



House Office Building, 9 South
Lansing, Michigan 48909
Phone: 517/373-6466

DEFINITION OF DOWNTOWN DEVELOPMENT DISTRICT

House Bill 4344

Sponsor: Rep. Lisa Wojno

Committee: Commerce

Complete to 6-6-03

A SUMMARY OF HOUSE BILL 4344 AS INTRODUCED 3-13-03

The bill would amend the Downtown Development Authority Act to specify that a downtown district could include one or more separate and distinct geographic areas in a business district as determined by the participating municipality. If a district contained more than one separate and distinct geographic area, then the separate and distinct areas would together be considered one downtown district.

The bill would amend the definition of “downtown district”, which currently is defined as “an area in a business district that is specifically designated by ordinance of the governing body of the municipality.”

[A downtown development authority is a type of tax increment finance authority available to a city, village, or township. Under tax increment financing, an authority captures a defined portion of the property tax revenues in a designated area. Typically, a DDA captures the growth in tax revenue within a designated development area for use in financing a variety of public improvements in the area, often through the issuance of bonds. The act says a municipality can create a DDA by resolution in order “to halt property value deterioration and increase property tax valuation where possible in its business district, to halt the causes of that deterioration, and to promote economic growth.”]

MCL 125.1651

House Bill 4344 (6-6-03)

Analyst: C. Couch

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.