

SENATE BILL No. 1210

July 18, 2012, Introduced by Senator KOWALL and referred to the Committee on Economic Development.

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) "Department" means the department of ~~natural resources and~~
5 ~~environment.~~ **ENVIRONMENTAL QUALITY.**

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

11 (l) "Economic opportunity zone" means 1 or more parcels of
12 property that meet all of the following:

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

14 (ii) That contain a manufacturing facility that consists of
15 500,000 or more square feet.

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

19 (m) "Eligible activities" or "eligible activity" means 1 or
20 more of the following:

21 (i) Baseline environmental assessment activities.

22 (ii) Due care activities.

23 (iii) Additional response activities.

24 (iv) For eligible activities on eligible property that was used
25 or is currently used for commercial, industrial, or residential
26 purposes that is in a qualified local governmental unit, that is
27 owned or under the control of a land bank fast track authority, or

1 that is located in an economic opportunity zone, and is a facility,
2 **HISTORIC RESOURCE**, functionally obsolete, or blighted, and except
3 for purposes of section 38d of former 1975 PA 228, the following
4 additional activities:

5 (A) Infrastructure improvements that directly benefit eligible
6 property.

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

10 (C) Lead or asbestos abatement.

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

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

20 (F) Assistance to a qualified local governmental unit or
21 authority in clearing or quieting title to, or selling or otherwise
22 conveying, property owned or under the control of a qualified local
23 governmental unit or authority or the acquisition of property by a
24 qualified local governmental unit or authority if the acquisition
25 of the property is for economic development purposes.

26 (v) Relocation of public buildings or operations for economic
27 development purposes.

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

5 (A) Infrastructure improvements that directly benefit eligible
6 property.

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

10 (C) Lead or asbestos abatement.

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

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

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

21 (B) Lead or asbestos abatement.

22 (viii) Reasonable costs of developing and preparing brownfield
23 plans and work plans.

24 (ix) For property that is not located in a qualified local
25 governmental unit and that is a facility, functionally obsolete, or
26 blighted, that is a former mill that has not been used for
27 industrial purposes for the immediately preceding 2 years, that is

1 located along a river that is a federal superfund site listed under
2 the comprehensive environmental response, compensation, and
3 liability act of 1980, 42 USC 9601 to 9675, and that is located in
4 a city with a population of less than 10,000 persons, the following
5 additional activities:

6 (A) Infrastructure improvements that directly benefit the
7 property.

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

11 (C) Lead or asbestos abatement.

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

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

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

23 (B) Lead or asbestos abatement.

24 (xi) Reasonable costs of environmental insurance.

25 (n) Except as otherwise provided in this subdivision,
26 "eligible property" means property for which eligible activities
27 are identified under a brownfield plan that was used or is

1 currently used for commercial, industrial, public, or residential
2 purposes, including personal property located on the property, to
3 the extent included in the brownfield plan, and that is 1 or more
4 of the following:

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

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

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

17 (iv) Is not in a qualified local governmental unit, is a
18 qualified facility, and is a facility, functionally obsolete, or
19 blighted, if the eligible activities on the property are limited to
20 the eligible activities identified in subdivision (m) (vi).

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

25 (vi) Is not in a qualified local governmental unit and is a
26 facility, functionally obsolete, or blighted, if the eligible
27 activities on the property are limited to the eligible activities

1 identified in subdivision (m) (ix).

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

10 (viii) Is a transit-oriented development.

11 (ix) Is a transit-oriented facility.

12 (o) "Environmental insurance" means liability insurance for
13 environmental contamination and cleanup that is not otherwise
14 required by state or federal law.

15 (p) "Facility" means that term as defined in section 20101 of
16 the natural resources and environmental protection act, 1994 PA
17 451, MCL 324.20101.

18 (q) "Fiscal year" means the fiscal year of the authority.

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

26 (s) "Governing body" means the elected body having legislative
27 powers of a municipality creating an authority under this act.

1 (T) "HISTORIC RESOURCE" MEANS THAT TERM AS DEFINED IN SECTION
2 90A OF THE MICHIGAN STRATEGIC FUND ACT, 1984 PA 270, MCL 125.2090A.

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

22 (i) UNDERGROUND PARKING.

23 (ii) MULTILEVEL PARKING STRUCTURES.

24 (iii) URBAN STORM WATER MANAGEMENT SYSTEMS.

25 (V) ~~(u)~~—"Initial taxable value" means the taxable value of an
26 eligible property identified in and subject to a brownfield plan at
27 the time the resolution adding that eligible property in the

1 brownfield plan is adopted, as shown either by the most recent
2 assessment roll for which equalization has been completed at the
3 time the resolution is adopted or, if provided by the brownfield
4 plan, by the next assessment roll for which equalization will be
5 completed following the date the resolution adding that eligible
6 property in the brownfield plan is adopted. Property exempt from
7 taxation at the time the initial taxable value is determined shall
8 be included with the initial taxable value of zero. Property for
9 which a specific tax is paid in lieu of property tax shall not be
10 considered exempt from taxation. The state tax commission shall
11 prescribe the method for calculating the initial taxable value of
12 property for which a specific tax was paid in lieu of property tax.

13 (W) ~~(v)~~—"Land bank fast track authority" means an authority
14 created under the land bank fast track act, 2003 PA 258, MCL
15 124.751 to 124.774.

16 (X) ~~(w)~~—"Local taxes" means all taxes levied other than taxes
17 levied for school operating purposes.

18 (Y) **"MICHIGAN STRATEGIC FUND" MEANS THE MICHIGAN STRATEGIC**
19 **FUND CREATED UNDER THE MICHIGAN STRATEGIC FUND ACT, 1984 PA 270,**
20 **MCL 125.2001 TO 125.2094.**

21 (Z) ~~(x)~~—"Municipality" means all of the following:

22 (i) A city.

23 (ii) A village.

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

26 (iv) A township in those areas of the township that are in a
27 village upon the concurrence by resolution of the village in which

1 the zone would be located.

2 (v) A county.

3 **(AA)** ~~(y)~~—"Owned or under the control of" means that a land
4 bank fast track authority has 1 or more of the following:

5 (i) An ownership interest in the property.

6 (ii) A tax lien on the property.

7 (iii) A tax deed to the property.

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

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

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

13 **(BB)** ~~(z)~~—"Qualified facility" means a landfill facility area
14 of 140 or more contiguous acres that is located in a city and that
15 contains a landfill, a material recycling facility, and an asphalt
16 plant that are no longer in operation.

17 **(CC)** ~~(aa)~~—"Qualified local governmental unit" means that term
18 as defined in the obsolete property rehabilitation act, 2000 PA
19 146, MCL 125.2781 to 125.2797.

20 **(DD)** ~~(bb)~~—"Qualified taxpayer" means that term as defined in
21 sections 38d and 38g of former 1975 PA 228, or section 437 of the
22 Michigan business tax act, 2007 PA 36, MCL 208.1437, **OR A RECIPIENT**
23 **OF A COMMUNITY REVITALIZATION INCENTIVE AS DESCRIBED IN SECTION 90A**
24 **OF THE MICHIGAN STRATEGIC FUND ACT, 1984 PA 270, MCL 125.2090A.**

25 **(EE)** ~~(ee)~~—"Response activity" means that term as defined in
26 section 20101 of the natural resources and environmental protection
27 act, 1994 PA 451, MCL 324.20101.

1 **(FF)** ~~(dd)~~—"Specific taxes" means a tax levied under 1974 PA
2 198, MCL 207.551 to 207.572; the commercial redevelopment act, 1978
3 PA 255, MCL 207.651 to 207.668; the enterprise zone act, 1985 PA
4 224, MCL 125.2101 to 125.2123; 1953 PA 189, MCL 211.181 to 211.182;
5 the technology park development act, 1984 PA 385, MCL 207.701 to
6 207.718; the obsolete property rehabilitation act, 2000 PA 146, MCL
7 125.2781 to 125.2797; the neighborhood enterprise zone act, 1992 PA
8 147, MCL 207.771 to 207.786; the commercial rehabilitation act,
9 2005 PA 210, MCL 207.841 to 207.856; or that portion of the tax
10 levied under the tax reverted clean title act, 2003 PA 260, MCL
11 211.1021 to 211.1026, that is not required to be distributed to a
12 land bank fast track authority.

13 **(GG) "STATE BROWNFIELD REDEVELOPMENT FUND" MEANS THE STATE**
14 **BROWNFIELD REDEVELOPMENT FUND CREATED IN SECTION 8A.**

15 **(HH)** ~~(ee)~~—"Tax increment revenues" means the amount of ad
16 valorem property taxes and specific taxes attributable to the
17 application of the levy of all taxing jurisdictions upon the
18 captured taxable value of each parcel of eligible property subject
19 to a brownfield plan and personal property located on that
20 property. **UNLESS EXCLUDED IN THIS SUBSECTION, TAX INCREMENT**
21 **REVENUES INCLUDE ALL AD VALOREM PROPERTY TAXES AND SPECIFIC TAXES**
22 **LEVIED IN EACH YEAR OF A BROWNFIELD PLAN REGARDLESS OF WHETHER**
23 **THOSE TAXES BEGAN TO BE LEVIED AFTER THE BROWNFIELD PLAN WAS**
24 **ADOPTED.** Tax increment revenues exclude ad valorem property taxes
25 specifically levied for the payment of principal of and interest on
26 either obligations approved by the electors or obligations pledging
27 the unlimited taxing power of the local governmental unit, and

1 specific taxes attributable to those ad valorem property taxes. Tax
2 increment revenues attributable to eligible property also exclude
3 the amount of ad valorem property taxes or specific taxes captured
4 by a downtown development authority, tax increment finance
5 authority, or local development finance authority if those taxes
6 were captured by these other authorities on the date that eligible
7 property became subject to a brownfield plan under this act.

8 **(II)** ~~(ff)~~—"Taxable value" means the value determined under
9 section 27a of the general property tax act, 1893 PA 206, MCL
10 211.27a.

11 **(JJ)** ~~(gg)~~—"Taxes levied for school operating purposes" means
12 all of the following:

13 (i) The taxes levied by a local school district for operating
14 purposes.

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

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

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

24 **(II)** ~~(ii)~~—"Transit-oriented facility" means a facility that
25 houses a transit station in a manner that promotes transit
26 ridership or passenger rail use.

27 **(MM)** ~~(jj)~~—"Work plan" means a plan that describes each

1 individual activity to be conducted to complete eligible activities
2 and the associated costs of each individual activity.

3 (NN) ~~(kk)~~—"Zone" means, for an authority established before
4 June 6, 2000, a brownfield redevelopment zone designated under this
5 act.

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

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

20 (3) Not more than 30 days after the public hearing, if the
21 governing body intends to proceed with the establishment of the
22 authority, the governing body shall adopt, by majority vote of its
23 members elected and serving, a resolution establishing the
24 authority. The adoption of the resolution is subject to all
25 applicable statutory or charter provisions with respect to the
26 approval or disapproval by the chief executive or other officer of
27 the municipality and the adoption of a resolution over his or her

1 veto. This resolution shall be filed with the secretary of state
2 promptly after its adoption.

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

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

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

23 Sec. 8. (1) An authority may establish a local site
24 remediation revolving fund. A local site remediation revolving fund
25 shall consist of money available under section 13(5) and may also
26 consist of money appropriated or otherwise made available from
27 public or private sources. ~~An authority shall separately account~~

1 ~~for money deposited to the fund that is directly derived from tax~~
2 ~~increment revenues levied for school operating purposes.~~

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

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

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

16 (2) THE STATE TREASURER SHALL CREDIT TO THE FUND MONEY FROM
17 THE FOLLOWING SOURCES:

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

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

22 (C) INTEREST ON FUNDS DEPOSITED INTO THE STATE BROWNFIELD
23 REDEVELOPMENT FUND.

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

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

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

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

2 (ii) THE DEPARTMENT TO IMPLEMENT THIS ACT.

3 (iii) PART 196 OF THE NATURAL RESOURCES AND ENVIRONMENTAL
4 PROTECTION ACT, 1994 PA 451, MCL 324.19601 TO 324.19616.

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

8 (C) TO MAKE DEPOSITS INTO THE CLEAN MICHIGAN INITIATIVE BOND
9 FUND CREATED IN SECTION 19606 OF THE NATURAL RESOURCES AND
10 ENVIRONMENTAL PROTECTION ACT, 1994 PA 451, MCL 324.19606, FOR USE
11 ONLY IN PROVIDING GRANTS UNDER SECTION 19608 OF THE NATURAL
12 RESOURCES AND ENVIRONMENTAL PROTECTION ACT, 1994 PA 451, MCL
13 324.19608.

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

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

22 (A) THE MICHIGAN STRATEGIC FUND SHALL CREATE AND OPERATE A
23 GRANT AND LOAN PROGRAM TO PROVIDE GRANTS AND LOANS TO FUND ELIGIBLE
24 ACTIVITIES DESCRIBED IN SECTION 13(15) ON ELIGIBLE PROPERTY. THE
25 MICHIGAN STRATEGIC FUND SHALL DEVELOP AND USE A DETAILED
26 APPLICATION, APPROVAL, AND COMPLIANCE PROCESS ADOPTED BY RESOLUTION
27 OF THE BOARD OF THE MICHIGAN STRATEGIC FUND. THIS PROCESS SHALL BE

1 PUBLISHED AND AVAILABLE ON THE MICHIGAN STRATEGIC FUND WEBSITE.
2 PROGRAM STANDARDS, GUIDELINES, TEMPLATES, OR ANY OTHER FORMS TO
3 IMPLEMENT THE GRANT AND LOAN PROGRAM SHALL BE APPROVED BY THE BOARD
4 OF THE MICHIGAN STRATEGIC FUND. THE MICHIGAN STRATEGIC FUND MAY
5 DELEGATE ITS APPROVAL AUTHORITY UNDER THIS SUBSECTION TO A
6 DESIGNEE.

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

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

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

26 (E) AFTER THE MICHIGAN STRATEGIC FUND AND THE APPLICANT HAVE
27 ENTERED INTO A WRITTEN AGREEMENT UNDER SUBDIVISION (D), THE

1 MICHIGAN STRATEGIC FUND SHALL DISTRIBUTE THE PROCEEDS TO THE
2 APPLICANT ACCORDING TO THE TERMS OF THE WRITTEN AGREEMENT.

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

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

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

22 (b) A brief summary of the eligible activities that are
23 proposed for each eligible property or, for a plan for eligible
24 properties qualified on the basis that the property is owned or
25 under the control of a land bank fast track authority, a brief
26 summary of eligible activities conducted for 1 or more of the
27 eligible properties subject to the plan.

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

12 (d) The method by which the costs of the plan will be
13 financed, including a description of any advances made or
14 anticipated to be made for the costs of the plan from the
15 municipality.

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

18 ~~(f) The duration of the brownfield plan for eligible~~
19 ~~activities on a particular eligible property which shall not exceed~~
20 ~~30 years following the beginning date of the capture of tax~~
21 ~~increment revenues for that particular eligible property. Each plan~~
22 ~~amendment shall also contain the duration of capture of tax~~
23 ~~increment revenues including the beginning date of the capture of~~
24 ~~tax increment revenues, which beginning date shall be identified in~~
25 ~~the brownfield plan and which beginning date shall not be later~~
26 ~~than 5 years following the date of the resolution approving the~~
27 ~~plan amendment related to a particular eligible property and which~~

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

1 ~~amended that plan shall notify the department and the Michigan~~
2 ~~economic growth authority within 30 days of the approval of the~~
3 ~~amendment.~~ **THE BEGINNING DATE AND DURATION OF CAPTURE OF TAX**

4 **INCREMENT REVENUES FOR EACH ELIGIBLE PROPERTY AS DETERMINED UNDER**
5 **SUBSECTION (22) .**

6 (g) An estimate of the impact of tax increment financing on
7 the revenues of all taxing jurisdictions in which the eligible
8 property is located.

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

19 (i) Estimates of the number of persons residing on each
20 eligible property to which the plan applies and the number of
21 families and individuals to be displaced. If occupied residences
22 are designated for acquisition and clearance by the authority, the
23 plan shall include a demographic survey of the persons to be
24 displaced, a statistical description of the housing supply in the
25 community, including the number of private and public units in
26 existence or under construction, the condition of those in
27 existence, the number of owner-occupied and renter-occupied units,

1 the annual rate of turnover of the various types of housing and the
2 range of rents and sale prices, an estimate of the total demand for
3 housing in the community, and the estimated capacity of private and
4 public housing available to displaced families and individuals.

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

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

13 (l) A strategy for compliance with 1972 PA 227, MCL 213.321 to
14 213.332.

15 (m) A description of proposed use of the local site
16 remediation revolving fund.

17 (n) Other material that the authority or governing body
18 considers pertinent.

19 (2) The percentage of all taxes levied on a parcel of eligible
20 property for school operating expenses that is captured and used
21 under a brownfield plan and all tax increment finance plans under
22 1975 PA 197, MCL 125.1651 to 125.1681, the tax increment finance
23 authority act, 1980 PA 450, MCL 125.1801 to 125.1830, or the local
24 development financing act, 1986 PA 281, MCL 125.2151 to 125.2174,
25 shall not be greater than the combination of the plans' percentage
26 capture and use of all local taxes levied for purposes other than
27 for the payment of principal of and interest on either obligations

1 approved by the electors or obligations pledging the unlimited
2 taxing power of the local unit of government. This subsection shall
3 apply only when taxes levied for school operating purposes are
4 subject to capture under section 15.

5 (3) Except as provided in this subsection and subsections (5),
6 (15), and (16), tax increment revenues related to a brownfield plan
7 shall be used only for costs of eligible activities attributable to
8 the eligible property, the captured taxable value of which produces
9 the tax increment revenues, including the cost of principal of and
10 interest on any obligation issued by the authority to pay the costs
11 of eligible activities attributable to the eligible property, and
12 the reasonable costs of preparing a brownfield plan or a work plan
13 for the eligible property, including the actual cost of the review
14 of the work plan under section 15. For property owned or under the
15 control of a land bank fast track authority, tax increment revenues
16 related to a brownfield plan may be used for eligible activities
17 attributable to any eligible property owned or under the control of
18 the land bank fast track authority, the cost of principal of and
19 interest on any obligation issued by the authority to pay the costs
20 of eligible activities, the reasonable costs of preparing a work
21 plan, and the actual cost of the review of the work plan under
22 section 15. Except as provided in subsection (18), tax increment
23 revenues captured from taxes levied by this state under the state
24 education tax act, 1993 PA 331, MCL 211.901 to 211.906, or taxes
25 levied by a local school district shall not be used for eligible
26 activities described in section 2(m)(iv)(E).

27 (4) Except as provided in subsection (5), a brownfield plan

1 shall not authorize the capture of tax increment revenue from
2 eligible property after the year in which the total amount of tax
3 increment revenues captured is equal to the sum of the costs
4 permitted to be funded with tax increment revenues under this act.

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

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

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

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

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

23 (b) One of the following:

24 (i) If an authority undertakes the cost recovery action, the
25 authority shall deposit the remaining recovered funds into the
26 local site remediation fund created pursuant to section 8, if such
27 a fund has been established by the authority. If a local site

1 remediation fund has not been established, the authority shall
2 disburse the remaining recovered funds to the local taxing
3 jurisdictions in the proportion that the local taxing
4 jurisdictions' taxes were captured.

5 (ii) If this state undertakes a cost recovery action, this
6 state shall deposit the remaining recovered funds into the
7 revitalization revolving loan fund established under section 20108a
8 of the natural resources and environmental protection act, 1994 PA
9 451, MCL 324.20108a.

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

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

20 (10) Before approving a brownfield plan for an eligible
21 property, the governing body shall hold a public hearing on the
22 brownfield plan. By resolution, the governing body may delegate the
23 public hearing process to the authority or to a subcommittee of the
24 governing body subject to final approval by the governing body.
25 ~~Notice of the time and place of the hearing shall be given by~~
26 ~~publication twice in a newspaper of general circulation designated~~
27 ~~by the municipality, not less than 10 or more than 40 days before~~

1 ~~the date set for the hearing.~~

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

4 (a) A description of the property to which the plan applies in
5 relation to existing or proposed highways, streets, streams, or
6 otherwise.

7 (b) A statement that maps, plats, and a description of the
8 brownfield plan are available for public inspection at a place
9 designated in the notice and that all aspects of the brownfield
10 plan are open for discussion at the public hearing required by this
11 section.

12 (c) Any other information that the governing body considers
13 appropriate.

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

21 (13) Not less than 10 days before the hearing on the
22 brownfield plan, the governing body shall provide notice of the
23 hearing to the taxing jurisdictions that levy taxes subject to
24 capture under this act. The authority shall fully inform the taxing
25 jurisdictions about the fiscal and economic implications of the
26 proposed brownfield plan. At that hearing, an official from a
27 taxing jurisdiction with millage that would be subject to capture

1 under this act has the right to be heard in regard to the adoption
2 of the brownfield plan. Not less than 10 days before the hearing on
3 the brownfield plan, the governing body shall provide notice of the
4 hearing to the department if the brownfield plan involves the use
5 of taxes levied for school operating purposes to pay for eligible
6 activities that require the approval of a work plan by the
7 department under section 15(1)(a) and the Michigan ~~economic growth~~
8 ~~authority,~~ **STRATEGIC FUND**, or its designee, if the brownfield plan
9 involves the use of taxes levied for school operating purposes to
10 pay for eligible activities subject to subsection (15) or (18).

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

19 (15) Except as provided by subsection (18), if a brownfield
20 plan includes the capture of taxes levied for school operating
21 purposes approval of a work plan by the Michigan ~~economic growth~~
22 ~~authority before January 1, 2013~~ **STRATEGIC FUND** to use taxes levied
23 for school operating purposes and a development agreement or
24 reimbursement agreement between the municipality or authority and
25 an owner or developer of eligible property are required if the
26 taxes levied for school operating purposes will be used for
27 infrastructure improvements that directly benefit eligible

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

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

19 (a) **THE LIMITATIONS OF SECTION 15(1) UPON USE OF TAX INCREMENT**
 20 **REVENUES BY AN AUTHORITY SHALL NOT APPLY TO THE FOLLOWING COSTS AND**
 21 **EXPENSES:**

22 (i) In each fiscal year of the authority, the amount described
 23 in subsection (19) for the following purposes for tax increment
 24 revenues attributable to local taxes:

25 (A) ~~(i)~~ Reasonable and actual administrative and operating
 26 expenses of the authority.

27 (B) ~~(ii)~~ Baseline environmental assessments, due care

1 activities, and additional response activities conducted by or on
 2 behalf of the authority related directly to work conducted on
 3 prospective eligible properties prior to approval of the brownfield
 4 plan.

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

8 (B) THE LIMITATIONS OF SECTION 15(1)(A), (B), AND (C) UPON THE
 9 USE OF TAX INCREMENT REVENUES BY AN AUTHORITY SHALL NOT APPLY TO
 10 THE FOLLOWING COSTS AND EXPENSES INCURRED BY A PERSON OTHER THAN
 11 THE AUTHORITY:

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

16 (ii) COMPLETING A BASELINE ENVIRONMENTAL ASSESSMENT REPORT.

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

20 ~~(c) For tax increment revenues attributable to local taxes,~~
 21 ~~reasonable~~ THE LIMITATIONS OF SECTION 15(1)(B) UPON USE OF TAX
 22 INCREMENT REVENUES BY AN AUTHORITY SHALL NOT APPLY TO THE FOLLOWING
 23 COSTS AND EXPENSES:

24 ~~costs of site investigations described in section 15(1)(a)(i),~~
 25 ~~baseline environmental assessments, and due care activities~~
 26 ~~incurred by a person other than the authority related directly to~~
 27 ~~work conducted on eligible property or prospective eligible~~

1 ~~properties prior to approval of the brownfield plan, if these costs~~
2 ~~and the eligible property are included in a brownfield plan~~
3 ~~approved by the authority.~~

4 (i) FOR TAX INCREMENT REVENUES ATTRIBUTABLE TO TAXES LEVIED FOR
5 SCHOOL OPERATING PURPOSES, ELIGIBLE ACTIVITIES ASSOCIATED WITH
6 UNANTICIPATED RESPONSE ACTIVITIES CONDUCTED ON ELIGIBLE PROPERTY
7 PRIOR TO INCLUSION OF THOSE ACTIVITIES IN THE BROWNFIELD PLAN, IF
8 THE DEPARTMENT IS CONSULTED ON THE UNANTICIPATED RESPONSE
9 ACTIVITIES BEFORE THEY ARE CONDUCTED AND THE COSTS OF THOSE
10 ACTIVITIES ARE SUBSEQUENTLY INCLUDED IN A BROWNFIELD PLAN APPROVED
11 BY THE AUTHORITY AND A WORK PLAN APPROVED BY THE DEPARTMENT.

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

17 (iii) FOR TAX INCREMENT REVENUES ATTRIBUTABLE TO TAXES LEVIED
18 FOR SCHOOL OPERATING PURPOSES, ELIGIBLE ACTIVITIES DESCRIBED IN
19 SECTION 13(15) AND CONDUCTED ON ELIGIBLE PROPERTY OR PROSPECTIVE
20 ELIGIBLE PROPERTIES PRIOR TO APPROVAL OF THE BROWNFIELD PLAN, IF
21 THOSE COSTS AND THE ELIGIBLE PROPERTY ARE SUBSEQUENTLY INCLUDED IN
22 A BROWNFIELD PLAN APPROVED BY THE AUTHORITY AND A WORK PLAN
23 APPROVED BY THE MICHIGAN STRATEGIC FUND.

24 (17) A brownfield authority may reimburse advances, with or
25 without interest, made by a municipality under section 7(3), a land
26 bank fast track authority, or any other person or entity for costs
27 of eligible activities with any source of revenue available for use

1 of the brownfield authority under this act. If an authority
2 reimburses a person or entity under this section for an advance for
3 the payment or reimbursement of the cost of eligible activities and
4 interest thereon, the authority may capture local taxes for the
5 payment of that interest. If an authority reimburses a person or
6 entity under this section for an advance for the payment or
7 reimbursement of the cost of baseline environmental assessments,
8 due care, and additional response activities and interest thereon
9 included in a work plan approved by the department, the authority
10 may capture taxes levied for school operating purposes and local
11 taxes for the payment of that interest. If an authority reimburses
12 a person or entity under this section for an advance for the
13 payment or reimbursement of the cost of eligible activities that
14 are not baseline environmental assessments, due care, and
15 additional response activities and interest thereon included in a
16 work plan approved by the Michigan ~~economic growth authority,~~
17 **STRATEGIC FUND**, the authority may capture taxes levied for school
18 operating purposes and local taxes for the payment of that interest
19 provided that the Michigan ~~economic growth authority~~ **STRATEGIC FUND**
20 grants an approval for the capture of taxes levied for school
21 operating purposes to pay such interest. An authority may enter
22 into agreements related to these reimbursements and payments. A
23 reimbursement agreement for these purposes and the obligations
24 under that reimbursement agreement shall not be subject to section
25 12 or the revised municipal finance act, 2001 PA 34, MCL 141.2101
26 to 141.2821.

27 (18) If a brownfield plan includes the capture of taxes levied

1 for school operating purposes, approval of a work plan by the
2 Michigan ~~economic growth authority~~ **STRATEGIC FUND** in the manner
3 required under section 15(14) to (16) is required in order to use
4 tax increment revenues attributable to taxes levied for school
5 operating purposes for purposes of eligible activities described in
6 section 2(m) (iv) (E) for 1 or more parcels of eligible property. The
7 work plan to be submitted to the Michigan ~~economic growth authority~~
8 **STRATEGIC FUND** under this subsection shall be in a form prescribed
9 by the Michigan ~~economic growth authority~~. **STRATEGIC FUND**. The
10 eligible activities to be conducted and described in this
11 subsection shall be consistent with the work plan submitted by the
12 authority to the Michigan ~~economic growth authority~~. **STRATEGIC**
13 **FUND**. The department's approval is not required for the capture of
14 taxes levied for school operating purposes for eligible activities
15 described in this section.

16 (19) In each fiscal year of the authority, the amount of tax
17 increment revenues attributable to local taxes that an authority
18 can use for the purposes described in subsection (16) (a) shall be
19 determined as follows:

20 (a) For authorities that have 5 or fewer active projects,
21 \$100,000.00.

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

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

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

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

3 (f) For authorities that have 26 or more active projects,
4 \$300,000.00.

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

12 (A) **THE AUTHORITY IS AN AUTHORITY ESTABLISHED BY A COUNTY AND
13 THAT AUTHORITY ENTERS INTO A WRITTEN AGREEMENT WITH 1 OR MORE
14 MUNICIPALITIES WITHIN THAT COUNTY TO SERVE AS THE ONLY AUTHORITY
15 FOR THOSE OTHER MUNICIPALITIES.**

16 (B) **THE AUTHORITY ENTERS INTO A WRITTEN AGREEMENT WITH 1 OR
17 MORE OTHER AUTHORITIES TO ADMINISTER 1 OR MORE ADMINISTRATIVE
18 OPERATIONS OF THOSE OTHER AUTHORITIES.**

19 (21) **NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS ACT, FOR
20 A BROWNFIELD PLAN THAT INCLUDES THE CAPTURE OF TAXES LEVIED FOR
21 SCHOOL OPERATING PURPOSES, WITHIN 30 DAYS AFTER RECEIVING THOSE TAX
22 INCREMENT REVENUES AN AUTHORITY SHALL PAY TO THE DEPARTMENT OF
23 TREASURY AN AMOUNT EQUAL TO 3 MILLS OF THE TAXES LEVIED UNDER THE
24 STATE EDUCATION TAX, 1993 PA 331, MCL 211.901 TO 211.906, THAT ARE
25 CAPTURED UNDER THE BROWNFIELD PLAN. THE DEPARTMENT OF TREASURY
26 SHALL DEPOSIT THESE AMOUNTS INTO THE STATE BROWNFIELD REDEVELOPMENT
27 FUND. IF AN AUTHORITY PAYS AN AMOUNT EQUAL TO 3 MILLS OF THE TAXES**

1 LEVIED UNDER THE STATE EDUCATION TAX, 1993 PA 331, MCL 211.901 TO
2 211.906, ON A PARCEL OF ELIGIBLE PROPERTY TO THE DEPARTMENT OF
3 TREASURY UNDER THIS SUBSECTION, THE PERCENTAGE OF LOCAL TAXES
4 LEVIED ON THAT PARCEL AND USED TO REIMBURSE ELIGIBLE ACTIVITIES FOR
5 A PROJECT UNDER A BROWNFIELD PLAN SHALL NOT EXCEED THE PERCENTAGE
6 OF LOCAL TAXES LEVIED ON THAT PARCEL THAT WOULD HAVE BEEN USED TO
7 REIMBURSE ELIGIBLE ACTIVITIES FOR THE PROJECT UNDER A BROWNFIELD
8 PLAN IF THE 3 MILLS OF THE TAXES LEVIED UNDER THE STATE EDUCATION
9 TAX, 1993 PA 331, MCL 211.901 TO 211.906, ON THAT PARCEL WERE NOT
10 PAID TO THE DEPARTMENT OF TREASURY UNDER THIS SUBSECTION.

11 (22) THE DURATION OF CAPTURE OF TAX INCREMENT REVENUES UNDER A
12 BROWNFIELD PLAN FOR A PARTICULAR ELIGIBLE PROPERTY SHALL NOT EXCEED
13 THE LESSER OF THE PERIOD AUTHORIZED UNDER SUBSECTIONS (4) AND (5)
14 OR 30 YEARS FROM THE BEGINNING DATE OF THE CAPTURE OF TAX INCREMENT
15 REVENUES FOR THAT ELIGIBLE PROPERTY. THE BEGINNING DATE OF CAPTURE
16 OF TAX INCREMENT REVENUES FOR AN ELIGIBLE PROPERTY SHALL NOT BE
17 LATER THAN 5 YEARS FOLLOWING THE DATE OF THE RESOLUTION INCLUDING
18 THE ELIGIBLE PROPERTY IN THE BROWNFIELD PLAN. THE AUTHORITY MAY
19 AMEND THE BEGINNING DATE OF CAPTURE OF TAX INCREMENT REVENUES FOR A
20 PARTICULAR ELIGIBLE PROPERTY TO A DATE NOT LATER THAN 5 YEARS
21 FOLLOWING THE DATE OF THE RESOLUTION INCLUDING THE ELIGIBLE
22 PROPERTY IN THE BROWNFIELD PLAN. THE AUTHORITY MAY NOT AMEND THE
23 BEGINNING DATE OF CAPTURE OF TAX INCREMENT REVENUES FOR A
24 PARTICULAR ELIGIBLE PROPERTY IF THE AUTHORITY HAS BEGUN TO
25 REIMBURSE ELIGIBLE ACTIVITIES FROM THE CAPTURE OF TAX INCREMENT
26 REVENUES FROM THAT ELIGIBLE PROPERTY. ANY TAX INCREMENT REVENUES
27 CAPTURED FROM AN ELIGIBLE PROPERTY BEFORE THE BEGINNING DATE OF

1 CAPTURE OF TAX INCREMENT REVENUES FOR THAT ELIGIBLE PROPERTY SHALL
2 REVERT PROPORTIONATELY TO THE RESPECTIVE TAX BODIES. IF AN
3 AUTHORITY AMENDS THE BEGINNING DATE FOR CAPTURE OF TAX INCREMENT
4 REVENUES THAT INCLUDES THE CAPTURE OF TAX INCREMENT REVENUES FOR
5 SCHOOL OPERATING PURPOSES, THEN THE AUTHORITY SHALL NOTIFY THE
6 DEPARTMENT OR THE MICHIGAN STRATEGIC FUND, AS APPLICABLE, WITHIN 30
7 DAYS AFTER AMENDING THE BEGINNING DATE.

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

9 (a) For eligible activities not described in section 13(15),
10 use taxes levied for school operating purposes captured from
11 eligible property unless the eligible activities to be conducted on
12 the eligible property are eligible activities under part 201 of the
13 natural resources and environmental protection act, 1994 PA 451,
14 MCL 324.20101 to 324.20142, consistent with a work plan approved by
15 the department after July 24, 1996. ~~and before January 1, 2013.~~
16 ~~However, except as provided in subdivision (c), an authority may~~
17 ~~use taxes levied for school operating purposes captured from~~
18 ~~eligible property without the approval of a work plan by the~~
19 ~~department for the reasonable costs of 1 or more of the following:~~
20 ~~—— (i) Site investigation activities required to conduct a~~
21 ~~baseline environmental assessment and to evaluate compliance with~~
22 ~~section 20107a of the natural resources and environmental~~
23 ~~protection act, 1994 PA 451, MCL 324.20107a.~~
24 ~~—— (ii) Completing a baseline environmental assessment report.~~
25 ~~—— (iii) Preparing a plan for compliance with section 20107a of the~~
26 ~~natural resources and environmental protection act, 1994 PA 451,~~
27 ~~MCL 324.20107a.~~

1 ~~—— (b) For eligible activities not described in section 13(15),~~
2 ~~other than activities that are exempt from the work plan approval~~
3 ~~process under subsection (1)(a), use funds from a local site~~
4 ~~remediation revolving fund that are derived from taxes levied for~~
5 ~~school operating purposes unless the eligible activities to be~~
6 ~~conducted are eligible activities under part 201 of the natural~~
7 ~~resources and environmental protection act, 1994 PA 451, MCL~~
8 ~~324.20101 to 324.20142, consistent with a work plan that has been~~
9 ~~approved by the department after July 24, 1996.~~

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

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

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

26 (D) ~~(f)~~ Use taxes captured from eligible property to pay for
27 administrative and operating activities of the authority or the

1 municipality on behalf of the authority except for costs described
2 in section 13(16) and for the reasonable costs for preparing a work
3 plan for the eligible property, including the actual cost of the
4 review of the work plan under this section.

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

8 (a) A copy of the brownfield plan.

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

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

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

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

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

24 (3) Upon receipt of a request for approval of a work plan
25 under subsection (2) or a portion of a work plan that pertains to
26 only baseline environmental assessment activities or due care
27 activities, or both, the department shall review the work plan

1 according to subsection (4) and provide 1 of the following written
2 responses to the requesting authority within 60 days:

3 (a) An unconditional approval.

4 (b) A conditional approval that delineates specific necessary
5 modifications to the work plan to meet the criteria of subsection
6 (4), including, but not limited to, individual activities to be
7 added or deleted from the work plan and revision of costs.

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

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

1 subsequently resubmit the work plan.

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

4 (a) Whether some or all of the activities constitute due care
5 activities or additional response activities other than activities
6 that are exempt from the work plan approval process under
7 subsection (1)(a).

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

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

23 (ii) Cost of implementation activities minimally necessary to
24 achieve due care compliance, the incremental cost of all additional
25 response activities relative to the cost of all response
26 activities, and the total cost of all response activities.

27 (iii) Long-term obligations associated with leaving

1 contamination in place and the value of reducing or eliminating
2 these obligations.

3 (c) The estimated costs for the activities as a whole are
4 reasonable for the stated purpose. Except as provided in
5 subdivision (b), the department shall make the determination in
6 this subdivision only after the department determines that the
7 conditions in subdivisions (a) and (b) have been met.

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

25 (6) The department may issue a written response to a work plan
26 more than 60 days but less than 6 months after receipt of a request
27 for approval. If the department issues a written response under

1 this subsection, the authority is not required to conduct
2 individual activities that are in addition to the individual
3 activities included in the work plan as it was submitted for
4 approval and failure to conduct these additional activities shall
5 not affect the authority's ability to capture taxes under
6 subsection (1) for the eligible activities described in the work
7 plan initially submitted under subsection (5). In addition, at the
8 option of the authority, these additional individual activities
9 shall be considered part of the work plan of the authority and
10 approved for purposes of subsection (1). However, any response by
11 the department under this subsection that identifies additional
12 individual activities that must be carried out to satisfy part 201
13 of the natural resources and environmental protection act, 1994 PA
14 451, MCL 324.20101 to 324.20142, must be satisfactorily completed
15 for the activities to be considered acceptable for the purposes of
16 compliance with part 201 of the natural resources and environmental
17 protection act, 1994 PA 451, MCL 324.20101 to 324.20142.

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

27 (a) Obligations for the individual activity have been issued

1 by the authority, or by a municipality on behalf of the authority,
2 to fund the individual activity prior to issuance of the
3 department's response.

4 (b) The individual activity has commenced or payment for the
5 work has been irrevocably obligated prior to issuance of the
6 department's response.

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

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

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

22 (11) The authority shall reimburse the department for the
23 actual cost incurred by the department or a contractor of the
24 department to review a work plan under subsection (1)(a) or (b)
25 under this section. Funds paid to the department under this
26 subsection shall be deposited in the cost recovery subaccount of
27 the cleanup and redevelopment fund created under section 20108 of

1 the natural resources and environmental protection act, 1994 PA
2 451, MCL 324.20108.

3 (12) The department shall submit a report each year ~~on or~~
4 ~~before March 1~~ to each member of the legislature ~~that contains all~~
5 ~~of the following.~~ **AS PROVIDED IN SECTION 16(4).**

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

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

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

16 (a) A copy of the brownfield plan.

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

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

23 (d) Existing and proposed future zoning for each eligible
24 property.

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

27 (f) A separate work plan, or part of a work plan, for each

1 eligible activity described in section 13(15) to be undertaken.

2 (g) A copy of the development agreement or reimbursement
3 agreement required under section 13(15), which shall include, but
4 is not limited to, a detailed summary of any and all ownership
5 interests, monetary considerations, fees, revenue and cost sharing,
6 charges, or other financial arrangements or other consideration
7 between the parties.

8 (14) Upon receipt of a request for approval of a work plan,
9 the Michigan ~~economic growth authority~~ **STRATEGIC FUND** shall provide
10 1 of the following written responses to the requesting authority
11 within 65 days:

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

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

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

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

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

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

3 (c) Whether the cost for each individual activity is
4 reasonable.

5 (d) The overall benefit to the public.

6 (e) The extent of reuse of vacant buildings and redevelopment
7 of blighted property.

8 (f) Creation of jobs.

9 (g) Whether the eligible property is in an area of high
10 unemployment.

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

13 (i) The level of private sector contribution.

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

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

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

23 (m) Other state and local incentives available to the
24 developer, landowner, or corporate entity for the project of the
25 developer, landowner, or corporate entity that is included in the
26 work plan.

27 (n) Any other criteria that the Michigan ~~economic-growth~~

1 ~~authority~~ **STRATEGIC FUND** considers appropriate for the
2 determination of eligibility or for approval of the work plan.

3 (16) If the Michigan ~~economic growth authority~~ **STRATEGIC FUND**
4 fails to provide a written response under subsection (14) within 65
5 days after receipt of a request for approval of a work plan, the
6 eligible activities shall be considered approved and the authority
7 may proceed with the eligible activities described in section
8 13(15) as outlined in the work plan as submitted for approval.

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

11 (18) The authority shall reimburse the Michigan ~~economic~~
12 ~~growth authority~~ **STRATEGIC FUND** for the actual cost incurred by the
13 Michigan ~~economic growth authority~~ **STRATEGIC FUND** or a contractor
14 of the Michigan ~~economic growth authority~~ **STRATEGIC FUND** to review
15 a work plan under this section.

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

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

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

26 (20) All taxes levied for school operating purposes that are
27 not used for eligible activities consistent with a work plan

1 approved by the department or the Michigan ~~economic growth~~
2 ~~authority~~ **STRATEGIC FUND** or for the payment of interest under
3 section 13 and that are not deposited in a local site remediation
4 revolving fund shall be distributed proportionately between the
5 local school district and the school aid fund.

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

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

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

18 **(24) THE CHAIRPERSON OF THE MICHIGAN STRATEGIC FUND MAY**
19 **APPROVE WORK PLANS THAT ADDRESS ELIGIBLE ACTIVITIES DESCRIBED IN**
20 **SECTION 13(15) TOTALING AN AMOUNT OF \$500,000.00 OR LESS ACCORDING**
21 **TO SUBSECTIONS (13), (14), (15), (16), (17), AND (18).**

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

25 (2) The authority shall expend the tax increment revenues
26 received only in accordance with the brownfield plan. All surplus
27 funds not deposited in the local site remediation revolving fund of

1 the authority under section 13(5) shall revert proportionately to
2 the respective taxing bodies, except as provided in section 15(20).
3 ~~The governing body may abolish the plan when it finds that the~~
4 ~~purposes for which the plan was established are accomplished.~~
5 ~~However, the plan shall not be abolished until the principal and~~
6 ~~interest on bonds issued under section 17 and all other obligations~~
7 ~~to which the tax increment revenues are pledged have been paid or~~
8 ~~funds sufficient to make the payment have been segregated.~~

9 (3) The authority shall submit annually to the governing body,
10 ~~and the state tax commission~~ **THE DEPARTMENT, AND THE MICHIGAN**
11 **STRATEGIC FUND** a financial report on the status of the activities
12 of the authority. The report shall include all of the following:

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

14 (b) The amount and purpose of expenditures of tax increment
15 revenues.

16 (c) The amount of principal and interest on all outstanding
17 indebtedness.

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

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

22 ~~Information concerning any transfer of ownership of or~~
23 ~~interest in each eligible property.~~ **THE AMOUNT OF ACTUAL CAPITAL**
24 **INVESTMENT MADE FOR EACH PROJECT.**

25 (g) The amount of tax increment revenues attributable to taxes
26 levied for school operating purposes used for activities described
27 in section 15(1) (a) and section 2 (m) (vii) .

1 (H) THE NUMBER OF RESIDENTIAL UNITS CONSTRUCTED OR
2 REHABILITATED FOR EACH PROJECT.

3 (I) THE AMOUNT, BY SQUARE FOOT, OF NEW OR REHABILITATED
4 RESIDENTIAL, RETAIL, COMMERCIAL, OR INDUSTRIAL SPACE FOR EACH
5 PROJECT.

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

7 (K) ~~(h)~~ All additional information that the governing body, ~~or~~
8 ~~the state tax commission~~ THE DEPARTMENT, OR THE MICHIGAN STRATEGIC
9 FUND considers necessary.

10 (4) ~~The state tax commission~~ DEPARTMENT AND THE MICHIGAN
11 STRATEGIC FUND shall collect the financial reports submitted under
12 subsection (3), compile and ~~analyze~~ A COMBINED REPORT BASED ON the
13 information contained in those reports, and submit annually a
14 report based on that information to ~~all of the following standing~~
15 ~~committees~~ EACH MEMBER of the legislature. +

16 ~~— (a) In the house of representatives, the committees~~
17 ~~responsible for natural resource management, conservation,~~
18 ~~environmental protection, commerce, economic development, and~~
19 ~~taxation.~~

20 ~~— (b) In the senate, the committees responsible for natural~~
21 ~~resource management, conservation, environmental protection,~~
22 ~~economic development, and taxation.~~

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

25 (A) THE DEPARTMENT SHALL ON A QUARTERLY BASIS POST ON ITS
26 WEBSITE THE NAME, LOCATION, AND AMOUNT OF TAX INCREMENT REVENUES,
27 INCLUDING TAXES LEVIED FOR SCHOOL OPERATING PURPOSES, FOR EACH

1 PROJECT APPROVED BY THE DEPARTMENT UNDER THIS ACT DURING THE
2 IMMEDIATELY PRECEDING QUARTER.

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

8 (6) ~~(5)~~—In addition to any other requirements under this act,
9 not less than once every 3 years beginning not later than June 30,
10 2008, the auditor general shall conduct and report a performance
11 postaudit on the effectiveness ~~, efficiency, and economy~~ of the
12 program established under this act. As part of the performance
13 postaudit, the auditor general shall assess the extent to which the
14 implementation of the program by the department and the Michigan
15 ~~economic growth authority~~ **STRATEGIC FUND** facilitate and affect the
16 redevelopment or reuse of eligible property and identify any
17 factors that inhibit the program's effectiveness. The performance
18 postaudit shall also assess the extent to which the interpretation
19 of statutory language, the development of guidance or
20 administrative rules, and the implementation of the program by the
21 department and the Michigan ~~economic growth authority~~ **STRATEGIC**
22 **FUND** is consistent with the fundamental objective of facilitating
23 and supporting timely and efficient brownfield redevelopment of
24 eligible properties. ~~Copies of the performance postaudits shall be~~
25 ~~provided to the governor, the clerk of the house of~~
26 ~~representatives, the secretary of the senate, and the chairpersons~~
27 ~~of the senate and house of representatives standing committees on~~

1 ~~commerce and economic development.~~

2 (7) THE OWNER OR DEVELOPER FOR AN ACTIVE PROJECT INCLUDED
3 WITHIN A BROWNFIELD PLAN MUST ANNUALLY SUBMIT TO THE AUTHORITY A
4 REPORT ON THE STATUS OF THE PROJECT. THE REPORT SHALL BE IN A FORM
5 DEVELOPED BY THE AUTHORITY AND MUST CONTAIN INFORMATION NECESSARY
6 FOR THE AUTHORITY TO REPORT UNDER SUBSECTION (3) (F), (H), (I), (J),
7 AND (K). THE AUTHORITY MAY WAIVE THE REQUIREMENT TO SUBMIT A REPORT
8 UNDER THIS SUBSECTION. AS USED IN THIS SUBSECTION, "ACTIVE PROJECT"
9 MEANS A PROJECT FOR WHICH THE AUTHORITY IS CURRENTLY CAPTURING
10 TAXES UNDER THIS ACT.

11 (8) A BROWNFIELD PLAN OR PLAN AMENDMENT MAY BE ABOLISHED OR
12 TERMINATED ACCORDING TO THIS SUBSECTION SUBJECT TO ALL OF THE
13 FOLLOWING:

14 (A) THE GOVERNING BODY MAY ABOLISH A BROWNFIELD PLAN WHEN IT
15 FINDS THAT THE PURPOSES FOR WHICH THE PLAN WAS ESTABLISHED ARE
16 ACCOMPLISHED.

17 (B) THE GOVERNING BODY MAY TERMINATE A BROWNFIELD PLAN OR PLAN
18 AMENDMENT FOR AN ELIGIBLE PROPERTY IF THE PROJECT FOR WHICH
19 ELIGIBLE ACTIVITIES WERE IDENTIFIED IN THE BROWNFIELD PLAN OR PLAN
20 AMENDMENT FAILS TO OCCUR WITH RESPECT TO THE ELIGIBLE PROPERTY FOR
21 AT LEAST 5 YEARS FOLLOWING THE DATE OF THE RESOLUTION APPROVING THE
22 BROWNFIELD PLAN OR PLAN AMENDMENT.

23 (C) IF A BROWNFIELD PLAN OR PLAN AMENDMENT IS TERMINATED UNDER
24 SUBDIVISION (B), THE GOVERNING BODY MAY APPROVE A NEW BROWNFIELD
25 PLAN OR PLAN AMENDMENT FOR THE ELIGIBLE PROPERTY UNDER WHICH TAX
26 INCREMENT REVENUES MAY BE CAPTURED FOR UP TO 30 YEARS AS PROVIDED
27 IN SECTION 13(21).

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