

**SUBSTITUTE FOR
HOUSE BILL NO. 5815**

A bill to amend 1975 PA 197, entitled

"An act to provide for the establishment of a downtown development authority; to prescribe its powers and duties; to correct and prevent deterioration in business districts; to encourage historic preservation; to authorize the acquisition and disposal of interests in real and personal property; to authorize the creation and implementation of development plans in the districts; to promote the economic growth of the districts; to create a board; to prescribe its powers and duties; to authorize the levy and collection of taxes; to authorize the issuance of bonds and other evidences of indebtedness; to authorize the use of tax increment financing; to reimburse downtown development authorities for certain losses of tax increment revenues; and to prescribe the powers and duties of certain state officials,"

by amending sections 3 and 18 (MCL 125.1653 and 125.1668),
section 3 as amended by 1993 PA 323.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 3. (1) When the governing body of a municipality
- 2 determines that it is necessary for the best interests of the
- 3 public to halt property value deterioration and increase property
- 4 tax valuation where possible in its business district, to

1 eliminate the causes of that deterioration, and to promote
2 economic growth, the governing body may, by resolution, declare
3 its intention to create and provide for the operation of an
4 authority.

5 (2) In the resolution of intent, the governing body shall set
6 a date for the holding of a public hearing on the adoption of a
7 proposed ordinance creating the authority and designating the
8 boundaries of the downtown district. Notice of the public
9 hearing shall be published twice in a newspaper of general
10 circulation in the municipality, not less than 20 or more than 40
11 days before the date of the hearing. Not less than 20 days
12 before the hearing, the governing body proposing to create the
13 authority shall also mail notice of the hearing to the property
14 taxpayers of record in the proposed district and for a public
15 hearing to be held after February 15, 1994 to the governing body
16 of each taxing jurisdiction levying taxes that would be subject
17 to capture if the authority is established and a tax increment
18 financing plan is approved. **Beginning June 1, 2004, the notice**
19 **of hearing within the time frame described in this subsection**
20 **shall be mailed by certified mail to the treasurer, clerk, and**
21 **chairperson of the board of commissioners of the county in which**
22 **the business district is located.** Failure of a property taxpayer
23 to receive the notice shall not invalidate these proceedings.
24 Notice of the hearing shall be posted in at least 20 conspicuous
25 and public places in the proposed downtown district not less than
26 20 days before the hearing. The notice shall state the date,
27 time, and place of the hearing, and shall describe the boundaries

1 of the proposed downtown district. A citizen, taxpayer, or
2 property owner of the municipality or an official from a taxing
3 jurisdiction with millage that would be subject to capture has
4 the right to be heard in regard to the establishment of the
5 authority and the boundaries of the proposed downtown district.
6 The governing body of the municipality shall not incorporate land
7 into the downtown district not included in the description
8 contained in the notice of public hearing, but it may eliminate
9 described lands from the downtown district in the final
10 determination of the boundaries.

11 (3) Not more than 60 days after a public hearing held after
12 February 15, 1994, the governing body of a taxing jurisdiction
13 levying ad valorem property taxes that would otherwise be subject
14 to capture may exempt its taxes from capture by adopting a
15 resolution to that effect and filing a copy with the clerk of the
16 municipality proposing to create the authority. The resolution
17 takes effect when filed with that clerk and remains effective
18 until a copy of a resolution rescinding that resolution is filed
19 with that clerk.

20 (4) Not less than 60 days after the public hearing, if the
21 governing body of the municipality intends to proceed with the
22 establishment of the authority, it shall adopt, by majority vote
23 of its members, an ordinance establishing the authority and
24 designating the boundaries of the downtown district within which
25 the authority shall exercise its powers. The adoption of the
26 ordinance is subject to any applicable statutory or charter
27 provisions in respect to the approval or disapproval by the chief

1 executive or other officer of the municipality and the adoption
2 of an ordinance over his **or her** veto. This ordinance shall be
3 filed with the secretary of state promptly after its adoption and
4 shall be published at least once in a newspaper of general
5 circulation in the municipality.

6 (5) The governing body of the municipality may alter or amend
7 the boundaries of the downtown district to include or exclude
8 lands from the downtown district pursuant to the same
9 requirements for adopting the ordinance creating the authority.

10 Sec. 18. (1) The governing body, before adoption of an
11 ordinance approving **or amending** a development plan or **approving**
12 **or amending** a tax increment financing plan, shall hold a public
13 hearing on the development plan. Notice of the time and place of
14 the hearing shall be given by publication twice in a newspaper of
15 general circulation designated by the municipality, the first of
16 which shall be not less than 20 days before the date set for the
17 hearing. Notice of the hearing shall be posted in at least 20
18 conspicuous and public places in the downtown district not less
19 than 20 days before the hearing. Notice shall also be mailed to
20 all property taxpayers of record in the downtown district not
21 less than 20 days before the hearing. **Beginning June 1, 2004,**
22 **the notice of hearing within the time frame described in this**
23 **subsection shall be mailed by certified mail to the treasurer,**
24 **clerk, and chairperson of the board of commissioners of the**
25 **county in which the proposed development area is located.**

26 (2) Notice of the time and place of hearing on a development
27 plan shall contain: a description of the proposed development

1 area in relation to highways, streets, streams, or otherwise; a
2 statement that maps, plats, and a description of the development
3 plan, including the method of relocating families and individuals
4 who may be displaced from the area, are available for public
5 inspection at a place designated in the notice, and that all
6 aspects of the development plan will be open for discussion at
7 the public hearing; and other information that the governing body
8 ~~deems~~ **considers** appropriate. At the time set for hearing, the
9 governing body shall provide an opportunity for interested
10 persons to be heard and shall receive and consider communications
11 in writing with reference ~~thereto~~ **to the development plan**. The
12 hearing shall provide the fullest opportunity for expression of
13 opinion, for argument on the merits, and for introduction of
14 documentary evidence pertinent to the development plan. The
15 governing body shall make and preserve a record of the public
16 hearing, including all data presented thereat.