

# SENATE BILL No. 1131

May 17, 2012, Introduced by Senator HUNTER and referred to the Committee on Economic Development.

A bill to amend 2003 PA 258, entitled  
"Land bank fast track act,"  
by amending section 23 (MCL 124.773).

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 23. (1) An authority may enter into an intergovernmental  
2 agreement with the Michigan economic development corporation for  
3 the joint exercise of powers and duties under this act, of the  
4 powers and duties of the authority and the Michigan economic  
5 development corporation, and for the provision of economic  
6 development services related to the activities of the authority.

7           (2) An authority may enter into an intergovernmental agreement  
8 with the Michigan state housing development authority for the joint  
9 exercise of powers and duties under this act, of the powers and  
10 duties of the authority and the Michigan state housing development  
11 authority, and for the provision of redevelopment services related

1 to the activities of the authority.

2 (3) A county, city, qualified city, township, or village may  
3 enter into an intergovernmental agreement with the state authority  
4 providing for the transfer to the authority of tax reverted  
5 property held by the county, city, township, or village, for title  
6 clearance, for the disposition of the proceeds from the sale of the  
7 property, and for other activities authorized under this act,  
8 including the return or transfer of property under the control of  
9 the authority to the county, city, township, or village. An  
10 intergovernmental agreement under this subsection may not provide  
11 for a separate legal or administrative entity to administer or  
12 execute the agreement under section 7 of the urban cooperation act  
13 of 1967, 1967 (Ex Sess) PA 7, MCL 124.507.

14 (4) A county foreclosing governmental unit may, with the  
15 approval of the board of commissioners for that county and, if that  
16 county has an elected county executive, with the concurrence of the  
17 elected county executive, enter into an intergovernmental agreement  
18 with the state authority providing for the exercise of the powers,  
19 duties, functions, and responsibilities of an authority under this  
20 act and for the creation of a county authority to exercise those  
21 functions. If a county authority is created under this subsection,  
22 the treasurer of the county shall be a member of the authority  
23 board. **IF A COUNTY AUTHORITY IS CREATED IN A COUNTY WITH A**  
24 **POPULATION OF 1,500,000 OR MORE, THE GOVERNING AUTHORITY BOARD OF**  
25 **THAT COUNTY AUTHORITY IS DISSOLVED AND SHALL BE REPLACED WITH A NEW**  
26 **GOVERNING AUTHORITY BOARD 30 DAYS AFTER THE DISSOLUTION THAT**  
27 **CONSISTS OF 7 MEMBERS AS FOLLOWS:**

1           (A) THE COUNTY TREASURER OF THE COUNTY AS CHAIRPERSON OF THE  
2 AUTHORITY BOARD.

3           (B) TWO INDIVIDUALS APPOINTED BY THE COUNTY TREASURER OF THE  
4 COUNTY.

5           (C) TWO INDIVIDUALS APPOINTED BY THE BOARD OF COMMISSIONERS OF  
6 THE COUNTY.

7           (D) TWO INDIVIDUALS APPOINTED BY THE COUNTY EXECUTIVE OF THE  
8 COUNTY IF THAT COUNTY HAS AN ELECTED COUNTY EXECUTIVE. IF THAT  
9 COUNTY DOES NOT HAVE AN ELECTED COUNTY EXECUTIVE, THEN THE  
10 INDIVIDUALS SHALL BE APPOINTED BY THE BOARD OF COMMISSIONERS OF  
11 THAT COUNTY.

12           (5) A qualified city may enter into an intergovernmental  
13 agreement with the state authority providing for the exercise of  
14 the powers, duties, functions, and responsibilities of an authority  
15 under this act and for the creation of a local authority to  
16 exercise those functions.

17           (6) An intergovernmental agreement under subsection (4) or (5)  
18 shall provide for all of the following:

19           (a) The incorporation of a county or local authority as a  
20 public body corporate.

21           (b) The name of the authority.

22           (c) The size of the initial governing body of the county or  
23 local authority, which shall be composed of an odd number of  
24 members.

25           (d) ~~The~~ EXCEPT AS PROVIDED IN SUBSECTION (4), THE  
26 qualifications, method of selection, and terms of office of the  
27 initial board members.

1 (e) A method for the adoption of articles of incorporation by  
2 the governing body of the county or local authority.

3 (f) A method for the distribution of proceeds from the  
4 activities of the county or local authority.

5 (g) A method for the dissolution of the local or county  
6 authority and for the withdrawal from the authority of any  
7 governmental agencies involved.

8 (h) Any other matters considered advisable by the  
9 participating governmental agencies, consistent with this act.

10 (7) If under the charter of a qualified city the qualified  
11 city collects delinquent city real property taxes and does not  
12 return the delinquent taxes to the treasurer of the county in which  
13 the qualified city is located under the general property tax act,  
14 1893 PA 206, MCL 211.1 to ~~211.157~~, **211.155**, any of the following  
15 property held by the qualified city may be transferred to a local  
16 authority:

17 (a) Tax delinquent real property for which a lien has been  
18 deemed sold to a city department director under the charter or  
19 ordinances of the qualified city, except for property that was  
20 deeded to a department director less than 2 years before the  
21 proposed transfer to the local authority.

22 (b) Tax delinquent real property held by the city that has  
23 been foreclosed by the qualified city and for which title has  
24 vested in the city pursuant to procedures established under the  
25 charter or ordinances of the qualified city.

26 (c) Any tax reverted property owned or under the control of  
27 the qualified city.

1           (8) A qualified city may authorize the transfer with or  
2 without consideration of any real property or interest in real  
3 property to a local authority including, but not limited to, tax  
4 reverted property or interests in tax reverted property held or  
5 acquired after the creation of the local authority by the qualified  
6 city, with the consent of the local authority.

7           (9) A qualified city and any agency or department of a  
8 qualified city, or any other official public body, may do 1 or more  
9 of the following:

10           (a) Anything necessary or convenient to aid a local authority  
11 in fulfilling its purposes under this act.

12           (b) Lend, grant, transfer, appropriate, or contribute funds to  
13 a local authority in furtherance of its purposes.

14           (c) Lend, grant, transfer, or convey funds to a local  
15 authority that are received from the federal government or this  
16 state or from any nongovernmental entity in aid of the purposes of  
17 this act.

18           (10) A local authority may reimburse advances made by a  
19 qualified city under subsection (9) or by any other person for  
20 costs eligible to be incurred by the local authority with any  
21 source of revenue available for use of the local authority under  
22 this act and enter into agreements related to these reimbursements.  
23 A reimbursement agreement under this subsection is not subject to  
24 section 305 of the revised municipal finance act, 2001 PA 34, MCL  
25 141.2305.

26           (11) A local authority may enter into agreements with the  
27 county treasurer of the county in which the qualified city is

1 located for the collection of property taxes or the enforcement and  
2 consolidation of tax liens within that qualified city for any  
3 property or interest in property transferred to the local  
4 authority.

5 (12) Unless specifically reserved or conditioned upon the  
6 approval of the governing body of a qualified city, all powers  
7 granted under this act to a local authority may be exercised by the  
8 local authority without the approval of the governing body of the  
9 qualified city, notwithstanding any charter, ordinance, or  
10 resolution to the contrary.

11 (13) Prior to its effectiveness, an intergovernmental  
12 agreement under this section shall be filed with the county clerk  
13 of each county where a party to the agreement is located and with  
14 the secretary of state.

15 (14) A COUNTY AUTHORITY CREATED UNDER SUBSECTION (4) AFTER THE  
16 EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBSECTION  
17 SHALL COMPLY WITH ALL OF THE FOLLOWING:

18 (A) THE EXECUTIVE DIRECTOR AND EVERY OTHER EMPLOYEE OF THE  
19 COUNTY AUTHORITY SHALL NOT MAKE ANY EXPENDITURE OF FUNDS WITHOUT  
20 APPROVAL OF THE AUTHORITY BOARD.

21 (B) THE COUNTY AUTHORITY SHALL HAVE WRITTEN GUIDELINES FOR ANY  
22 PROGRAM OPERATED BY THE COUNTY AUTHORITY AND SHALL HAVE THOSE  
23 WRITTEN GUIDELINES MADE AVAILABLE TO THE PUBLIC ON ITS INTERNET  
24 WEBSITE.

25 (C) THE COUNTY AUTHORITY SHALL CREATE AND MAINTAIN AN INTERNET  
26 WEBSITE AND POST ALL COMPETITIVE BIDS SOLICITED BY AND COPIES OF  
27 ALL CONTRACTS ENTERED INTO BY THE COUNTY AUTHORITY.

1           (D) THE EXECUTIVE DIRECTOR OF THE COUNTY AUTHORITY, AT LEAST  
2 TWICE EACH YEAR, SHALL SUBMIT PERFORMANCE OBJECTIVES TO THE  
3 AUTHORITY BOARD. THE AUTHORITY BOARD SHALL REVIEW THE PERFORMANCE  
4 OBJECTIVES SUBMITTED BY THE EXECUTIVE DIRECTOR AT A MEETING OF THE  
5 AUTHORITY BOARD AND EVALUATE WHETHER THE PERFORMANCE OBJECTIVES  
6 HAVE BEEN ACHIEVED.