

**SUBSTITUTE FOR
HOUSE BILL NO. 5816**

A bill to amend 1980 PA 450, entitled
"The tax increment finance authority act,"
by amending sections 3 and 17 (MCL 125.1803 and 125.1817),
section 3 as amended by 1983 PA 148.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) If the governing body of a municipality
2 determines that it is in the best interests of the public to halt
3 a decline in property values, increase property tax valuation,
4 eliminate the causes of the decline in property values, and to
5 promote growth in an area in the municipality, the governing body
6 of that municipality may declare by resolution its intention to
7 create and provide for the operation of an authority.
8 (2) In the resolution of intent, the governing body shall set
9 a date for the holding of a public hearing on the adoption of a
10 proposed resolution creating the authority and designating the

1 boundaries of the authority district. Notice of the public
2 hearing shall be published twice in a newspaper of general
3 circulation in the municipality, not less than 20 nor more than
4 40 days before the date of the hearing. Notice shall also be
5 mailed to the property taxpayers of record in the proposed
6 authority district not less than 20 days before the hearing.
7 **Beginning June 1, 2004, the notice of hearing within the time**
8 **frame described in this subsection shall be mailed by certified**
9 **mail to the treasurer, clerk, and chairperson of the board of**
10 **commissioners of the county in which the authority district is**
11 **located.** Failure to receive the notice shall not invalidate these
12 proceedings. The notice shall state the date, time, and place of
13 the hearing, and shall describe the boundaries of the proposed
14 authority district. At that hearing, a citizen, taxpayer, or
15 property owner of the municipality has the right to be heard in
16 regard to the establishment of the authority and the boundaries
17 of the proposed authority district. The governing body of the
18 municipality shall not incorporate land into the authority
19 district not included in the description contained in the notice
20 of public hearing, but it may eliminate described lands from the
21 authority district in the final determination of the boundaries.
22 (3) After the public hearing, if the governing body intends
23 to proceed with the establishment of the authority, it shall
24 adopt, by majority vote of its members, a resolution establishing
25 the authority and designating the boundaries of the authority
26 district within which the authority shall exercise its powers.
27 The adoption of the resolution is subject to any applicable

1 statutory or charter provisions with respect to the approval or
2 disapproval by the chief executive or other officer of the
3 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 and shall be published at least once
6 in a newspaper of general circulation in the municipality.

7 (4) The governing body may alter or amend the boundaries of
8 the authority district to include or exclude lands from the
9 authority district in accordance with the same requirements
10 prescribed for adopting the resolution creating the authority.

11 (5) The validity of the proceedings establishing an authority
12 shall be conclusive unless contested in a court of competent
13 jurisdiction within 60 days after the last of the following takes
14 place:

15 (a) Publication of the resolution as adopted.

16 (b) Filing of the resolution with the secretary of state.

17 ~~(c) The effective date of this subsection.~~

18 Sec. 17. (1) The governing body, before adoption of a
19 resolution approving **or amending** a development plan or **approving**
20 **or amending a** tax increment financing plan, shall hold a public
21 hearing on the development plan. Notice of the time and place of
22 the hearing shall be given by publication twice in a newspaper of
23 general circulation designated by the municipality, the first of
24 which shall not be less than 20 days before the date set for the
25 hearing. Notice shall also be mailed to all property taxpayers
26 of record in the development area not less than 20 days before
27 the hearing. **Beginning June 1, 2004, the notice of hearing**

1 within the time frame described in this subsection shall be
2 mailed by certified mail to the treasurer, clerk, and
3 chairperson of the board of commissioners of the county in which
4 the proposed development area is located.

5 (2) Notice of the time and place of hearing on a development
6 plan shall contain the following:

7 (a) A description of the proposed development area in
8 relation to highways, streets, streams, or otherwise.

9 (b) A statement that maps, plats, and a description of the
10 development plan, including the method of relocating families and
11 individuals who may be displaced from the area, are available for
12 public inspection at a place designated in the notice, and that
13 all aspects of the development plan will be open for discussion
14 at the public hearing.

15 (c) Other information that the governing body considers
16 appropriate.

17 (3) At the time set for hearing, the governing body shall
18 provide an opportunity for interested persons to be heard and
19 shall receive and consider communications in writing with
20 reference thereto. The hearing shall provide the fullest
21 opportunity for expression of opinion, for argument on the
22 merits, and for introduction of documentary evidence pertinent to
23 the development plan. The governing body shall make and preserve
24 a record of the public hearing, including all data presented at
25 that time.