 subdivision (b), the department shall make the determination in
2 this subdivision only after the department determines that the
3 conditions in subdivisions (a) and (b) have been met.

4 (5) If the department fails to provide a written response
5 under subsection (3) within 60 days after receipt of a request for
6 approval of a work plan, the authority may proceed with the
7 activities as outlined in the work plan as submitted for approval.
8 Except as provided in subsection (6), activities conducted pursuant
9 to a work plan that was submitted to the department for approval
10 but for which the department failed to provide a written response
11 under subsection (3) shall be considered approved for the purposes
12 of subsection (1). Within 45 days after receiving additional
13 information requested from the authority under subsection (3)(c),
14 the department shall review the additional information according to
15 subsection (4) and provide 1 of the responses described in
16 subsection (3) to the requesting authority for the specific
17 activity. If the department does not provide a response to the
18 requesting authority within 45 days after receiving the additional
19 information requested under subsection (3)(c), the activity is
20 approved under subsection (1).

21 (6) The department may issue a written response to a work plan
22 more than 60 days but less than 6 months after receipt of a request
23 for approval. If the department issues a written response under
24 this subsection, the authority is not required to conduct
25 individual activities that are in addition to the individual
26 activities included in the work plan as it was submitted for
27 approval and failure to conduct these additional activities shall

1 not affect the authority's ability to capture taxes under
2 subsection (1) for the eligible activities described in the work
3 plan initially submitted under subsection (5). In addition, at the
4 option of the authority, these additional individual activities
5 shall be considered part of the work plan of the authority and
6 approved for purposes of subsection (1). However, any response by
7 the department under this subsection that identifies additional
8 individual activities that must be carried out to satisfy part 201
9 of the natural resources and environmental protection act, 1994 PA
10 451, MCL 324.20101 to 324.20142, must be satisfactorily completed
11 for the activities to be considered acceptable for the purposes of
12 compliance with part 201 of the natural resources and environmental
13 protection act, 1994 PA 451, MCL 324.20101 to 324.20142.

14 (7) If the department issues a written response under
15 subsection (6) to a work plan and if the department's written
16 response modifies an individual activity proposed by the work plan
17 of the authority in a manner that reduces or eliminates a proposed
18 response activity, the authority must complete those individual
19 activities in accordance with the department's response in order
20 for that portion of the work plan to be considered approved for
21 purposes of subsection (1), unless 1 or more of the following
22 conditions apply:

23 (a) Obligations for the individual activity have been issued
24 by the authority, or by a municipality on behalf of the authority,
25 to fund the individual activity prior to issuance of the
26 department's response.

27 (b) The individual activity has commenced or payment for the

1 work has been irrevocably obligated prior to issuance of the
2 department's response.

3 (8) It shall be in the sole discretion of an authority to
4 propose to undertake additional response activities at an eligible
5 property under a brownfield plan. The department shall not require
6 a work plan to include additional response activities.

7 (9) The department shall review the portion of a work plan
8 that includes additional response activities in accordance with
9 subsection (4).

10 (10) The department's approval or denial of a work plan
11 submitted under this section constitutes a final decision in regard
12 to the use of taxes levied for school operating purposes but does
13 not restrict an authority's use of tax increment revenues
14 attributable to local taxes to pay for eligible activities under a
15 brownfield plan. If a person is aggrieved by the final decision,
16 the person may appeal under section 631 of the revised judicature
17 act of 1961, 1961 PA 236, MCL 600.631.

18 (11) ~~The~~ **THROUGH DECEMBER 31, 2012, THE** authority shall
19 reimburse the department for the actual cost incurred by the
20 department or a contractor of the department to review a work plan
21 under subsection (1)(a) ~~or (b)~~ under this section. Funds paid to
22 the department under this subsection shall be deposited in the cost
23 recovery subaccount of the cleanup and redevelopment fund created
24 under section 20108 of the natural resources and environmental
25 protection act, 1994 PA 451, MCL 324.20108.

26 (12) The department shall submit a report each year ~~on or~~
27 ~~before March 1~~ to each member of the legislature ~~that contains all~~

1 ~~of the following:~~ **AS PROVIDED IN SECTION 16(4).**

2 ~~—— (a) A compilation and summary of all the information submitted~~
3 ~~under subsection (2).~~

4 ~~—— (b) The amount of tax increment revenues approved by the~~
5 ~~department in the immediately preceding calendar year, including~~
6 ~~taxes levied for school operating purposes, to conduct eligible~~
7 ~~activities.~~

8 (13) To seek Michigan ~~economic growth authority~~ **STRATEGIC FUND**
9 approval of a work plan under ~~subsection (1)(c) or section 13(15),~~
10 the authority shall submit all of the following for each eligible
11 property:

12 (a) A copy of the brownfield plan.

13 (b) Current ownership information for each eligible property
14 and a summary of available information on proposed future
15 ownership, including the amount of any delinquent taxes, interest,
16 and penalties that may be due.

17 (c) A summary of available information on the historical and
18 current use of each eligible property.

19 (d) Existing and proposed future zoning for each eligible
20 property.

21 (e) A brief summary of the proposed redevelopment and future
22 use for each eligible property.

23 (f) A separate work plan, or part of a work plan, for each
24 eligible activity described in section 13(15) to be undertaken.

25 (g) A copy of the development agreement or reimbursement
26 agreement required under section 13(15), which shall include, but
27 is not limited to, a detailed summary of any and all ownership

1 interests, monetary considerations, fees, revenue and cost sharing,
2 charges, or other financial arrangements or other consideration
3 between the parties.

4 (14) Upon receipt of a request for approval of a work plan,
5 the Michigan ~~economic growth authority~~ **STRATEGIC FUND** shall provide
6 1 of the following written responses to the requesting authority
7 within 65 days:

8 (a) An unconditional approval that includes an enumeration of
9 eligible activities and a maximum allowable capture amount.

10 (b) A conditional approval that delineates specific necessary
11 modifications to the work plan, including, but not limited to,
12 individual activities to be added or deleted from the work plan and
13 revision of costs.

14 (c) A denial and a letter stating with specificity the reason
15 for the denial. If a work plan is denied under this subsection, the
16 work plan may be subsequently resubmitted.

17 (15) In its review of a work plan under ~~subsection (1)(c) or~~
18 section 13(15), the Michigan ~~economic growth authority~~ **STRATEGIC**
19 **FUND** shall consider the following criteria to the extent reasonably
20 applicable to the type of activities proposed as part of that work
21 plan when approving or denying a work plan:

22 (a) Whether the individual activities included in the work
23 plan are sufficient to complete the eligible activity.

24 (b) Whether each individual activity included in the work plan
25 is required to complete the eligible activity.

26 (c) Whether the cost for each individual activity is
27 reasonable.

1 (d) The overall benefit to the public.

2 (e) The extent of reuse of vacant buildings and redevelopment
3 of blighted property.

4 (f) Creation of jobs.

5 (g) Whether the eligible property is in an area of high
6 unemployment.

7 (h) The level and extent of contamination alleviated by or in
8 connection with the eligible activities.

9 (i) The level of private sector contribution.

10 (j) The cost gap that exists between the site and a similar
11 greenfield site as determined by the Michigan ~~economic-growth~~
12 ~~authority~~. **STRATEGIC FUND.**

13 (k) If the developer or projected occupant of the new
14 development is moving from another location in this state, whether
15 the move will create a brownfield.

16 (l) Whether the project of the developer, landowner, or
17 corporate entity that is included in the work plan is financially
18 and economically sound.

19 (m) Other state and local incentives available to the
20 developer, landowner, or corporate entity for the project of the
21 developer, landowner, or corporate entity that is included in the
22 work plan.

23 (n) Any other criteria that the Michigan ~~economic-growth~~
24 ~~authority~~. **STRATEGIC FUND** considers appropriate for the
25 determination of eligibility or for approval of the work plan.

26 (16) If the Michigan ~~economic-growth authority~~. **STRATEGIC FUND**
27 fails to provide a written response under subsection (14) within 65

1 days after receipt of a request for approval of a work plan, the
2 eligible activities shall be considered approved and the authority
3 may proceed with the eligible activities described in section
4 13(15) as outlined in the work plan as submitted for approval.

5 (17) The Michigan ~~economic growth authority's~~ **STRATEGIC FUND**
6 approval of a work plan under section 13(15) is final.

7 (18) ~~The~~ **THROUGH DECEMBER 31, 2012, THE** authority shall
8 reimburse the Michigan ~~economic growth authority~~ **STRATEGIC FUND** for
9 the actual cost incurred by the Michigan ~~economic growth authority~~
10 **STRATEGIC FUND** or a contractor of the Michigan ~~economic growth~~
11 ~~authority~~ **STRATEGIC FUND** to review a work plan under this section.

12 (19) The Michigan ~~economic growth authority~~ **STRATEGIC FUND**
13 shall submit a report each year ~~on or before March 1~~ to each member
14 of the legislature ~~that contains all of the following:~~ **AS PROVIDED**
15 **IN SECTION 16(4).**

16 ~~— (a) A compilation and summary of all the information submitted~~
17 ~~under subsection (13).~~

18 ~~— (b) The amount of tax increment revenues approved by the~~
19 ~~Michigan economic growth authority in the immediately preceding~~
20 ~~calendar year, including taxes levied for school operating~~
21 ~~purposes, to conduct eligible activities.~~

22 (20) All taxes levied for school operating purposes that are
23 not used for eligible activities consistent with a **COMBINED**
24 **BROWNFIELD PLAN OR A** work plan approved by the department or the
25 Michigan ~~economic growth authority~~ **STRATEGIC FUND** or for the
26 payment of interest under section 13 and that are not deposited in
27 a local site remediation revolving fund shall be distributed

1 proportionately between the local school district and the school
2 aid fund.

3 (21) An authority shall not use taxes levied for school
4 operating purposes captured from eligible property for eligible
5 activities for a qualified facility or for eligible activities for
6 property located in an economic opportunity zone.

7 (22) The department's approval of a work plan under subsection
8 (3)(a) or (b) does not imply an entitlement to reimbursement of the
9 costs of the eligible activities if the work plan is not
10 implemented as approved.

11 (23) The applicant and the department can, by mutual
12 agreement, extend the time period for any review described in this
13 section. An agreement described in this subsection shall be
14 documented in writing.

15 (24) IF A BROWNFIELD PLAN INCLUDES THE CAPTURE OF TAXES LEVIED
16 FOR SCHOOL OPERATING PURPOSES, THE CHAIRPERSON OF THE MICHIGAN
17 STRATEGIC FUND MAY APPROVE COMBINED BROWNFIELD PLANS AND WORK PLANS
18 THAT ADDRESS ELIGIBLE ACTIVITIES DESCRIBED IN SECTION 13(15)
19 TOTALING AN AMOUNT OF \$500,000.00 OR LESS ACCORDING TO SUBSECTIONS
20 (13), (14), (15), (16), (17), AND (18).

21 (25) IN LIEU OF SEEKING APPROVAL OF A WORK PLAN UNDER SECTION
22 13(15) OR SUBSECTION (1)(A), AN AUTHORITY MAY SEEK APPROVAL OF A
23 COMBINED BROWNFIELD PLAN FROM THE DEPARTMENT OR MICHIGAN STRATEGIC
24 FUND UNDER THIS SUBSECTION AS FOLLOWS:

25 (A) TO SEEK APPROVAL OF A COMBINED BROWNFIELD PLAN UNDER THIS
26 SUBSECTION, THE AUTHORITY SHALL, AT LEAST 30 DAYS BEFORE THE
27 HEARING ON THE COMBINED BROWNFIELD PLAN TO ALLOW FOR CONSULTATION

1 BETWEEN THE AUTHORITY AND THE DEPARTMENT OR THE MICHIGAN STRATEGIC
2 FUND, PROVIDE NOTICE THAT THE AUTHORITY WILL BE SEEKING APPROVAL OF
3 A COMBINED BROWNFIELD PLAN IN LIEU OF A WORK PLAN TO 1 OR MORE OF
4 THE FOLLOWING:

5 (i) THE DEPARTMENT, IF THE COMBINED BROWNFIELD PLAN INVOLVES
6 THE USE OF TAXES LEVIED FOR SCHOOL OPERATING PURPOSES TO PAY FOR
7 ELIGIBLE ACTIVITIES THAT REQUIRE APPROVAL BY THE DEPARTMENT UNDER
8 SUBSECTION (1) (A) .

9 (ii) THE MICHIGAN STRATEGIC FUND, IF THE COMBINED BROWNFIELD
10 PLAN INVOLVES THE USE OF TAXES LEVIED FOR SCHOOL OPERATING PURPOSES
11 TO PAY FOR ELIGIBLE ACTIVITIES SUBJECT TO SUBSECTION (15) .

12 (B) AFTER THE GOVERNING BODY APPROVES A COMBINED BROWNFIELD
13 PLAN, THE AUTHORITY SHALL SUBMIT THE COMBINED BROWNFIELD PLAN TO
14 THE DEPARTMENT UNDER THE CIRCUMSTANCES DESCRIBED IN SUBDIVISION
15 (A) (i) OR MICHIGAN STRATEGIC FUND UNDER THE CIRCUMSTANCES DESCRIBED
16 IN SUBDIVISION (A) (ii) .

17 (C) THE DEPARTMENT SHALL REVIEW A COMBINED BROWNFIELD PLAN
18 ACCORDING TO SUBDIVISION (E) . THE MICHIGAN STRATEGIC FUND SHALL
19 REVIEW A COMBINED BROWNFIELD PLAN ACCORDING TO SUBDIVISION (F) .

20 (D) UPON RECEIPT OF A COMBINED BROWNFIELD PLAN UNDER
21 SUBDIVISION (B) , THE DEPARTMENT OR MICHIGAN STRATEGIC FUND SHALL
22 PROVIDE 1 OF THE FOLLOWING WRITTEN RESPONSES TO THE REQUESTING
23 AUTHORITY WITHIN 65 DAYS:

24 (i) AN UNCONDITIONAL APPROVAL THAT INCLUDES AN ENUMERATION OF
25 ELIGIBLE ACTIVITIES AND A MAXIMUM ALLOWABLE CAPTURE AMOUNT.

26 (ii) A CONDITIONAL APPROVAL THAT DELINEATES SPECIFIC NECESSARY
27 MODIFICATIONS TO THE COMBINED BROWNFIELD PLAN, INCLUDING, BUT NOT

1 LIMITED TO, INDIVIDUAL ACTIVITIES TO BE ADDED TO OR DELETED FROM
2 THE COMBINED BROWNFIELD PLAN AND REVISION OF COSTS.

3 (iii) A DENIAL AND A LETTER STATING WITH SPECIFICITY THE REASON
4 FOR THE DENIAL. IF A COMBINED BROWNFIELD PLAN IS DENIED UNDER THIS
5 SUBDIVISION, THE COMBINED BROWNFIELD PLAN MAY BE SUBSEQUENTLY
6 RESUBMITTED.

7 (E) THE DEPARTMENT MAY APPROVE A COMBINED BROWNFIELD PLAN IF
8 THE AUTHORITY SUBMITS THE INFORMATION IDENTIFIED IN SUBSECTION
9 (2) (B) TO (E) AND IF THE CONDITIONS IDENTIFIED IN SUBSECTION (4)
10 ARE MET.

11 (F) THE MICHIGAN STRATEGIC FUND SHALL CONSIDER THE CRITERIA
12 IDENTIFIED IN SUBSECTION (15) (A) TO (N) TO THE EXTENT REASONABLY
13 APPLICABLE TO THE TYPE OF ACTIVITIES PROPOSED AS PART OF A COMBINED
14 BROWNFIELD PLAN WHEN APPROVING OR DENYING THE COMBINED BROWNFIELD
15 PLAN.

16 (G) IF THE DEPARTMENT OR MICHIGAN STRATEGIC FUND ISSUES A
17 WRITTEN RESPONSE TO A REQUESTING AUTHORITY UNDER SUBDIVISION (D) (i)
18 OR (ii), THE GOVERNING BODY OR ITS DESIGNEE MAY ADMINISTRATIVELY
19 APPROVE ANY MODIFICATIONS TO A COMBINED BROWNFIELD PLAN REQUIRED BY
20 THE WRITTEN RESPONSE WITHOUT THE NEED TO FOLLOW THE NOTICE AND
21 APPROVAL PROCESS REQUIRED BY SECTION 14(2) UNLESS THE MODIFICATIONS
22 ADD 1 OR MORE PARCELS OF ELIGIBLE PROPERTY OR INCREASE THE MAXIMUM
23 AMOUNT OF TAX INCREMENT REVENUES APPROVED FOR THE PROJECT.

24 (H) IF THE DEPARTMENT OR MICHIGAN STRATEGIC FUND FAILS TO
25 PROVIDE A WRITTEN RESPONSE UNDER SUBDIVISION (D) WITHIN 65 DAYS
26 AFTER RECEIPT OF A COMBINED BROWNFIELD PLAN, THE ELIGIBLE
27 ACTIVITIES SHALL BE CONSIDERED APPROVED AS SUBMITTED.

1 (I) THE APPROVAL OF A COMBINED BROWNFIELD PLAN BY THE
2 DEPARTMENT OR MICHIGAN STRATEGIC FUND UNDER THIS SUBSECTION IS
3 FINAL.

4 Sec. 16. (1) The municipal and county treasurers shall
5 transmit tax increment revenues to the authority not more than 30
6 days after tax increment revenues are collected.

7 (2) The authority shall expend the tax increment revenues
8 received only in accordance with the brownfield plan. All surplus
9 funds not deposited in the local site remediation revolving fund of
10 the authority under section 13(5) shall revert proportionately to
11 the respective taxing bodies, except as provided in section 15(20).
12 ~~The governing body may abolish the plan when it finds that the~~
13 ~~purposes for which the plan was established are accomplished.~~
14 ~~However, the plan shall not be abolished until the principal and~~
15 ~~interest on bonds issued under section 17 and all other obligations~~
16 ~~to which the tax increment revenues are pledged have been paid or~~
17 ~~funds sufficient to make the payment have been segregated.~~

18 (3) The authority shall submit annually to the governing body,
19 ~~and the state tax commission~~ **THE DEPARTMENT, AND THE MICHIGAN**
20 **STRATEGIC FUND** a financial report on the status of the activities
21 of the authority **FOR EACH CALENDAR YEAR**. The report shall include
22 all of the following:

23 (a) The amount and source of tax increment revenues received.

24 (b) The amount and purpose of expenditures of tax increment
25 revenues.

26 (c) The amount of principal and interest on all outstanding
27 indebtedness.

1 (d) The initial taxable value of all eligible property subject
2 to the brownfield plan.

3 (e) The captured taxable value realized by the authority **FOR**
4 **EACH ELIGIBLE PROPERTY SUBJECT TO THE BROWNFIELD PLAN.**

5 ~~(f) Information concerning any transfer of ownership of or~~
6 ~~interest in each eligible property.~~ **THE AMOUNT OF ACTUAL CAPITAL**
7 **INVESTMENT MADE FOR EACH PROJECT.**

8 (g) The amount of tax increment revenues attributable to taxes
9 levied for school operating purposes used for activities described
10 in section 15(1) (a) and section ~~2(m) (vii).~~ **2 (N) (vii) .**

11 **(H) THE NUMBER OF RESIDENTIAL UNITS CONSTRUCTED OR**
12 **REHABILITATED FOR EACH PROJECT.**

13 **(I) THE AMOUNT, BY SQUARE FOOT, OF NEW OR REHABILITATED**
14 **RESIDENTIAL, RETAIL, COMMERCIAL, OR INDUSTRIAL SPACE FOR EACH**
15 **PROJECT.**

16 **(J) THE NUMBER OF NEW JOBS CREATED AT THE PROJECT.**

17 **(K) ~~(h)~~ All additional information that the governing body, ~~or~~**
18 ~~the state tax commission~~ **THE DEPARTMENT, OR THE MICHIGAN STRATEGIC**
19 **FUND** considers necessary.

20 ~~(4) The state tax commission~~ **DEPARTMENT AND THE MICHIGAN**
21 **STRATEGIC FUND** shall collect the financial reports submitted under
22 subsection (3), compile and ~~analyze~~ **A COMBINED REPORT, WHICH**
23 **INCLUDES THE USE OF LOCAL TAXES, TAXES LEVIED FOR SCHOOL OPERATING**
24 **PURPOSES, AND THE STATE BROWNFIELD REDEVELOPMENT FUND, BASED ON the**
25 **information contained in those reports AND ANY ADDITIONAL**
26 **INFORMATION CONSIDERED NECESSARY,** and submit annually a report
27 based on that information to ~~all of the following standing~~

1 ~~committees~~ EACH MEMBER of the legislature. +

2 ~~—— (a) In the house of representatives, the committees~~
3 ~~responsible for natural resource management, conservation,~~
4 ~~environmental protection, commerce, economic development, and~~
5 ~~taxation.~~

6 ~~—— (b) In the senate, the committees responsible for natural~~
7 ~~resource management, conservation, environmental protection,~~
8 ~~economic development, and taxation.~~

9 (5) BEGINNING ON JANUARY 1, 2013, ALL OF THE FOLLOWING
10 REPORTING OBLIGATIONS APPLY:

11 (A) THE DEPARTMENT SHALL ON A QUARTERLY BASIS POST ON ITS
12 WEBSITE THE NAME, LOCATION, AND AMOUNT OF TAX INCREMENT REVENUES,
13 INCLUDING TAXES LEVIED FOR SCHOOL OPERATING PURPOSES, FOR EACH
14 PROJECT APPROVED BY THE DEPARTMENT UNDER THIS ACT DURING THE
15 IMMEDIATELY PRECEDING QUARTER.

16 (B) THE MICHIGAN STRATEGIC FUND SHALL ON A QUARTERLY BASIS
17 POST ON ITS WEBSITE THE NAME, LOCATION, AND AMOUNT OF TAX INCREMENT
18 REVENUES, INCLUDING TAXES LEVIED FOR SCHOOL OPERATING PURPOSES, FOR
19 EACH PROJECT APPROVED BY THE MICHIGAN STRATEGIC FUND UNDER THIS ACT
20 DURING THE IMMEDIATELY PRECEDING QUARTER.

21 (6) ~~(5)~~—In addition to any other requirements under this act,
22 not less than once every 3 years beginning not later than June 30,
23 2008, the auditor general shall conduct and report a performance
24 postaudit on the effectiveness ~~, efficiency, and economy~~ of the
25 program established under this act. As part of the performance
26 postaudit, the auditor general shall assess the extent to which the
27 implementation of the program by the department and the Michigan

1 ~~economic growth authority~~ **STRATEGIC FUND** facilitate and affect the
2 redevelopment or reuse of eligible property and identify any
3 factors that inhibit the program's effectiveness. The performance
4 postaudit shall also assess the extent to which the interpretation
5 of statutory language, the development of guidance or
6 administrative rules, and the implementation of the program by the
7 department and the Michigan ~~economic growth authority~~ **STRATEGIC**
8 **FUND** is consistent with the fundamental objective of facilitating
9 and supporting timely and efficient brownfield redevelopment of
10 eligible properties. ~~Copies of the performance postaudits shall be~~
11 ~~provided to the governor, the clerk of the house of~~
12 ~~representatives, the secretary of the senate, and the chairpersons~~
13 ~~of the senate and house of representatives standing committees on~~
14 ~~commerce and economic development.~~

15 (7) THE OWNER OR DEVELOPER FOR AN ACTIVE PROJECT INCLUDED
16 WITHIN A BROWNFIELD PLAN MUST ANNUALLY SUBMIT TO THE AUTHORITY A
17 REPORT ON THE STATUS OF THE PROJECT. THE REPORT SHALL BE IN A FORM
18 DEVELOPED BY THE AUTHORITY AND MUST CONTAIN INFORMATION NECESSARY
19 FOR THE AUTHORITY TO REPORT UNDER SUBSECTION (3) (F), (H), (I), (J),
20 AND (K). THE AUTHORITY MAY WAIVE THE REQUIREMENT TO SUBMIT A REPORT
21 UNDER THIS SUBSECTION. AS USED IN THIS SUBSECTION, "ACTIVE PROJECT"
22 MEANS A PROJECT FOR WHICH THE AUTHORITY IS CURRENTLY CAPTURING
23 TAXES UNDER THIS ACT.

24 (8) A BROWNFIELD PLAN OR PLAN AMENDMENT MAY BE ABOLISHED OR
25 TERMINATED ACCORDING TO THIS SUBSECTION SUBJECT TO ALL OF THE
26 FOLLOWING:

27 (A) THE GOVERNING BODY MAY ABOLISH A BROWNFIELD PLAN WHEN IT

1 FINDS THAT THE PURPOSES FOR WHICH THE PLAN WAS ESTABLISHED ARE
2 ACCOMPLISHED.

3 (B) THE GOVERNING BODY MAY TERMINATE A BROWNFIELD PLAN OR PLAN
4 AMENDMENT FOR AN ELIGIBLE PROPERTY IF THE PROJECT FOR WHICH
5 ELIGIBLE ACTIVITIES WERE IDENTIFIED IN THE BROWNFIELD PLAN OR PLAN
6 AMENDMENT FAILS TO OCCUR WITH RESPECT TO THE ELIGIBLE PROPERTY FOR
7 AT LEAST 5 YEARS FOLLOWING THE DATE OF THE RESOLUTION APPROVING THE
8 BROWNFIELD PLAN OR PLAN AMENDMENT.

9 (C) IF A BROWNFIELD PLAN OR PLAN AMENDMENT IS TERMINATED UNDER
10 SUBDIVISION (B), THE GOVERNING BODY MAY APPROVE A NEW BROWNFIELD
11 PLAN OR PLAN AMENDMENT FOR THE ELIGIBLE PROPERTY UNDER WHICH TAX
12 INCREMENT REVENUES MAY BE CAPTURED FOR UP TO 30 YEARS AS PROVIDED
13 IN SECTION 13(22).

14 (D) NOTWITHSTANDING ANYTHING IN THIS SUBSECTION TO THE
15 CONTRARY, A BROWNFIELD PLAN OR PLAN AMENDMENT SHALL NOT BE
16 ABOLISHED OR TERMINATED UNTIL THE PRINCIPAL AND INTEREST ON BONDS
17 ISSUED UNDER SECTION 17 AND ALL OTHER OBLIGATIONS TO WHICH THE TAX
18 INCREMENT REVENUES ARE PLEDGED HAVE BEEN PAID OR FUNDS SUFFICIENT
19 TO MAKE THE PAYMENT HAVE BEEN IDENTIFIED OR SEGREGATED.