

**SUBSTITUTE FOR  
SENATE BILL NO. 1061**

A bill to amend 1996 PA 381, entitled "Brownfield redevelopment financing act," by amending sections 2, 8a, 11, 13, 15, and 16 (MCL 125.2652, 125.2658a, 125.2661, 125.2663, 125.2665, and 125.2666), section 2 as amended by 2013 PA 67 and section 8a as added and sections 13, 15, and 16 as amended by 2012 PA 502, and by adding sections 13a and 14a.

**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.

6           (b) "Authority" means a brownfield redevelopment authority  
7 created under this act.

1 (c) "Baseline environmental assessment" means that term as  
2 defined in section 20101 of the natural resources and environmental  
3 protection act, 1994 PA 451, MCL 324.20101.

4 (d) "Baseline environmental assessment activities" means those  
5 response activities identified as part of a brownfield plan that  
6 are necessary to complete a baseline environmental assessment for  
7 an eligible property in the brownfield plan.

8 (e) "Blighted" means property that meets any of the following  
9 criteria as determined by the governing body:

10 (i) Has been declared a public nuisance in accordance with a  
11 local housing, building, plumbing, fire, or other related code or  
12 ordinance.

13 (ii) Is an attractive nuisance to children because of physical  
14 condition, use, or occupancy.

15 (iii) Is a fire hazard or is otherwise dangerous to the safety  
16 of persons or property.

17 (iv) Has had the utilities, plumbing, heating, or sewerage  
18 permanently disconnected, destroyed, removed, or rendered  
19 ineffective so that the property is unfit for its intended use.

20 (v) Is tax reverted property owned by a qualified local  
21 governmental unit, by a county, or by this state. The sale, lease,  
22 or transfer of tax reverted property by a qualified local  
23 governmental unit, county, or this state after the property's  
24 inclusion in a brownfield plan shall not result in the loss to the  
25 property of the status as blighted property for purposes of this  
26 act.

27 (vi) Is property owned or under the control of a land bank

1 fast track authority, whether or not located within a qualified  
2 local governmental unit. Property included within a brownfield plan  
3 prior to the date it meets the requirements of this subdivision to  
4 be eligible property shall be considered to become eligible  
5 property as of the date the property is determined to have been or  
6 becomes qualified as, or is combined with, other eligible property.  
7 The sale, lease, or transfer of the property by a land bank fast  
8 track authority after the property's inclusion in a brownfield plan  
9 shall not result in the loss to the property of the status as  
10 blighted property for purposes of this act.

11 (vii) Has substantial subsurface demolition debris buried on  
12 site so that the property is unfit for its intended use.

13 (f) "Board" means the governing body of an authority.

14 (g) "Brownfield plan" means a plan that meets the requirements  
15 of section 13 and is adopted under section 14.

16 (h) "Captured taxable value" means the amount in 1 year by  
17 which the current taxable value of an eligible property subject to  
18 a brownfield plan, including the taxable value or assessed value,  
19 as appropriate, of the property for which specific taxes are paid  
20 in lieu of property taxes, exceeds the initial taxable value of  
21 that eligible property. The state tax commission shall prescribe  
22 the method for calculating captured taxable value.

23 (i) "Chief executive officer" means the mayor of a city, the  
24 village manager of a village, the township supervisor of a  
25 township, or the county executive of a county or, if the county  
26 does not have an elected county executive, the chairperson of the  
27 county board of commissioners.

1           (j) "Combined brownfield plan" means a brownfield plan that  
2 also includes the information necessary to submit the plan to the  
3 department or Michigan strategic fund under section 15(25).

4           (k) "Department" means the department of environmental  
5 quality.

6           (l) "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           (m) "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 or contained a manufacturing facility that  
15 consists or consisted of 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           (n) "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  
25 used or is currently used for commercial, industrial, or  
26 residential purposes that is in a qualified local governmental  
27 unit, that is owned or under the control of a land bank fast track

1 authority, or that is located in an economic opportunity zone, and  
2 is a facility, historic resource, functionally obsolete, or  
3 blighted, and except for purposes of section 38d of former 1975 PA  
4 228, 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 (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, combined brownfield 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 **(xii) FOR ELIGIBLE ACTIVITIES ON ELIGIBLE PROPERTY THAT IS**  
26 **INCLUDED IN A TRANSFORMATIONAL BROWNFIELD PLAN, ANY DEMOLITION,**  
27 **CONSTRUCTION, RESTORATION, ALTERATION, RENOVATION, OR IMPROVEMENT**

1 OF BUILDINGS OR SITE IMPROVEMENTS ON ELIGIBLE PROPERTY, INCLUDING  
2 INFRASTRUCTURE IMPROVEMENTS THAT DIRECTLY BENEFIT ELIGIBLE  
3 PROPERTY.

4 (o) Except as otherwise provided in this subdivision,  
5 "eligible property" means property for which eligible activities  
6 are identified under a brownfield plan that was used or is  
7 currently used for commercial, industrial, public, or residential  
8 purposes, including personal property located on the property, to  
9 the extent included in the brownfield plan, and that is 1 or more  
10 of the following:

11 (i) Is in a qualified local governmental unit and is a  
12 facility, historic resource, functionally obsolete, or blighted and  
13 includes parcels that are adjacent or contiguous to that property  
14 if the development of the adjacent and contiguous parcels is  
15 estimated to increase the captured taxable value of that property.

16 (ii) Is not in a qualified local governmental unit and is a  
17 facility, and includes parcels that are adjacent or contiguous to  
18 that property if the development of the adjacent and contiguous  
19 parcels is estimated to increase the captured taxable value of that  
20 property.

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

23 (iv) Is not in a qualified local governmental unit, is a  
24 qualified facility, and is a facility, functionally obsolete, or  
25 blighted, if the eligible activities on the property are limited to  
26 the eligible activities identified in subdivision (n) (vi).

27 (v) Is not in a qualified local governmental unit and is a



1 facility, historic resource, functionally obsolete, or blighted, if  
2 the eligible activities on the property are limited to the eligible  
3 activities identified in subdivision (n) (vii).

4 (vi) Is not in a qualified local governmental unit and is a  
5 facility, functionally obsolete, or blighted, if the eligible  
6 activities on the property are limited to the eligible activities  
7 identified in subdivision (n) (ix).

8 (vii) Is located north of the 45th parallel, is a facility,  
9 functionally obsolete, or blighted, and the owner or operator makes  
10 new capital investment of \$250,000,000.00 or more in this state.  
11 Eligible property does not include qualified agricultural property  
12 exempt under section 7ee of the general property tax act, 1893 PA  
13 206, MCL 211.7ee, from the tax levied by a local school district  
14 for school operating purposes to the extent provided under section  
15 1211 of the revised school code, 1976 PA 451, MCL 380.1211.

16 (viii) Is a transit-oriented development.

17 (ix) Is a transit-oriented facility.

18 (x) Is located in a qualified local governmental unit and  
19 contains a targeted redevelopment area, as designated by resolution  
20 of the governing body and approved by the Michigan strategic fund,  
21 of not less than 40 and not more than 500 contiguous parcels. A  
22 qualified local governmental unit is limited to designating no more  
23 than 2 targeted redevelopment areas for the purposes of this  
24 section in a calendar year. The Michigan strategic fund may approve  
25 no more than 5 redevelopment areas for the purposes of this section  
26 in a calendar year.

27 (xi) IS UNDEVELOPED PROPERTY THAT WAS ELIGIBLE PROPERTY IN A

1 **PREVIOUSLY APPROVED BROWNFIELD PLAN ABOLISHED UNDER SECTION 16.**

2 (p) "Environmental insurance" means liability insurance for  
3 environmental contamination and cleanup that is not otherwise  
4 required by state or federal law.

5 (q) "Facility" means that term as defined in section 20101 of  
6 the natural resources and environmental protection act, 1994 PA  
7 451, MCL 324.20101.

8 (r) "Fiscal year" means the fiscal year of the authority.

9 (s) "Functionally obsolete" means that the property is unable  
10 to be used to adequately perform the function for which it was  
11 intended due to a substantial loss in value resulting from factors  
12 such as overcapacity, changes in technology, deficiencies or  
13 superadequacies in design, or other similar factors that affect the  
14 property itself or the property's relationship with other  
15 surrounding property.

16 (t) "Governing body" means the elected body having legislative  
17 powers of a municipality creating an authority under this act.

18 (u) "Historic resource" means that term as defined in section  
19 90a of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090a.

20 **(V) "INCOME TAX" MEANS THE TAX LEVIED AND IMPOSED UNDER PART 1**  
21 **OF THE INCOME TAX ACT OF 1967, 1967 PA 281, MCL 206.1 TO 206.532.**

22 **(W) "INCOME TAX CAPTURE REVENUES" MEANS FUNDS EQUAL TO THE**  
23 **AMOUNT FOR 1 TAX YEAR BY WHICH THE INCOME TAX REVENUE COLLECTED**  
24 **FROM INDIVIDUALS DOMICILED WITHIN THE ELIGIBLE PROPERTY SUBJECT TO**  
25 **A TRANSFORMATIONAL BROWNFIELD PLAN EXCEEDS THE INITIAL INCOME TAX**  
26 **VALUE. THE STATE TREASURER SHALL CALCULATE ANNUALLY THE INCOME TAX**  
27 **CAPTURE REVENUES ASSOCIATED WITH EACH TRANSFORMATIONAL BROWNFIELD**

1 **PLAN, AND SHALL DEVELOP THE METHODS NECESSARY TO CARRY OUT THIS**  
2 **FUNCTION.**

3 (X) ~~(v)~~—"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 also include 1 or more  
21 of the following whether publicly or privately owned or operated or  
22 located on public or private property:

- 23 (i) Underground parking.  
24 (ii) Multilevel parking structures.  
25 (iii) Urban storm water management systems.

26 (Y) "INITIAL INCOME TAX VALUE" MEANS THE AMOUNT OF INCOME TAX  
27 REVENUE COLLECTED FROM INDIVIDUALS DOMICILED WITHIN THE ELIGIBLE

1 PROPERTY SUBJECT TO A TRANSFORMATIONAL BROWNFIELD PLAN FOR THE TAX  
2 YEAR IN WHICH THE RESOLUTION ADDING THAT ELIGIBLE PROPERTY IN THE  
3 TRANSFORMATIONAL BROWNFIELD PLAN IS ADOPTED.

4 (Z) "INITIAL SALES AND USE TAX VALUE" MEANS THE AMOUNT OF  
5 SALES AND USE TAX PAID BY BUSINESSES LOCATED WITHIN THE ELIGIBLE  
6 PROPERTY SUBJECT TO A TRANSFORMATIONAL BROWNFIELD PLAN FOR THE  
7 CALENDAR YEAR IN WHICH THE RESOLUTION ADDING THAT ELIGIBLE PROPERTY  
8 IN THE TRANSFORMATIONAL BROWNFIELD PLAN IS ADOPTED. FOR PURPOSES OF  
9 THIS ACT, "BUSINESSES" MEANS ANY TAXPAYER LICENSED UNDER SECTION 53  
10 OF THE GENERAL SALES TAX ACT, 1933 PA 167, MCL 205.53, OR WHO IS  
11 ENGAGED IN THE BUSINESS OF FURNISHING ROOMS OR LODGING UNDER  
12 SECTION 93A OF THE USE TAX ACT, 1937 PA 94, MCL 205.93A. THE STATE  
13 TREASURER SHALL REQUIRE THOSE BUSINESSES LOCATED WITHIN A  
14 TRANSFORMATIONAL BROWNFIELD PLAN TO FILE A SEPARATE RETURN FOR THE  
15 LOCATION WITHIN THE TRANSFORMATIONAL BROWNFIELD PLAN, AND SHALL  
16 CALCULATE THE INITIAL SALES AND USE TAX VALUE AS THE TOTAL SALES  
17 AND USE TAX PAID PURSUANT TO THOSE RETURNS.

18 (AA) ~~(w)~~ "Initial taxable value" means the taxable value of an  
19 eligible property identified in and subject to a brownfield plan at  
20 the time the resolution adding that eligible property in the  
21 brownfield plan is adopted, as shown either by the most recent  
22 assessment roll for which equalization has been completed at the  
23 time the resolution is adopted or, if provided by the brownfield  
24 plan, by the next assessment roll for which equalization will be  
25 completed following the date the resolution adding that eligible  
26 property in the brownfield plan is adopted. Property exempt from  
27 taxation at the time the initial taxable value is determined shall

1 be included with the initial taxable value of zero. Property for  
2 which a specific tax is paid in lieu of property tax shall not be  
3 considered exempt from taxation. The state tax commission shall  
4 prescribe the method for calculating the initial taxable value of  
5 property for which a specific tax was paid in lieu of property tax.

6 **(BB)** ~~(x)~~—"Land bank fast track authority" means an authority  
7 created under the land bank fast track act, 2003 PA 258, MCL  
8 124.751 to 124.774.

9 **(CC)** ~~(y)~~—"Local taxes" means all taxes levied other than taxes  
10 levied for school operating purposes.

11 **(DD)** ~~(z)~~—"Michigan strategic fund" means the Michigan  
12 strategic fund created under the Michigan strategic fund act, 1984  
13 PA 270, MCL 125.2001 to 125.2094.

14 **(EE)** **"MIXED-USE" MEANS A REAL ESTATE PROJECT WITH PLANNED**  
15 **INTEGRATION OF SOME COMBINATION OF RETAIL, OFFICE, RESIDENTIAL,**  
16 **HOTEL, RECREATION, OR OTHER FUNCTIONS.**

17 **(FF)** ~~(aa)~~—"Municipality" means all of the following:

18 (i) A city.

19 (ii) A village.

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

22 (iv) A township in those areas of the township that are in a  
23 village upon the concurrence by resolution of the village in which  
24 the zone would be located.

25 (v) A county.

26 **(GG)** ~~(bb)~~—"Owned or under the control of" means that a land  
27 bank fast track authority has 1 or more of the following:

1 (i) An ownership interest in the property.

2 (ii) A tax lien on the property.

3 (iii) A tax deed to the property.

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

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

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

9 **(HH)** ~~(ee)~~—"Qualified facility" means a landfill facility area  
10 of 140 or more contiguous acres that is located in a city and that  
11 contains a landfill, a material recycling facility, and an asphalt  
12 plant that are no longer in operation.

13 **(II)** ~~(dd)~~—"Qualified local governmental unit" means that term  
14 as defined in the obsolete property rehabilitation act, 2000 PA  
15 146, MCL 125.2781 to 125.2797.

16 **(JJ)** ~~(ee)~~—"Qualified taxpayer" means that term as defined in  
17 sections 38d and 38g of former 1975 PA 228, or section 437 of the  
18 Michigan business tax act, 2007 PA 36, MCL 208.1437, or a recipient  
19 of a community revitalization incentive as described in section 90a  
20 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2090a.

21 **(KK)** ~~(ff)~~—"Response activity" means either of the following:

22 (i) Response activity as that term is defined in section 20101  
23 of the natural resources and environmental protection act, 1994 PA  
24 451, MCL 324.20101.

25 (ii) Corrective action as that term is defined in section  
26 21302 of the natural resources and environmental protection act,  
27 1994 PA 451, MCL 324.21302.

1           (II) "SALES AND USE TAX" MEANS THE TAX IMPOSED UNDER THE  
2 GENERAL SALES TAX ACT, 1933 PA 167, MCL 205.51 TO 205.78, AND THE  
3 TAX IMPOSED UNDER THE USE TAX ACT, 1937 PA 94, MCL 205.91 TO  
4 205.111.

5           (MM) "SALES AND USE TAX CAPTURE REVENUES" MEANS FUNDS EQUAL TO  
6 THE AMOUNT FOR EACH CALENDAR YEAR BY WHICH THE SALES AND USE TAX  
7 PAID BY BUSINESSES LOCATED WITHIN THE ELIGIBLE PROPERTY SUBJECT TO  
8 A TRANSFORMATIONAL BROWNFIELD PLAN EXCEEDS THE INITIAL SALES AND  
9 USE TAX VALUE. THE STATE TREASURER SHALL REQUIRE THOSE BUSINESSES  
10 LOCATED WITHIN A TRANSFORMATIONAL BROWNFIELD PLAN TO FILE A  
11 SEPARATE RETURN FOR THE LOCATION WITHIN THE TRANSFORMATIONAL  
12 BROWNFIELD PLAN, AND SHALL CALCULATE THE SALES AND USE TAX CAPTURE  
13 REVENUES BASED ON THE TOTAL SALES AND USE TAX PAID PURSUANT TO  
14 THOSE RETURNS.

15           (NN) ~~(gg)~~ "Specific taxes" means a tax levied under 1974 PA  
16 198, MCL 207.551 to 207.572; the commercial redevelopment act, 1978  
17 PA 255, MCL 207.651 to 207.668; the enterprise zone act, 1985 PA  
18 224, MCL 125.2101 to 125.2123; 1953 PA 189, MCL 211.181 to 211.182;  
19 the technology park development act, 1984 PA 385, MCL 207.701 to  
20 207.718; the obsolete property rehabilitation act, 2000 PA 146, MCL  
21 125.2781 to 125.2797; the neighborhood enterprise zone act, 1992 PA  
22 147, MCL 207.771 to 207.786; the commercial rehabilitation act,  
23 2005 PA 210, MCL 207.841 to 207.856; or that portion of the tax  
24 levied under the tax reverted clean title act, 2003 PA 260, MCL  
25 211.1021 to 211.1025a, that is not required to be distributed to a  
26 land bank fast track authority.

27           (OO) ~~(hh)~~ "State brownfield redevelopment fund" means the

1 state brownfield redevelopment fund created in section 8a.

2 (PP) ~~(ii)~~—"Tax increment revenues" means the amount of ad  
3 valorem property taxes and specific taxes attributable to the  
4 application of the levy of all taxing jurisdictions upon the  
5 captured taxable value of each parcel of eligible property subject  
6 to a brownfield plan and personal property located on that  
7 property, regardless of whether those taxes began to be levied  
8 after the brownfield plan was adopted. Tax increment revenues do  
9 not include any of the following:

10 (i) Ad valorem property taxes specifically levied for the  
11 payment of principal of and interest on either obligations approved  
12 by the electors or obligations pledging the unlimited taxing power  
13 of the local governmental unit, and specific taxes attributable to  
14 those ad valorem property taxes.

15 (ii) For tax increment revenues attributable to eligible  
16 property also exclude the amount of ad valorem property taxes or  
17 specific taxes captured by a downtown development authority, tax  
18 increment finance authority, or local development finance authority  
19 if those taxes were captured by these other authorities on the date  
20 that eligible property became subject to a brownfield plan under  
21 this act.

22 (iii) Ad valorem property taxes levied under 1 or more of the  
23 following or specific taxes attributable to those ad valorem  
24 property taxes:

25 (A) The zoological authorities act, 2008 PA 49, MCL 123.1161  
26 to 123.1183.

27 (B) The art institute authorities act, 2010 PA 296, MCL



1 123.1201 to 123.1229.

2 (QQ) ~~(jj)~~—"Taxable value" means the value determined under  
3 section 27a of the general property tax act, 1893 PA 206, MCL  
4 211.27a.

5 (RR) ~~(kk)~~—"Taxes levied for school operating purposes" means  
6 all of the following:

7 (i) The taxes levied by a local school district for operating  
8 purposes.

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

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

13 (SS) "TRANSFORMATIONAL BROWNFIELD PLAN" MEANS A BROWNFIELD  
14 PLAN THAT MEETS THE REQUIREMENTS OF SECTION 13A AND IS ADOPTED  
15 UNDER SECTION 14A AND, AS DESIGNATED BY RESOLUTION OF THE GOVERNING  
16 BODY AND APPROVED BY THE MICHIGAN STRATEGIC FUND, WILL HAVE A  
17 TRANSFORMATIONAL IMPACT ON LOCAL ECONOMIC DEVELOPMENT AND COMMUNITY  
18 REVITALIZATION BASED ON THE EXTENT OF BROWNFIELD REDEVELOPMENT AND  
19 GROWTH IN POPULATION, COMMERCIAL ACTIVITY, AND EMPLOYMENT THAT WILL  
20 RESULT FROM THE PLAN. TO BE DESIGNATED A TRANSFORMATIONAL  
21 BROWNFIELD PLAN, A TRANSFORMATIONAL BROWNFIELD PLAN UNDER THIS  
22 SUBDIVISION SHALL BE FOR MIXED-USED DEVELOPMENT AND SHALL BE  
23 EXPECTED TO RESULT IN THE FOLLOWING LEVELS OF CAPITAL INVESTMENT:

24 (i) IN A MUNICIPALITY THAT IS NOT A COUNTY AND THAT HAS A  
25 POPULATION OF AT LEAST 600,000, \$500,000,000.00.

26 (ii) IN A MUNICIPALITY THAT IS NOT A COUNTY AND THAT HAS A  
27 POPULATION OF AT LEAST 150,000 AND NOT MORE THAN 599,000,

1 \$100,000,000.00.

2 (iii) IN A MUNICIPALITY THAT IS NOT A COUNTY AND THAT HAS A  
3 POPULATION OF AT LEAST 100,000 AND NOT MORE THAN 149,999,  
4 \$75,000,000.00.

5 (iv) IN A MUNICIPALITY THAT IS NOT A COUNTY AND THAT HAS A  
6 POPULATION OF AT LEAST 50,000 AND NOT MORE THAN 99,999,  
7 \$50,000,000.00.

8 (v) IN A MUNICIPALITY THAT IS NOT A COUNTY AND THAT HAS A  
9 POPULATION OF AT LEAST 25,000 AND NOT MORE THAN 49,999,  
10 \$25,000,000.00.

11 (vi) IN A MUNICIPALITY THAT IS NOT A COUNTY AND THAT HAS A  
12 POPULATION OF LESS THAN 25,000, \$15,000,000.00.

13 (TT) ~~(H)~~—"Transit-oriented development" means infrastructure  
14 improvements that are located within 1/2 mile of a transit station  
15 or transit-oriented facility that promotes transit ridership or  
16 passenger rail use as determined by the board and approved by the  
17 municipality in which it is located.

18 (UU) ~~(mm)~~—"Transit-oriented facility" means a facility that  
19 houses a transit station in a manner that promotes transit  
20 ridership or passenger rail use.

21 (VV) ~~(nn)~~—"Work plan" means a plan that describes each  
22 individual activity to be conducted to complete eligible activities  
23 and the associated costs of each individual activity.

24 (WW) ~~(oo)~~—"Zone" means, for an authority established before  
25 June 6, 2000, a brownfield redevelopment zone designated under this  
26 act.

27 Sec. 8a. (1) The state brownfield redevelopment fund is

1 created as a revolving fund within the department of treasury to be  
2 administered as provided in this section. The state treasurer shall  
3 direct the investment of the state brownfield redevelopment fund.  
4 Money in the state brownfield redevelopment fund at the close of  
5 the fiscal year shall remain in the state brownfield redevelopment  
6 fund and shall not lapse to the general fund.

7 (2) The state treasurer shall credit to the fund money from  
8 the following sources:

9 (a) All amounts deposited into the state brownfield  
10 redevelopment fund under **SUBSECTION (6) AND** section 13(21).

11 (b) The proceeds from repayment of a loan, including interest  
12 on those repayments, under subsection (5)(f).

13 (c) Interest on funds deposited into the state brownfield  
14 redevelopment fund.

15 (d) Money obtained from any other source authorized by law.

16 (3) The state brownfield redevelopment fund may be used only  
17 for the following purposes:

18 (a) To pay administrative costs of all of the following:

19 (i) The Michigan strategic fund to implement this act.

20 (ii) The department to implement this act.

21 (iii) The department to implement part 196 of the natural  
22 resources and environmental protection act, 1994 PA 451, MCL  
23 324.19601 to 324.19616.

24 (iv) **THE DEPARTMENT OF TREASURY TO IMPLEMENT THIS ACT.**

25 (b) To fund a grant and loan program for the costs of eligible  
26 activities described in section 13(15) on eligible property as  
27 provided in subsection (5).

1 (c) To make deposits into the clean Michigan initiative bond  
2 fund under section 19606(2)(d) of the natural resources and  
3 environmental protection act, 1994 PA 451, MCL 324.19606, for use  
4 in providing grants and loans under part 196 of the natural  
5 resources and environmental protection act, 1994 PA 451, MCL  
6 324.19601 to 324.19616.

7 **(D) TO DISTRIBUTE SALES AND USE TAX CAPTURE REVENUES AND**  
8 **INCOME TAX CAPTURE REVENUES IN ACCORDANCE WITH A TRANSFORMATIONAL**  
9 **BROWNFIELD PLAN UNDER SUBSECTION (6).**

10 (4) Not more than 15% of the amounts deposited annually into  
11 the state brownfield redevelopment fund may be used for purposes of  
12 subsection (3)(a).

13 (5) The state brownfield redevelopment fund may be used to  
14 fund a grant and loan program for the costs of eligible activities  
15 described in section 13(15) on eligible property under this  
16 subsection. The grant and loan program shall provide for all of the  
17 following:

18 (a) The Michigan strategic fund shall create and operate a  
19 grant and loan program to provide grants and loans to fund eligible  
20 activities described in section 13(15) on eligible property. The  
21 Michigan strategic fund shall develop and use a detailed  
22 application, approval, and compliance process adopted by resolution  
23 of the board of the Michigan strategic fund. This process shall be  
24 published and available on the Michigan strategic fund website.  
25 Program standards, guidelines, templates, or any other forms to  
26 implement the grant and loan program shall be approved by the board  
27 of the Michigan strategic fund. The Michigan strategic fund may

1 delegate its approval authority under this subsection to a  
2 designee.

3 (b) A person may apply to the Michigan strategic fund for  
4 approval of a grant or loan to fund eligible activities described  
5 in section 13(15) on eligible property.

6 (c) The Michigan strategic fund shall approve or deny an  
7 application not more than 90 days after receipt of an  
8 administratively complete application. If the application is  
9 neither approved nor denied within 90 days, it shall be considered  
10 by the board of the Michigan strategic fund, or its designee if  
11 delegated, for action at, or by, the next regularly scheduled board  
12 meeting. The Michigan strategic fund may delegate the approval or  
13 denial of an application to the chairperson of the Michigan  
14 strategic fund or other designees determined by the board.

15 (d) When an application is approved under this subsection, the  
16 Michigan strategic fund shall enter into a written agreement with  
17 the applicant. The written agreement shall provide all the  
18 conditions imposed on the applicant and the terms of the grant or  
19 loan. The written agreement shall also provide for penalties if the  
20 applicant fails to comply with the provisions of the written  
21 agreement.

22 (e) After the Michigan strategic fund and the applicant have  
23 entered into a written agreement under subdivision (d), the  
24 Michigan strategic fund shall distribute the proceeds to the  
25 applicant according to the terms of the written agreement.

26 (f) Any proceeds from repayment of a loan, including interest  
27 on those repayments, under this subsection shall be paid into the

1 state brownfield redevelopment fund.

2 (6) THE STATE TREASURER SHALL DEPOSIT ANNUALLY FROM THE  
3 GENERAL FUND INTO THE STATE BROWNFIELD REDEVELOPMENT FUND AN AMOUNT  
4 EQUAL TO THE SALES AND USE TAX CAPTURE REVENUES AND INCOME TAX  
5 CAPTURE REVENUES DUE TO BE TRANSMITTED UNDER ALL TRANSFORMATIONAL  
6 BROWNFIELD PLANS. THE MICHIGAN STRATEGIC FUND SHALL DISTRIBUTE THE  
7 SALES AND USE TAX CAPTURE REVENUES AND INCOME TAX CAPTURE REVENUES  
8 TO AN AUTHORITY, OR TO THE OWNER OR DEVELOPER OF THE ELIGIBLE  
9 PROPERTY TO WHICH THE REVENUES ARE ATTRIBUTABLE, IN ACCORDANCE WITH  
10 SECTION 16(9) AND THE TERMS OF THE WRITTEN DEVELOPMENT OR  
11 REIMBURSEMENT AGREEMENT FOR EACH TRANSFORMATIONAL BROWNFIELD PLAN.  
12 AMOUNTS TRANSFERRED INTO THE STATE BROWNFIELD REDEVELOPMENT FUND  
13 ATTRIBUTABLE TO A SPECIFIC TRANSFORMATIONAL BROWNFIELD PLAN SHALL  
14 BE ACCOUNTED FOR SEPARATELY WITHIN THE STATE BROWNFIELD  
15 REDEVELOPMENT FUND AND SHALL NOT BE USED FOR ANY OTHER PURPOSE OR  
16 ACTIVITY UNDER THIS SECTION OR FOR ANY TRANSFORMATIONAL BROWNFIELD  
17 PLAN OTHER THAN THE PLAN TO WHICH THE REVENUES ARE ATTRIBUTABLE OR  
18 FOR THE ADDITIONAL ADMINISTRATIVE COSTS UNDER THIS SECTION  
19 ASSOCIATED WITH THE IMPLEMENTATION OF A TRANSFORMATIONAL BROWNFIELD  
20 PLAN.

21 Sec. 11. The activities of the authority shall be financed  
22 from 1 or more of the following sources:

23 (a) Contributions, contractual payments, or appropriations to  
24 the authority for the performance of its functions or to pay the  
25 costs of a brownfield plan of the authority.

26 (b) Revenues from a property, building, or facility owned,  
27 leased, licensed, or operated by the authority or under its

1 control, subject to the limitations imposed upon the authority by  
2 trusts or other agreements.

3 (c) Subject to the limitations imposed under sections 8, 13,  
4 and 15, 1 or both of the following:

5 (i) Tax increment revenues received under a brownfield plan  
6 established under sections 13 and 14.

7 (ii) Proceeds of tax increment bonds and notes issued under  
8 section 17.

9 (d) Proceeds of revenue bonds and notes issued under section  
10 12.

11 (e) Revenue available in the local site remediation revolving  
12 fund for the costs described in section 8.

13 **(F) SALES AND USE TAX CAPTURE REVENUES AND INCOME TAX CAPTURE**  
14 **REVENUES RECEIVED UNDER A TRANSFORMATIONAL BROWNFIELD PLAN**  
15 **ESTABLISHED UNDER SECTIONS 13A AND 14A.**

16 **(G)** ~~(F)~~ Money obtained from all other sources approved by the  
17 governing body of the municipality or otherwise authorized by law  
18 for use by the authority or the municipality to finance activities  
19 authorized under this act.

20 Sec. 13. (1) Subject to section 15, the board may implement a  
21 brownfield plan. The brownfield plan may apply to 1 or more parcels  
22 of eligible property whether or not those parcels of eligible  
23 property are contiguous and may be amended to apply to additional  
24 parcels of eligible property. Except as otherwise authorized by  
25 this act, if more than 1 eligible property is included within the  
26 plan, the tax increment revenues under the plan shall be determined  
27 individually for each eligible property. Each plan or an amendment

1 to a plan shall be approved by the governing body of the  
2 municipality and shall contain all of the following:

3 (a) A description of the costs of the plan intended to be paid  
4 for with the tax increment revenues or, for a plan for eligible  
5 properties qualified on the basis that the property is owned or  
6 under the control of a land bank fast track authority, a listing of  
7 all eligible activities that may be conducted for 1 or more of the  
8 eligible properties subject to the plan.

9 (b) A brief summary of the eligible activities that are  
10 proposed for each eligible property or, for a plan for eligible  
11 properties qualified on the basis that the property is owned or  
12 under the control of a land bank fast track authority, a brief  
13 summary of eligible activities conducted for 1 or more of the  
14 eligible properties subject to the plan.

15 (c) An estimate of the captured taxable value and tax  
16 increment revenues for each year of the plan from the eligible  
17 property. The plan may provide for the use of part or all of the  
18 captured taxable value, including deposits in the local site  
19 remediation revolving fund, but the portion intended to be used  
20 shall be clearly stated in the plan. The plan shall not provide  
21 either for an exclusion from captured taxable value of a portion of  
22 the captured taxable value or for an exclusion of the tax levy of 1  
23 or more taxing jurisdictions unless the tax levy is excluded from  
24 tax increment revenues in section ~~2(ii)~~, **2 (PP)**, or unless the tax  
25 levy is excluded from capture under section 15.

26 (d) The method by which the costs of the plan will be  
27 financed, including a description of any advances made or



1 anticipated to be made for the costs of the plan from the  
2 municipality.

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

5 (f) The beginning date and duration of capture of tax  
6 increment revenues for each eligible property as determined under  
7 subsection (22).

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

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

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

1 existence or under construction, the condition of those in  
2 existence, the number of owner-occupied and renter-occupied units,  
3 the annual rate of turnover of the various types of housing and the  
4 range of rents and sale prices, an estimate of the total demand for  
5 housing in the community, and the estimated capacity of private and  
6 public housing available to displaced families and individuals.

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

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

15 (l) A strategy for compliance with 1972 PA 227, MCL 213.321 to  
16 213.332.

17 (m) A description of proposed use of the local site  
18 remediation revolving fund.

19 (n) Other material that the authority or governing body  
20 considers pertinent.

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

1 capture and use of all local taxes levied for purposes other than  
2 for the payment of principal of and interest on either obligations  
3 approved by the electors or obligations pledging the unlimited  
4 taxing power of the local unit of government. This subsection shall  
5 apply only when taxes levied for school operating purposes are  
6 subject to capture under section 15.

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

1 activities described in section 2(n)(iv)(E).

2 (4) Except as provided in subsection (5), a brownfield plan  
3 shall not authorize the capture of tax increment revenue from  
4 eligible property after the year in which the total amount of tax  
5 increment revenues captured is equal to the sum of the costs  
6 permitted to be funded with tax increment revenues under this act.

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

1 shall not be captured for deposit in the local site remediation  
2 revolving fund.

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

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

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

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

25 (b) One of the following:

26 (i) If an authority undertakes the cost recovery action, the  
27 authority shall deposit the remaining recovered funds into the

1 local site remediation fund created pursuant to section 8, if such  
2 a fund has been established by the authority. If a local site  
3 remediation fund has not been established, the authority shall  
4 disburse the remaining recovered funds to the local taxing  
5 jurisdictions in the proportion that the local taxing  
6 jurisdictions' taxes were captured.

7 (ii) If this state undertakes a cost recovery action, this  
8 state shall deposit the remaining recovered funds into the  
9 revitalization revolving loan fund established under section 20108a  
10 of the natural resources and environmental protection act, 1994 PA  
11 451, MCL 324.20108a.

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

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

22 (10) Before approving a brownfield plan for an eligible  
23 property, the governing body shall hold a public hearing on the  
24 brownfield plan. By resolution, the governing body may delegate the  
25 public hearing process to the authority or to a subcommittee of the  
26 governing body subject to final approval by the governing body.

27 (11) Notice of the time and place of the hearing on a

1 brownfield plan shall contain all of the following:

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

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

10 (c) Any other information that the governing body considers  
11 appropriate.

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

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

1 the brownfield plan, the governing body shall provide notice of the  
2 hearing to the department if the brownfield plan involves the use  
3 of taxes levied for school operating purposes to pay for eligible  
4 activities that require the approval of a combined brownfield plan  
5 or a work plan by the department under section 15(1)(a) and the  
6 Michigan strategic fund, or its designee, if the brownfield plan  
7 involves the use of taxes levied for school operating purposes to  
8 pay for eligible activities subject to subsection (15) or (18).

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

17 (15) Except as provided by subsection (18), if a brownfield  
18 plan includes the capture of taxes levied for school operating  
19 purposes approval of a combined brownfield plan or a work plan by  
20 the Michigan strategic fund to use taxes levied for school  
21 operating purposes and a development agreement or reimbursement  
22 agreement between the municipality or authority and an owner or  
23 developer of eligible property are required if the taxes levied for  
24 school operating purposes will be used for infrastructure  
25 improvements that directly benefit eligible property, demolition of  
26 structures that is not response activity under part 201 of the  
27 natural resources and environmental protection act, 1994 PA 451,



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

13 (16) The limitations of section 15(1) upon use of tax  
14 increment revenues by an authority shall apply except as follows:

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

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

21 (A) Reasonable and actual administrative and operating  
22 expenses of the authority.

23 (B) Baseline environmental assessments, due care activities,  
24 and additional response activities conducted by or on behalf of the  
25 authority related directly to work conducted on prospective  
26 eligible properties prior to approval of the brownfield plan.

27 (ii) Reasonable costs of preparing a work plan for which tax

1 increment revenues may be used under section 13(3).

2 (b) The limitations of section 15(1)(a), (b), and (c) upon the  
3 use of taxes levied for school operating purposes by an authority  
4 shall not apply to the costs of 1 or more of the following incurred  
5 by a person other than the authority:

6 (i) Site investigation activities required to conduct a  
7 baseline environmental assessment and to evaluate compliance with  
8 section 20107a of the natural resources and environmental  
9 protection act, 1994 PA 451, MCL 324.20107a.

10 (ii) Completing a baseline environmental assessment report.

11 (iii) Preparing a plan for compliance with section 20107a of  
12 the natural resources and environmental protection act, 1994 PA  
13 451, MCL 324.20107a.

14 (c) The limitations of section 15(1)(b) upon use of tax  
15 increment revenues by an authority shall not apply to the following  
16 costs and expenses:

17 (i) For tax increment revenues attributable to taxes levied  
18 for school operating purposes, eligible activities associated with  
19 unanticipated response activities conducted on eligible property if  
20 that eligible property has been included in a brownfield plan, if  
21 the department is consulted on the unanticipated response  
22 activities before they are conducted and the costs of those  
23 activities are subsequently included in a brownfield plan approved  
24 by the authority and a combined brownfield plan or a work plan  
25 approved by the department.

26 (ii) For tax increment revenues attributable to local taxes,  
27 any eligible activities conducted on eligible property or

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

4 (iii) For tax increment revenues attributable to taxes levied  
5 for school operating purposes, eligible activities described in  
6 section 13(15) and conducted on eligible property or prospective  
7 eligible properties prior to approval of the brownfield plan, if  
8 those costs and the eligible property are subsequently included in  
9 a brownfield plan approved by the authority and a combined  
10 brownfield plan or work plan approved by the Michigan strategic  
11 fund.

12 (17) A brownfield authority may reimburse advances, with or  
13 without interest, made by a municipality under section 7(3), a land  
14 bank fast track authority, or any other person or entity for costs  
15 of eligible activities with any source of revenue available for use  
16 of the brownfield authority under this act. If an authority  
17 reimburses a person or entity under this section for an advance for  
18 the payment or reimbursement of the cost of eligible activities and  
19 interest thereon, the authority may capture local taxes for the  
20 payment of that interest. If an authority reimburses a person or  
21 entity under this section for an advance for the payment or  
22 reimbursement of the cost of baseline environmental assessments,  
23 due care, and additional response activities and interest thereon  
24 included in a combined brownfield plan or a work plan approved by  
25 the department, the authority may capture taxes levied for school  
26 operating purposes and local taxes for the payment of that  
27 interest. If an authority reimburses a person or entity under this

1 section for an advance for the payment or reimbursement of the cost  
2 of eligible activities that are not baseline environmental  
3 assessments, due care, and additional response activities and  
4 interest thereon included in a combined brownfield plan or a work  
5 plan approved by the Michigan strategic fund, the authority may  
6 capture taxes levied for school operating purposes and local taxes  
7 for the payment of that interest provided that the Michigan  
8 strategic fund grants an approval for the capture of taxes levied  
9 for school operating purposes to pay such interest. An authority  
10 may enter into agreements related to these reimbursements and  
11 payments. A reimbursement agreement for these purposes and the  
12 obligations under that reimbursement agreement shall not be subject  
13 to section 12 or the revised municipal finance act, 2001 PA 34, MCL  
14 141.2101 to 141.2821.

15 (18) If a brownfield plan includes the capture of taxes levied  
16 for school operating purposes, approval of a combined brownfield  
17 plan or a work plan by the Michigan strategic fund in the manner  
18 required under section 15(14) to (16) or (25) is required in order  
19 to use tax increment revenues attributable to taxes levied for  
20 school operating purposes for purposes of eligible activities  
21 described in section 2(n) (iv) (E) for 1 or more parcels of eligible  
22 property. The combined brownfield plan or work plan to be submitted  
23 to the Michigan strategic fund under this subsection shall be in a  
24 form prescribed by the Michigan strategic fund. The eligible  
25 activities to be conducted and described in this subsection shall  
26 be consistent with the combined brownfield plan or work plan  
27 submitted by the authority to the Michigan strategic fund. The

1 department's approval is not required for the capture of taxes  
2 levied for school operating purposes for eligible activities  
3 described in this section.

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

8 (a) For authorities that have 5 or fewer active projects,  
9 \$100,000.00.

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

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

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

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

18 (f) For authorities that have 26 or more but fewer than 31  
19 active projects, \$300,000.00.

20 (g) For authorities that have 31 or more active projects,  
21 \$500,000.00.

22 (20) As used in subsection (19), "active project" means a  
23 project in which the authority is currently capturing taxes under  
24 this act. The amounts of tax increment revenues attributable to  
25 local taxes listed in subsection (19) that an authority can use for  
26 the purposes described in subsection (16)(a) may be increased by 2%  
27 for each written agreement entered into by an authority in either

1 of the following situations up to a total maximum increase of 10%:

2 (a) The authority is an authority established by a county and  
3 that authority enters into a written agreement with 1 or more  
4 municipalities within that county to serve as the only authority  
5 for those other municipalities.

6 (b) The authority enters into a written agreement with 1 or  
7 more other authorities to administer 1 or more administrative  
8 operations of those other authorities.

9 (21) Notwithstanding anything to the contrary in this act, for  
10 a brownfield plan that includes the capture of taxes levied for  
11 school operating purposes from eligible property included in a  
12 brownfield plan after January 1, 2013, an authority shall pay to  
13 the department of treasury at least once annually an amount equal  
14 to 3 mills of the taxes levied under the state education tax, 1993  
15 PA 331, MCL 211.901 to 211.906, that are captured under the  
16 brownfield plan for up to the first 25 years of the duration of  
17 capture of tax increment revenues for each eligible property  
18 included in the brownfield plan. The department of treasury shall  
19 deposit these amounts into the state brownfield redevelopment fund.  
20 If an authority pays an amount equal to 3 mills of the taxes levied  
21 under the state education tax, 1993 PA 331, MCL 211.901 to 211.906,  
22 on a parcel of eligible property to the department of treasury  
23 under this subsection, the percentage of local taxes levied on that  
24 parcel and used to reimburse eligible activities for a project  
25 under a brownfield plan shall not exceed the percentage of local  
26 taxes levied on that parcel that would have been used to reimburse  
27 eligible activities for the project under a brownfield plan if the

1 3 mills of the taxes levied under the state education tax, 1993 PA  
2 331, MCL 211.901 to 211.906, on that parcel were not paid to the  
3 department of treasury under this subsection. If, due to an appeal  
4 of any tax assessment, an authority is required to reimburse a  
5 taxpayer for any portion of the 3 mills that are paid to the  
6 department of treasury under this subsection, the department of  
7 treasury shall reimburse that amount to the authority within 30  
8 days after receiving a request from the authority for  
9 reimbursement.

10 (22) The duration of capture of tax increment revenues under a  
11 brownfield plan for a particular eligible property shall not exceed  
12 the lesser of the period authorized under subsections (4) and (5)  
13 or 30 years from the beginning date of the capture of tax increment  
14 revenues for that eligible property. The beginning date of capture  
15 of tax increment revenues for an eligible property shall not be  
16 later than 5 years following the date of the resolution including  
17 the eligible property in the brownfield plan. The authority may  
18 amend the beginning date of capture of tax increment revenues for a  
19 particular eligible property to a date not later than 5 years  
20 following the date of the resolution including the eligible  
21 property in the brownfield plan. The authority may not amend the  
22 beginning date of capture of tax increment revenues for a  
23 particular eligible property if the authority has begun to  
24 reimburse eligible activities from the capture of tax increment  
25 revenues from that eligible property. Any tax increment revenues  
26 captured from an eligible property before the beginning date of  
27 capture of tax increment revenues for that eligible property shall

1 revert proportionately to the respective tax bodies. If an  
2 authority amends the beginning date for capture of tax increment  
3 revenues that includes the capture of tax increment revenues for  
4 school operating purposes, then the authority shall notify the  
5 department or the Michigan strategic fund, as applicable, within 30  
6 days after amending the beginning date.

7           **SEC. 13A. (1) SUBJECT TO THE APPROVAL OF THE GOVERNING BODY**  
8 **AND MICHIGAN STRATEGIC FUND UNDER SECTION 14A, THE BOARD MAY**  
9 **IMPLEMENT A TRANSFORMATIONAL BROWNFIELD PLAN. THE TRANSFORMATIONAL**  
10 **BROWNFIELD PLAN MAY CONSIST OF A SINGLE DEVELOPMENT ON ELIGIBLE**  
11 **PROPERTY OR A SERIES OF DEVELOPMENTS ON ELIGIBLE PROPERTY THAT ARE**  
12 **PART OF A RELATED PROGRAM OF INVESTMENT, WHETHER OR NOT LOCATED ON**  
13 **CONTIGUOUS PARCELS, AND MAY BE AMENDED TO APPLY TO ADDITIONAL**  
14 **PARCELS OF ELIGIBLE PROPERTY. EACH AMENDMENT TO A TRANSFORMATIONAL**  
15 **BROWNFIELD PLAN SHALL BE APPROVED BY THE GOVERNING BODY OF THE**  
16 **MUNICIPALITY IN WHICH IT IS LOCATED AND THE MICHIGAN STRATEGIC FUND**  
17 **AND SHALL BE CONSISTENT WITH THE APPROVAL REQUIREMENTS IN THIS**  
18 **SECTION.**

19           **(2) A TRANSFORMATIONAL BROWNFIELD PLAN MAY AUTHORIZE THE USE**  
20 **OF SALES AND USE TAX CAPTURE REVENUES, INCOME TAX CAPTURE REVENUES,**  
21 **AND TAX INCREMENT REVENUES FOR ELIGIBLE ACTIVITIES DESCRIBED IN**  
22 **SECTION 2(N) (xii) . EXCEPT AS PROVIDED FOR IN SECTION 15(1)(E) ,**  
23 **SALES AND USE TAX CAPTURE REVENUES AND INCOME TAX CAPTURE REVENUES**  
24 **SHALL BE USED ONLY FOR THE COSTS OF ELIGIBLE ACTIVITIES INCLUDED**  
25 **WITHIN THE TRANSFORMATIONAL BROWNFIELD PLAN TO WHICH THE REVENUES**  
26 **ARE ATTRIBUTABLE, INCLUDING THE COST OF PRINCIPAL OF AND INTEREST**  
27 **ON ANY OBLIGATION TO PAY THE COST OF THE ELIGIBLE ACTIVITIES.**



1           (3) A TRANSFORMATIONAL BROWNFIELD PLAN IS A BROWNFIELD PLAN  
2 AND, EXCEPT AS OTHERWISE PROVIDED, IS SUBJECT TO SECTIONS 13, 14,  
3 AND 15 OF THIS ACT. IN ADDITION TO THE INFORMATION REQUIRED UNDER  
4 SECTION 13(1), A TRANSFORMATIONAL BROWNFIELD PLAN SHALL CONTAIN ALL  
5 OF THE FOLLOWING:

6           (A) THE BASIS FOR DESIGNATING THE PLAN AS A TRANSFORMATIONAL  
7 BROWNFIELD PLAN UNDER SECTION 2(SS).

8           (B) A DESCRIPTION OF THE COSTS OF THE TRANSFORMATIONAL  
9 BROWNFIELD PLAN INTENDED TO BE PAID FOR WITH SALES AND USE TAX  
10 CAPTURE REVENUES AND INCOME TAX CAPTURE REVENUES.

11           (C) AN ESTIMATE OF THE AMOUNT OF SALES AND USE TAX CAPTURE  
12 REVENUES AND INCOME TAX CAPTURE REVENUES EXPECTED TO BE GENERATED  
13 FOR EACH YEAR OF THE TRANSFORMATIONAL BROWNFIELD PLAN FROM THE  
14 ELIGIBLE PROPERTY.

15           (D) THE BEGINNING DATE AND DURATION OF CAPTURE OF SALES AND  
16 USE TAX CAPTURE REVENUES AND INCOME TAX CAPTURE REVENUES FOR EACH  
17 ELIGIBLE PROPERTY AS DETERMINED UNDER SUBSECTIONS (8) AND (11).

18           (4) SUBJECT TO SECTION 14A(5), THE TRANSFORMATIONAL BROWNFIELD  
19 PLAN MAY PROVIDE FOR THE USE OF PART OR ALL OF THE SALES AND USE  
20 TAX CAPTURE REVENUES AND INCOME TAX CAPTURE REVENUES. THE PORTION  
21 OF SALES AND USE TAX CAPTURE REVENUES AND INCOME TAX REVENUES TO BE  
22 USED MAY VARY OVER THE DURATION OF THE TRANSFORMATIONAL BROWNFIELD  
23 PLAN, BUT THE PORTION INTENDED TO BE USED SHALL BE CLEARLY STATED  
24 IN THE TRANSFORMATIONAL BROWNFIELD PLAN.

25           (5) APPROVAL OF A TRANSFORMATIONAL BROWNFIELD PLAN, OR AN  
26 AMENDMENT TO A TRANSFORMATIONAL BROWNFIELD PLAN, SHALL BE IN  
27 ACCORDANCE WITH THE NOTICE, APPROVAL, AND PUBLIC HEARING

1 REQUIREMENTS OF SECTIONS 13 AND 14A, EXCEPT THAT THE GOVERNING BODY  
2 SHALL PROVIDE NOTICE TO THE MICHIGAN STRATEGIC FUND NOT LESS THAN  
3 30 DAYS BEFORE THE HEARING ON A TRANSFORMATIONAL BROWNFIELD PLAN.

4 (6) IF A TRANSFORMATIONAL BROWNFIELD PLAN AUTHORIZES THE USE  
5 OF SALES AND USE TAX CAPTURE REVENUES OR INCOME TAX CAPTURE  
6 REVENUES, APPROVAL OF A COMBINED BROWNFIELD PLAN OR WORK PLAN BY  
7 THE MICHIGAN STRATEGIC FUND AND A WRITTEN DEVELOPMENT OR  
8 REIMBURSEMENT AGREEMENT ARE REQUIRED BETWEEN THE OWNER OR DEVELOPER  
9 OF THE ELIGIBLE PROPERTY, THE AUTHORITY, AND THE MICHIGAN STRATEGIC  
10 FUND. IF A PLAN AUTHORIZES THE USE OF TAX INCREMENT REVENUES FOR  
11 ELIGIBLE ACTIVITIES UNDER SECTION 2(N) (xii) OTHER THAN ELIGIBLE  
12 ACTIVITIES DESCRIBED IN SECTION 13, APPROVAL OF A WORK PLAN OR  
13 COMBINED BROWNFIELD PLAN BY THE MICHIGAN STRATEGIC FUND TO USE TAX  
14 INCREMENT REVENUES FOR THOSE ADDITIONAL ELIGIBLE ACTIVITIES IS  
15 REQUIRED. A WORK PLAN OR COMBINED BROWNFIELD PLAN UNDER THIS  
16 SUBSECTION SHALL BE CONSOLIDATED WITH A WORK PLAN OR COMBINED  
17 BROWNFIELD PLAN UNDER SECTION 13(15). THE ELIGIBLE ACTIVITIES TO BE  
18 CONDUCTED SHALL BE CONSISTENT WITH THE WORK PLAN SUBMITTED BY THE  
19 AUTHORITY TO THE MICHIGAN STRATEGIC FUND.

20 (7) UPON APPROVAL OF THE TRANSFORMATIONAL BROWNFIELD PLAN BY  
21 THE GOVERNING BODY AND MICHIGAN STRATEGIC FUND, AND THE EXECUTION  
22 OF THE WRITTEN DEVELOPMENT OR REIMBURSEMENT AGREEMENT, THE TRANSFER  
23 AND DISTRIBUTION OF SALES AND USE TAX CAPTURE REVENUES AND INCOME  
24 TAX CAPTURE REVENUES AS SPECIFIED IN THIS ACT AND IN THE PLAN SHALL  
25 BE BINDING ON THIS STATE.

26 (8) A TRANSFORMATIONAL BROWNFIELD PLAN SHALL NOT AUTHORIZE THE  
27 CAPTURE OR USE OF SALES AND USE TAX CAPTURE REVENUES OR INCOME TAX

1 CAPTURE REVENUES AFTER THE YEAR IN WHICH THE TOTAL AMOUNT OF THE  
2 REVENUE CAPTURED UNDER THE TRANSFORMATIONAL BROWNFIELD PLAN IS  
3 EQUAL TO THE SUM OF THE COSTS PERMITTED TO BE FUNDED WITH THE  
4 REVENUE UNDER THE TRANSFORMATIONAL BROWNFIELD PLAN.

5 (9) THE BROWNFIELD AUTHORITY AND MICHIGAN STRATEGIC FUND MAY  
6 REIMBURSE ADVANCES, WITH OR WITHOUT INTEREST, MADE BY A  
7 MUNICIPALITY UNDER SECTION 7(3), A LAND BANK FAST TRACK AUTHORITY,  
8 OR ANY OTHER PERSON OR ENTITY FOR COSTS OF ELIGIBLE ACTIVITIES  
9 INCLUDED WITHIN A TRANSFORMATIONAL BROWNFIELD PLAN USING SALES AND  
10 USE TAX CAPTURE REVENUES OR INCOME TAX CAPTURE REVENUES  
11 ATTRIBUTABLE TO THAT PLAN. UPON APPROVAL OF THE MICHIGAN STRATEGIC  
12 FUND, THE AMOUNT OF SALES AND USE TAX INCREMENT REVENUES AND INCOME  
13 TAX CAPTURE REVENUES AUTHORIZED TO BE CAPTURED UNDER A  
14 TRANSFORMATIONAL BROWNFIELD PLAN MAY INCLUDE AMOUNTS REQUIRED FOR  
15 THE PAYMENT OF INTEREST UNDER THIS SUBSECTION. A WRITTEN  
16 DEVELOPMENT OR REIMBURSEMENT AGREEMENT SHALL BE ENTERED INTO UNDER  
17 SUBSECTION (5) BEFORE ANY REIMBURSEMENT OR PAYMENT USING SALES AND  
18 USE TAX CAPTURE REVENUES OR INCOME TAX CAPTURE REVENUES MAY  
19 COMMENCE. A REIMBURSEMENT AGREEMENT FOR THESE PURPOSES AND THE  
20 OBLIGATIONS UNDER THAT REIMBURSEMENT AGREEMENT SHALL NOT BE SUBJECT  
21 TO SECTION 12 OR THE REVISED MUNICIPAL FINANCE ACT, 2001 PA 34, MCL  
22 141.2101 TO 141.2821.

23 (10) ELIGIBLE ACTIVITIES CONDUCTED ON ELIGIBLE PROPERTY PRIOR  
24 TO APPROVAL OF THE TRANSFORMATIONAL BROWNFIELD PLAN MAY BE  
25 REIMBURSED FROM SALES AND USE TAX CAPTURE REVENUES AND INCOME TAX  
26 CAPTURE REVENUES IF THOSE COSTS AND THE ELIGIBLE PROPERTY ARE  
27 SUBSEQUENTLY INCLUDED IN A TRANSFORMATIONAL BROWNFIELD PLAN

1 APPROVED BY THE GOVERNING BODY AND MICHIGAN STRATEGIC FUND, A  
2 COMBINED WORK BROWNFIELD PLAN OR WORK PLAN APPROVED BY THE MICHIGAN  
3 STRATEGIC FUND, AND A WRITTEN DEVELOPMENT OR REIMBURSEMENT  
4 AGREEMENT UNDER SUBSECTION (5). REIMBURSEMENT UNDER THIS SUBSECTION  
5 SHALL BE LIMITED TO ELIGIBLE EXPENSES INCURRED WITHIN 90 DAYS OF  
6 THE APPROVAL OF THE TRANSFORMATIONAL BROWNFIELD PLAN BY THE  
7 MICHIGAN STRATEGIC FUND.

8 (11) THE DURATION OF THE CAPTURE OF SALES AND USE TAX CAPTURE  
9 REVENUES AND INCOME TAX CAPTURE REVENUES UNDER A TRANSFORMATIONAL  
10 BROWNFIELD PLAN FOR A PARTICULAR ELIGIBLE PROPERTY SHALL NOT EXCEED  
11 THE LESSER OF THE PERIOD AUTHORIZED UNDER SUBSECTION (7) OR 30  
12 YEARS FROM THE BEGINNING DATE OF THE CAPTURE OF SALES AND USE TAX  
13 CAPTURE REVENUES AND INCOME TAX CAPTURE REVENUES FOR THAT ELIGIBLE  
14 PROPERTY. THE BEGINNING DATE FOR THE CAPTURE OF SALES AND USE TAX  
15 CAPTURE REVENUES AND INCOME TAX CAPTURE REVENUES FOR AN ELIGIBLE  
16 PROPERTY SHALL NOT BE LATER THAN 5 YEARS FOLLOWING THE DATE THE  
17 MICHIGAN STRATEGIC FUND APPROVES THE INCLUSION OF THE ELIGIBLE  
18 PROPERTY IN A TRANSFORMATIONAL BROWNFIELD PLAN. SUBJECT TO THE  
19 APPROVAL OF THE GOVERNING BODY AND MICHIGAN STRATEGIC FUND, THE  
20 AUTHORITY MAY AMEND THE BEGINNING DATE OF CAPTURE OF SALES AND USE  
21 TAX CAPTURE REVENUES AND INCOME TAX CAPTURE REVENUES TO A DATE NOT  
22 LATER THAN 5 YEARS FOLLOWING THE DATE THE MICHIGAN STRATEGIC FUND  
23 APPROVED INCLUSION OF THE ELIGIBLE PROPERTY IN THE TRANSFORMATIONAL  
24 BROWNFIELD PLAN SO LONG AS CAPTURE OF THE REVENUES UNDER THE  
25 TRANSFORMATIONAL BROWNFIELD PLAN HAS NOT YET COMMENCED.

26 (12) FOR PURPOSES OF SUBSECTION (1), A SERIES OF DEVELOPMENTS  
27 ON PARCELS THAT ARE NOT CONTIGUOUS SHALL BE CONSIDERED A RELATED

1 PROGRAM OF INVESTMENT IF ALL OF THE FOLLOWING ARE MET:

2 (A) THE DEVELOPMENTS ARE PROPOSED TO BE UNDERTAKEN  
3 CONCURRENTLY OR IN REASONABLE SUCCESSION.

4 (B) FOR DEVELOPMENTS UNDER AFFILIATED OWNERSHIP, THE  
5 DEVELOPMENTS ARE PART OF A PROGRAM OF INVESTMENT IN A LOGICALLY  
6 DEFINED GEOGRAPHY, INCLUDING, BUT NOT LIMITED TO, A DOWNTOWN  
7 DISTRICT AS DEFINED IN SECTION 1 OF 1975 PA 197, MCL 125.1651, OR A  
8 PRINCIPAL SHOPPING DISTRICT OR BUSINESS IMPROVEMENT DISTRICT AS  
9 DEFINED IN SECTION 1 OF 1961 PA 120, MCL 125.981, AND INCLUDING  
10 AREAS THAT ARE LOGICALLY RELATED TO THOSE DISTRICTS AND THAT WILL  
11 PROMOTE INFILL DEVELOPMENT.

12 (C) FOR DEVELOPMENTS UNDER UNRELATED OWNERSHIP, THE  
13 DEVELOPMENTS ARE PART OF A MASTER DEVELOPMENT PLAN, AREA PLAN, SUB-  
14 AREA PLAN, OR SIMILAR DEVELOPMENT PLAN THAT HAS BEEN APPROVED OR  
15 ADOPTED BY RESOLUTION OF THE GOVERNING BODY.

16 (D) THE DESIGNATION OF THE DEVELOPMENTS AS A RELATED PROGRAM  
17 OF INVESTMENT IS CONSISTENT WITH THE PURPOSES OF THIS ACT.

18 (13) WHERE UNDEVELOPED PROPERTY INCLUDED IN A TRANSFORMATIONAL  
19 BROWNFIELD PLAN HAS BEEN DESIGNATED AS A RENAISSANCE ZONE UNDER THE  
20 MICHIGAN RENAISSANCE ZONE ACT, 1996 PA 376, MCL 125.2681 TO  
21 125.2696, UPON THE REQUEST OF THE OWNER OR DEVELOPER OF THE  
22 ELIGIBLE PROPERTY AND THE LOCAL GOVERNMENT UNIT THAT DESIGNATED THE  
23 ZONE, THE MICHIGAN STRATEGIC FUND, AND A CITY LEVYING A TAX UNDER  
24 THE CITY INCOME TAX ACT, 1964 PA 284, MCL 141.501 TO 141.787, MAY  
25 ELECT UNDER SECTION 9(4) OF THE MICHIGAN RENAISSANCE ZONE ACT, 1996  
26 PA 376, MCL 125.2689, TO TERMINATE THE EXEMPTIONS, DEDUCTIONS, OR  
27 CREDITS PROVIDED FOR IN SECTION 9(1)(B) AND (C) OF THAT ACT, AND

1 REIMBURSE THE AUTHORITY, OR OWNER OR DEVELOPER OF THE ELIGIBLE  
2 PROPERTY, AN ANNUAL AMOUNT EQUAL TO THE REVENUE COLLECTED FOR EACH  
3 TAX YEAR AS A RESULT OF THE TERMINATION OF THE EXEMPTIONS,  
4 DEDUCTIONS, OR CREDITS THAT WOULD OTHERWISE BE IN EFFECT. IN  
5 IMPLEMENTING THIS SUBSECTION, ALL OF THE FOLLOWING APPLY:

6 (A) THE AUTHORITY AND MICHIGAN STRATEGIC FUND SHALL INCLUDE  
7 AMOUNTS ANTICIPATED TO BE COLLECTED UNDER THIS SUBSECTION IN THE  
8 INCOME TAX CAPTURE REVENUES AUTHORIZED TO BE USED UNDER THE  
9 TRANSFORMATIONAL BROWNFIELD PLAN AND ASSOCIATED WORK PLAN OR  
10 COMBINED BROWNFIELD PLAN.

11 (B) THE STATE TREASURER SHALL CALCULATE FOR EACH TAX YEAR THE  
12 AMOUNT OF REVENUE THE STATE OF MICHIGAN COLLECTED AS A RESULT OF  
13 THE OPERATION OF THIS SUBSECTION AND SHALL DEPOSIT THAT AMOUNT AS  
14 INCOME TAX CAPTURE REVENUES INTO THE STATE BROWNFIELD REDEVELOPMENT  
15 FUND, WHERE THE FUNDS SHALL BE TRANSMITTED IN THE MANNER PROVIDED  
16 FOR IN SECTIONS 8A(6) AND 16(9).

17 (C) A CITY LEVYING A CITY INCOME TAX UNDER THE CITY INCOME TAX  
18 ACT, 1964 PA 284, MCL 141.501 TO 141.787, SHALL CALCULATE FOR EACH  
19 TAX YEAR THE AMOUNT OF REVENUE THE CITY COLLECTED AS A RESULT OF  
20 THE OPERATION OF THIS SUBSECTION AND SHALL ENTER INTO A BINDING  
21 REIMBURSEMENT AGREEMENT WITH THE AUTHORITY, AND OWNER OR DEVELOPER  
22 OF THE ELIGIBLE PROPERTY, PROVIDING FOR THE PAYMENT OF THE AMOUNTS  
23 TO THE AUTHORITY, OR THE OWNER OR DEVELOPER OF THE ELIGIBLE  
24 PROPERTY, FOR ELIGIBLE ACTIVITIES AS PROVIDED FOR IN THE  
25 TRANSFORMATIONAL BROWNFIELD PLAN.

26 (14) THE AUTHORITY AND GOVERNING BODY ARE SOLELY RESPONSIBLE  
27 FOR DECIDING WHETHER TO SEEK APPROVAL OF A BROWNFIELD PLAN AS A

1 TRANSFORMATIONAL BROWNFIELD PLAN. NOTHING IN THIS SECTION OR  
2 SECTION 14A SHALL OPERATE TO PREJUDICE OR LIMIT CONSIDERATION OF A  
3 BROWNFIELD PLAN UNDER SECTIONS 13 AND 14, INCLUDING A DECISION BY  
4 THE MICHIGAN STRATEGIC FUND NOT TO APPROVE A PLAN AS A  
5 TRANSFORMATIONAL BROWNFIELD PLAN.

6 SEC. 14A. (1) THE GOVERNING BODY AND MICHIGAN STRATEGIC FUND  
7 SHALL DETERMINE WHETHER TO APPROVE A TRANSFORMATIONAL BROWNFIELD  
8 PLAN IN ACCORDANCE WITH THE PROVISIONS OF THIS SECTION.

9 (2) THE GOVERNING BODY SHALL MAKE AN INITIAL DETERMINATION AS  
10 TO WHETHER THE TRANSFORMATIONAL BROWNFIELD PLAN CONSTITUTES A  
11 PUBLIC PURPOSE IN ACCORDANCE WITH SECTION 14(1). IF THE GOVERNING  
12 BODY DETERMINES THE TRANSFORMATIONAL BROWNFIELD PLAN DOES NOT  
13 CONSTITUTE A PUBLIC PURPOSE, IT SHALL REJECT THE TRANSFORMATIONAL  
14 BROWNFIELD PLAN.

15 (3) IF THE GOVERNING BODY DETERMINES THAT THE TRANSFORMATIONAL  
16 BROWNFIELD PLAN CONSTITUTES A PUBLIC PURPOSE, THE GOVERNING BODY  
17 MAY THEN APPROVE OR REJECT THE TRANSFORMATIONAL BROWNFIELD PLAN, OR  
18 APPROVE IT WITH MODIFICATION, BY RESOLUTION BASED ON ALL OF THE  
19 FOLLOWING CONSIDERATIONS:

20 (A) WHETHER THE TRANSFORMATIONAL BROWNFIELD PLAN MEETS THE  
21 REQUIREMENTS OF SECTION 2(SS), WHICH MUST INCLUDE A DETERMINATION  
22 THAT THE TRANSFORMATIONAL BROWNFIELD PLAN IS CALCULATED TO, AND HAS  
23 THE REASONABLE LIKELIHOOD TO, HAVE A TRANSFORMATIONAL IMPACT ON  
24 LOCAL ECONOMIC DEVELOPMENT AND COMMUNITY REVITALIZATION BASED ON  
25 THE EXTENT OF BROWNFIELD REDEVELOPMENT AND GROWTH IN POPULATION,  
26 COMMERCIAL ACTIVITY, AND EMPLOYMENT THAT WILL RESULT FROM THE  
27 TRANSFORMATIONAL BROWNFIELD PLAN.

1 (B) WHETHER THE TRANSFORMATIONAL BROWNFIELD PLAN MEETS THE  
2 REQUIREMENTS OF SECTION 13 AND SECTION 13A.

3 (C) WHETHER THE COSTS OF ELIGIBLE ACTIVITIES PROPOSED ARE  
4 REASONABLE AND NECESSARY TO CARRY OUT THE PURPOSES OF THIS ACT.

5 (D) WHETHER THE AMOUNT OF CAPTURED TAXABLE VALUE, SALES AND  
6 USE TAX CAPTURE REVENUES, AND INCOME TAX CAPTURE REVENUES ESTIMATED  
7 TO RESULT FROM ADOPTION OF THE TRANSFORMATIONAL BROWNFIELD PLAN ARE  
8 REASONABLE.

9 (E) WHETHER, BASED ON AN ECONOMIC AND FISCAL IMPACT ANALYSIS,  
10 THE TRANSFORMATIONAL BROWNFIELD PLAN WILL RESULT IN AN OVERALL  
11 POSITIVE FISCAL IMPACT TO THIS STATE.

12 (F) WHETHER THE TRANSFORMATIONAL BROWNFIELD PLAN TAKES INTO  
13 ACCOUNT THE CRITERIA DESCRIBED IN SECTION 90B(4) OF THE MICHIGAN  
14 STRATEGIC FUND ACT, 1984 PA 270, MCL 125.2090B.

15 (4) WITHIN 90 DAYS OF THE APPROVAL OF A TRANSFORMATIONAL  
16 BROWNFIELD PLAN BY THE GOVERNING BODY, THE MICHIGAN STRATEGIC FUND  
17 SHALL APPROVE OR REJECT THE TRANSFORMATIONAL BROWNFIELD PLAN, OR  
18 APPROVE IT WITH MODIFICATION, BY RESOLUTION BASED ON THE CRITERIA  
19 IN SUBSECTION (3).

20 (5) IN DETERMINING WHETHER TO APPROVE A TRANSFORMATIONAL  
21 BROWNFIELD PLAN UNDER SUBSECTION (3)(C) AND (D), THE MICHIGAN  
22 STRATEGIC FUND SHALL CONDUCT A FINANCIAL AND UNDERWRITING ANALYSIS  
23 OF THE DEVELOPMENTS INCLUDED IN THE PLAN. THE MICHIGAN STRATEGIC  
24 FUND SHALL NOT APPROVE THE USE OF SALES AND USE TAX CAPTURE  
25 REVENUES AND INCOME TAX CAPTURE REVENUES BEYOND THE AMOUNT  
26 DETERMINED TO BE NECESSARY FOR THE PROJECT TO BE ECONOMICALLY  
27 VIABLE. THE MICHIGAN STRATEGIC FUND SHALL DEVELOP STANDARDIZED



1 UNDERWRITING CRITERIA FOR DETERMINING ECONOMIC VIABILITY.

2 (6) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, THE MICHIGAN  
3 STRATEGIC FUND SHALL NOT APPROVE A TRANSFORMATIONAL BROWNFIELD PLAN  
4 UNDER SUBSECTION (3) (E) UNLESS IT DETERMINES THAT THE  
5 TRANSFORMATIONAL BROWNFIELD PLAN WILL RESULT IN AN OVERALL POSITIVE  
6 FISCAL IMPACT TO THIS STATE. IN MAKING THAT DETERMINATION, THE  
7 MICHIGAN STRATEGIC FUND SHALL TAKE INTO ACCOUNT BOTH OF THE  
8 FOLLOWING:

9 (A) THE POTENTIAL DISPLACEMENT OF TAX REVENUE FROM OTHER AREAS  
10 OF THIS STATE.

11 (B) THE EFFECTS OF THE TRANSFORMATIONAL BROWNFIELD PLAN ON  
12 ECONOMIC DEVELOPMENT IN THE SURROUNDING AREA.

13 (7) THE MICHIGAN STRATEGIC FUND SHALL REQUIRE AN INDEPENDENT,  
14 THIRD-PARTY UNDERWRITING ANALYSIS UNDER SUBSECTION (3) (D) AND AN  
15 INDEPENDENT, THIRD-PARTY FISCAL AND ECONOMIC IMPACT ANALYSIS UNDER  
16 SUBSECTION (3) (E) FOR ANY PLAN THAT PROPOSES TO USE MORE THAN  
17 \$1,500,000.00 IN ANY YEAR IN SALES AND USE TAX CAPTURE REVENUES AND  
18 INCOME TAX CAPTURE REVENUES, AS DETERMINED BY THE FIRST FULL YEAR  
19 OF TAX CAPTURE UNDER THE PLAN. THE MICHIGAN STRATEGIC FUND SHALL  
20 CONSULT WITH THE STATE TREASURER PRIOR TO APPROVING ANY  
21 TRANSFORMATIONAL BROWNFIELD PLAN SUBJECT TO THIS SUBSECTION.  
22 NOTHING IN THIS SUBSECTION SHALL LIMIT THE ABILITY OF THE MICHIGAN  
23 STRATEGIC FUND TO UTILIZE INDEPENDENT, THIRD-PARTY ANALYSES ON  
24 PLANS NOT SUBJECT TO THIS SUBSECTION.

25 (8) A GOVERNING BODY OF A MUNICIPALITY MAY APPROVE NOT MORE  
26 THAN 1 TRANSFORMATIONAL BROWNFIELD PLAN IN A CALENDAR YEAR. THE  
27 MICHIGAN STRATEGIC FUND MAY APPROVE NOT MORE THAN 5

1 TRANSFORMATIONAL BROWNFIELD PLANS IN A CALENDAR YEAR.

2 (9) THE MICHIGAN STRATEGIC FUND SHALL PRESUME THAT A  
3 TRANSFORMATIONAL BROWNFIELD PLAN THAT PROPOSES TO USE 25% OR LESS  
4 OF THE INCOME TAX CAPTURE REVENUES SATISFIES THE REQUIREMENTS OF  
5 SUBSECTIONS (5) AND (6) WITH RESPECT TO INCOME TAX CAPTURE  
6 REVENUES. THE MICHIGAN STRATEGIC FUND MAY NOT APPROVE A  
7 TRANSFORMATIONAL BROWNFIELD PLAN THAT PROPOSES TO USE MORE THAN 50%  
8 OF THE INCOME TAX CAPTURE REVENUES UNLESS THOSE REVENUES ARE  
9 ATTRIBUTABLE TO THE ELECTION UNDER SECTION 13A(13). THE MICHIGAN  
10 STRATEGIC FUND MAY MODIFY THE AMOUNT OF SALES AND USE TAX CAPTURE  
11 REVENUES AND INCOME TAX CAPTURE REVENUES BEFORE APPROVING A  
12 TRANSFORMATIONAL BROWNFIELD PLAN IN ORDER TO BRING THE  
13 TRANSFORMATIONAL BROWNFIELD PLAN INTO COMPLIANCE WITH SUBSECTIONS  
14 (5) AND (6).

15 (10) UPON APPROVAL BY THE MICHIGAN STRATEGIC FUND, THE MINIMUM  
16 INVESTMENT REQUIREMENTS IN SECTION 2(SS) AND LIMITATION ON  
17 DESIGNATIONS UNDER SUBSECTION (8) MAY BE WAIVED IF THE  
18 TRANSFORMATIONAL BROWNFIELD PLAN MEETS 1 OF THE FOLLOWING CRITERIA:

19 (A) IS FOR ELIGIBLE PROPERTY IN AN AREA APPROVED BY THE STATE  
20 HOUSING DEVELOPMENT AUTHORITY AS ELIGIBLE FOR BLIGHT ELIMINATION  
21 PROGRAM FUNDING UNDER THE HOUSING FINANCE AGENCY INNOVATION FUND  
22 FOR THE HARDEST HIT HOUSING MARKETS AUTHORIZED PURSUANT TO THE  
23 EMERGENCY ECONOMIC STABILIZATION ACT OF 2008, PUBLIC LAW 110-343,  
24 12 USC 5201 TO 5261. FOR PURPOSES OF THIS SUBDIVISION, AN AREA  
25 APPROVED AS ELIGIBLE FOR BLIGHT ELIMINATION PROGRAM FUNDING MEANS  
26 THAT SPECIFIC PORTION OR PORTIONS OF A MUNICIPALITY WHERE THE  
27 MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY APPROVED THE

1 EXPENDITURE OF BLIGHT ELIMINATION PROGRAM FUNDS PURSUANT TO AN  
2 APPLICATION IDENTIFYING THE TARGET AREAS.

3 (B) IS FOR ELIGIBLE PROPERTY IN A MUNICIPALITY THAT WAS  
4 SUBJECT TO A STATE OF EMERGENCY UNDER THE MICHIGAN EMERGENCY  
5 MANAGEMENT ACT ISSUED FOR DRINKING WATER CONTAMINATION.

6 (C) IS FOR ELIGIBLE PROPERTY THAT IS A HISTORIC RESOURCE IF  
7 THE MICHIGAN STRATEGIC FUND DETERMINES THE REDEVELOPMENT IS NOT  
8 ECONOMICALLY FEASIBLE ABSENT THE TRANSFORMATIONAL BROWNFIELD PLAN.

9 (11) IN DETERMINING WHETHER A PLAN UNDER SUBSECTION (10) HAS A  
10 TRANSFORMATIONAL IMPACT FOR PURPOSES OF SECTION 2(SS) AND  
11 SUBSECTION (3) (A), THE GOVERNING BODY AND MICHIGAN STRATEGIC FUND  
12 SHALL CONSIDER THE IMPACT OF THE TRANSFORMATIONAL BROWNFIELD PLAN  
13 IN RELATION TO EXISTING INVESTMENT AND DEVELOPMENT CONDITIONS IN  
14 THE PROJECT AREA AND WHETHER THE TRANSFORMATIONAL BROWNFIELD PLAN  
15 WILL ACT AS A CATALYST FOR ADDITIONAL REVITALIZATION OF THE AREA IN  
16 WHICH IT IS LOCATED.

17 (12) A GOVERNING BODY OF A MUNICIPALITY MAY APPROVE NOT MORE  
18 THAN 1 TRANSFORMATIONAL BROWNFIELD PLAN IN A CALENDAR YEAR, AND THE  
19 MICHIGAN STRATEGIC FUND MAY APPROVE NOT MORE THAN 5  
20 TRANSFORMATIONAL BROWNFIELD PLANS IN A CALENDAR YEAR, UNDER  
21 SUBSECTION (10).

22 (13) THE MICHIGAN STRATEGIC FUND SHALL REQUIRE THE OWNER OR  
23 DEVELOPER OF THE ELIGIBLE PROPERTY TO CERTIFY THE ACTUAL CAPITAL  
24 INVESTMENT, AS DETERMINED IN ACCORDANCE WITH SECTION 2(N) (xii) AND  
25 SECTION 2(SS), UPON THE COMPLETION OF CONSTRUCTION AND BEFORE THE  
26 COMMENCEMENT OF REIMBURSEMENT FOR THE PLAN OR THE DISTINCT PHASE OR  
27 PROJECT WITHIN THE PLAN FOR WHICH REIMBURSEMENT WILL BE PROVIDED.

1 IF THE ACTUAL CAPITAL INVESTMENT IS LESS THAN THE AMOUNT INCLUDED  
2 IN THE PLAN, THE MICHIGAN STRATEGIC FUND SHALL REVIEW THE  
3 DETERMINATION UNDER SUBSECTION (5) AND MAY MODIFY THE AMOUNT OF  
4 REIMBURSEMENT IF, AND TO THE EXTENT, SUCH A MODIFICATION IS  
5 NECESSARY TO MAINTAIN COMPLIANCE WITH SUBSECTION (5). THE  
6 TRANSFORMATIONAL BROWNFIELD PLAN, WORK PLAN, AND DEVELOPMENT AND  
7 REIMBURSEMENT AGREEMENT SHALL INCLUDE PROVISIONS TO ENFORCE THE  
8 REQUIREMENTS AND REMEDIES UNDER THIS SUBSECTION. IF THE ACTUAL  
9 LEVEL OF CAPITAL INVESTMENT DOES NOT MEET THE APPLICABLE MINIMUM  
10 INVESTMENT REQUIREMENT UNDER SECTION 2(SS) AND IS OUTSIDE OF THE  
11 SAFE HARBOR UNDER SUBSECTION (16), THE MICHIGAN STRATEGIC FUND MAY  
12 TAKE 1 OF THE FOLLOWING REMEDIAL ACTIONS:

13 (A) FOR A PLAN THAT CONSISTS OF A SINGLE DEVELOPMENT, REDUCE  
14 THE AMOUNT OF REIMBURSEMENT UNDER THE PLAN.

15 (B) FOR A PLAN THAT CONSISTS OF DISTINCT PHASES OR PROJECTS,  
16 WHERE THE FAILURE TO MEET THE MINIMUM INVESTMENT THRESHOLD IS THE  
17 RESULT OF FAILURE TO UNDERTAKE ADDITIONAL DISTINCT PHASES OR  
18 PROJECTS AS PROVIDED FOR IN THE PLAN, 1 OR MORE OF THE FOLLOWING:

19 (i) PERMANENTLY RESCIND THE AUTHORIZATION TO USE TAX INCREMENT  
20 REVENUES, SALES AND USE TAX CAPTURE REVENUES, AND INCOME TAX  
21 CAPTURE REVENUES FOR THE ADDITIONAL DISTINCT PHASES OR PROJECTS IN  
22 THE PLAN.

23 (ii) IF THE MICHIGAN STRATEGIC FUND DETERMINES THAT THE  
24 APPLICABLE OWNER OR DEVELOPER ACTED IN BAD FAITH, REDUCE THE AMOUNT  
25 OF REIMBURSEMENT FOR COMPLETED PHASES OF THE PLAN.

26 (14) EXCEPT AS PROVIDED IN THIS SUBSECTION, AMENDMENTS TO AN  
27 APPROVED TRANSFORMATIONAL BROWNFIELD PLAN SHALL BE SUBMITTED BY THE

1 AUTHORITY TO THE GOVERNING BODY AND TO THE MICHIGAN STRATEGIC FUND  
2 FOR APPROVAL OR REJECTION FOLLOWING THE SAME NOTICE NECESSARY FOR  
3 APPROVAL OR REJECTION OF THE ORIGINAL TRANSFORMATIONAL BROWNFIELD  
4 PLAN. NOTICE IS NOT REQUIRED FOR REVISIONS IN THE ESTIMATES OF  
5 SALES AND USE TAX CAPTURE REVENUES OR INCOME TAX CAPTURE REVENUES.

6 (15) THE PROCEDURE, ADEQUACY OF NOTICE, AND FINDINGS UNDER  
7 THIS SECTION SHALL BE PRESUMPTIVELY VALID UNLESS CONTESTED IN A  
8 COURT OF COMPETENT JURISDICTION WITHIN 60 DAYS AFTER APPROVAL OF  
9 THE TRANSFORMATIONAL BROWNFIELD PLAN BY THE MICHIGAN STRATEGIC  
10 FUND. AN APPROVED AMENDMENT TO A CONCLUSIVE TRANSFORMATIONAL  
11 BROWNFIELD PLAN SHALL LIKEWISE BE CONCLUSIVE UNLESS CONTESTED  
12 WITHIN 60 DAYS AFTER APPROVAL OF THE AMENDMENT BY THE MICHIGAN  
13 STRATEGIC FUND. IF A RESOLUTION ADOPTING AN AMENDMENT TO THE  
14 TRANSFORMATIONAL BROWNFIELD PLAN IS CONTESTED, THE ORIGINAL  
15 RESOLUTION ADOPTING THE TRANSFORMATIONAL BROWNFIELD PLAN IS NOT  
16 OPEN TO CONTEST.

17 (16) THE DETERMINATION AS TO WHETHER A TRANSFORMATIONAL  
18 BROWNFIELD PLAN COMPLIES WITH THE MINIMUM INVESTMENT REQUIREMENTS  
19 IN SECTION 2(SS) SHALL BE MADE WITH REFERENCE TO THE MOST RECENT  
20 DECENNIAL CENSUS DATA AVAILABLE AT THE TIME OF APPROVAL BY THE  
21 AUTHORITY. A PLAN IN A MUNICIPALITY THAT EXCEEDS A POPULATION TIER  
22 UNDER SECTION 2(SS) BY NOT MORE THAN 10 PERCENT OF THE MAXIMUM  
23 POPULATION FOR THAT TIER SHALL, UPON ELECTION OF THE AUTHORITY, BE  
24 SUBJECT TO THE INVESTMENT REQUIREMENT FOR THAT TIER. A  
25 TRANSFORMATIONAL BROWNFIELD PLAN THAT IS EXPECTED TO RESULT IN, OR  
26 DOES RESULT IN, A TOTAL CAPITAL INVESTMENT THAT IS WITHIN 10% OF  
27 THE APPLICABLE MINIMUM INVESTMENT REQUIREMENT SHALL BE CONSIDERED

1 TO SATISFY THE APPLICABLE REQUIREMENT UNDER SECTION 2 (SS) .

2 (17) FOR PURPOSES OF A TRANSFORMATIONAL BROWNFIELD PLAN,  
3 DETERMINATION AS TO WHETHER PROPERTY IS FUNCTIONALLY OBSOLETE AS  
4 DEFINED UNDER SECTION 2 (S) MAY INCLUDE CONSIDERATIONS OF ECONOMIC  
5 OBSOLESCENCE AS DETERMINED IN ACCORDANCE WITH THE MICHIGAN STATE  
6 TAX COMMISSION'S ASSESSOR'S MANUAL.

7 (18) EXCEPT AS PROVIDED IN THIS SUBSECTION, AN AMENDMENT TO AN  
8 APPROVED TRANSFORMATIONAL BROWNFIELD PLAN UNDER SECTION 13A(1)  
9 SHALL NOT BE CONSIDERED A NEW PLAN APPROVAL SUBJECT TO THE  
10 LIMITATION IN SECTION 14A(8) OR (12) . THE MICHIGAN STRATEGIC FUND  
11 MAY CONSIDER AN AMENDMENT AS A NEW PLAN APPROVAL ONLY WHERE THE  
12 AMENDMENT ADDS ELIGIBLE PROPERTY AND THE MICHIGAN STRATEGIC FUND  
13 DETERMINES THAT APPROVING THE ADDITION AS AN AMENDMENT WOULD BE  
14 INCONSISTENT WITH THE PURPOSES OF THIS ACT. IN THAT INSTANCE, THE  
15 PROPOSED AMENDMENT SHALL NOT HAVE PRIORITY OVER NEW  
16 TRANSFORMATIONAL BROWNFIELD PLAN APPLICATIONS.

17 (19) ANY POSITIVE OR NEGATIVE DETERMINATION BY THE MICHIGAN  
18 STRATEGIC FUND UNDER THIS SECTION SHALL BE SUPPORTED BY OBJECTIVE  
19 ANALYSIS AND DOCUMENTED IN THE RECORD OF ITS PROCEEDINGS.

20 (20) THE MICHIGAN STRATEGIC FUND MAY CHARGE AND COLLECT A  
21 REASONABLE APPLICATION FEE AS NECESSARY TO COVER THE COSTS  
22 ASSOCIATED WITH THE REVIEW AND APPROVAL OF A TRANSFORMATIONAL  
23 BROWNFIELD PLAN.

24 (21) THE MICHIGAN STRATEGIC FUND SHALL NOT APPROVE MORE THAN  
25 \$50,000,000.00 IN NEW ANNUAL TAX CAPTURE UNDER ALL TRANSFORMATIONAL  
26 BROWNFIELD PLANS. FOR PURPOSES OF THIS SUBSECTION, "NEW ANNUAL TAX  
27 CAPTURE" MEANS THE AMOUNT OF SALES AND USE TAX CAPTURE REVENUES AND

1 INCOME TAX CAPTURE REVENUES PROVIDED FOR IN THE FIRST FULL YEAR OF  
2 TAX CAPTURE UNDER A TRANSFORMATIONAL BROWNFIELD PLAN, AS DETERMINED  
3 AT THE TIME OF PLAN APPROVAL. IF A PLAN CONSISTS OF MULTIPLE  
4 PROJECTS OR PHASES, THE NEW ANNUAL TAX CAPTURE SHALL BE THE SUM OF  
5 THE SALES AND USE TAX CAPTURE REVENUES AND INCOME TAX CAPTURE  
6 REVENUES PROVIDED FOR IN THE FIRST FULL YEAR OF TAX CAPTURE FOR  
7 EACH DISTINCT PHASE OR PROJECT IN THE PLAN.

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

9 (a) For eligible activities not described in section 13(15) OR  
10 SECTION 13A(5), use taxes levied for school operating purposes  
11 captured from eligible property unless the eligible activities to  
12 be conducted on the eligible property are eligible activities under  
13 part 201 of the natural resources and environmental protection act,  
14 1994 PA 451, MCL 324.20101 to 324.20142, consistent with a combined  
15 brownfield plan or a work plan approved by the department after  
16 July 24, 1996.

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

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

27 (d) Use taxes captured from eligible property to pay for

1 administrative and operating activities of the authority or the  
2 municipality on behalf of the authority except for costs described  
3 in section 13(16) and for the reasonable costs for preparing a  
4 combined brownfield plan or a work plan for the eligible property.

5 (E) USE SALES AND USE TAX CAPTURE REVENUES OR INCOME TAX  
6 CAPTURE REVENUES TO PAY FOR ELIGIBLE ACTIVITIES CONDUCTED BEFORE  
7 APPROVAL OF THE TRANSFORMATIONAL BROWNFIELD PLAN EXCEPT FOR COSTS  
8 DESCRIBED IN SECTION 13A(10).

9 (F) USE SALES AND USE TAX CAPTURE REVENUES AND INCOME TAX  
10 CAPTURE REVENUES FOR ANY EXPENSE OTHER THAN AS PROVIDED FOR IN  
11 SECTION 13A(2), EXCEPT FOR THE REASONABLE COSTS FOR PREPARING A  
12 TRANSFORMATIONAL BROWNFIELD PLAN AND THE ADDITIONAL ADMINISTRATIVE  
13 AND OPERATING EXPENSES OF THE AUTHORITY OR MUNICIPALITY AS ARE  
14 SPECIFICALLY ASSOCIATED WITH THE IMPLEMENTATION OF A  
15 TRANSFORMATIONAL BROWNFIELD PLAN. FOR PURPOSES OF THIS SUBSECTION,  
16 THE REASONABLE COSTS OF PREPARING A TRANSFORMATIONAL BROWNFIELD  
17 PLAN INCLUDE THE REASONABLE COSTS OF PREPARING AN ASSOCIATED WORK  
18 PLAN, COMBINED BROWNFIELD PLAN, AND DEVELOPMENT OR REIMBURSEMENT  
19 AGREEMENT.

20 (2) To seek department approval of a work plan under  
21 subsection (1)(a), the authority shall submit all of the following  
22 for each eligible property:

23 (a) A copy of the brownfield plan.

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



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

6 (d) Existing and proposed future zoning for each eligible  
7 property.

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

10 (3) Upon receipt of a request for approval of a work plan  
11 under subsection (2) or a portion of a work plan that pertains to  
12 only baseline environmental assessment activities or due care  
13 activities, or both, the department shall review the work plan  
14 according to subsection (4) and provide 1 of the following written  
15 responses to the requesting authority within 60 days:

16 (a) An unconditional approval.

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

21 (c) If the work plan lacks sufficient information for the  
22 department to respond under subdivision (a), (b), or (d) for any  
23 specific activity, a letter stating with specificity the necessary  
24 additions or changes to the work plan to be submitted before that  
25 activity will be considered by the department. The department shall  
26 respond under subdivision (a), (b), or (d) according to this  
27 section for the other activities in the work plan.

1 (d) A denial if the property is not an eligible property under  
2 this act, if the work plan contemplates the use of taxes levied for  
3 school operating purposes prohibited by subsection (1)(c), or for  
4 any specific activity if the activity is prohibited by subsection  
5 (1)(b). The department may also deny any activity in a work plan  
6 that does not meet the conditions in subsection (4) only if the  
7 department cannot respond under subdivision (b) or (c). The  
8 department shall accompany the denial with a letter that states  
9 with specificity the reason for the denial. The department shall  
10 respond under subdivision (a), (b), or (c) according to this  
11 section for any activities in the work plan that are not denied  
12 under this subdivision. If the department denies all or a portion  
13 of a work plan under this subdivision, the authority may  
14 subsequently resubmit the work plan.

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

17 (a) Whether some or all of the activities constitute due care  
18 activities or additional response activities other than activities  
19 that are exempt from the work plan approval process under  
20 subsection (1)(a).

21 (b) The due care activities and response activities, other  
22 than the activities that are exempt from the work plan approval  
23 process under subsection (1)(a), are protective of the public  
24 health, safety, and welfare and the environment. The department may  
25 approve additional response activities that are more protective of  
26 the public health, safety, and welfare and the environment than  
27 required by section 20107a of the natural resources and

1 environmental protection act, 1994 PA 451, MCL 324.20107a, if those  
2 activities provide public health or environmental benefit. In  
3 review of a work plan that includes activities that are more  
4 protective of the public health, safety, and welfare and the  
5 environment, the department's considerations may include, but are  
6 not limited to, all of the following:

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

9 (ii) Cost of implementation activities minimally necessary to  
10 achieve due care compliance, the incremental cost of all additional  
11 response activities relative to the cost of all response  
12 activities, and the total cost of all response activities.

13 (iii) Long-term obligations associated with leaving  
14 contamination in place and the value of reducing or eliminating  
15 these obligations.

16 (c) The estimated costs for the activities as a whole are  
17 reasonable for the stated purpose. Except as provided in  
18 subdivision (b), the department shall make the determination in  
19 this subdivision only after the department determines that the  
20 conditions in subdivisions (a) and (b) have been met.

21 (5) If the department fails to provide a written response  
22 under subsection (3) within 60 days after receipt of a request for  
23 approval of a work plan, the authority may proceed with the  
24 activities as outlined in the work plan as submitted for approval.  
25 Except as provided in subsection (6), activities conducted pursuant  
26 to a work plan that was submitted to the department for approval  
27 but for which the department failed to provide a written response

1 under subsection (3) shall be considered approved for the purposes  
2 of subsection (1). Within 45 days after receiving additional  
3 information requested from the authority under subsection (3)(c),  
4 the department shall review the additional information according to  
5 subsection (4) and provide 1 of the responses described in  
6 subsection (3) to the requesting authority for the specific  
7 activity. If the department does not provide a response to the  
8 requesting authority within 45 days after receiving the additional  
9 information requested under subsection (3)(c), the activity is  
10 approved under subsection (1).

11 (6) The department may issue a written response to a work plan  
12 more than 60 days but less than 6 months after receipt of a request  
13 for approval. If the department issues a written response under  
14 this subsection, the authority is not required to conduct  
15 individual activities that are in addition to the individual  
16 activities included in the work plan as it was submitted for  
17 approval and failure to conduct these additional activities shall  
18 not affect the authority's ability to capture taxes under  
19 subsection (1) for the eligible activities described in the work  
20 plan initially submitted under subsection (5). In addition, at the  
21 option of the authority, these additional individual activities  
22 shall be considered part of the work plan of the authority and  
23 approved for purposes of subsection (1). However, any response by  
24 the department under this subsection that identifies additional  
25 individual activities that must be carried out to satisfy part 201  
26 of the natural resources and environmental protection act, 1994 PA  
27 451, MCL 324.20101 to 324.20142, must be satisfactorily completed

1 for the activities to be considered acceptable for the purposes of  
2 compliance with part 201 of the natural resources and environmental  
3 protection act, 1994 PA 451, MCL 324.20101 to 324.20142.

4 (7) If the department issues a written response under  
5 subsection (6) to a work plan and if the department's written  
6 response modifies an individual activity proposed by the work plan  
7 of the authority in a manner that reduces or eliminates a proposed  
8 response activity, the authority must complete those individual  
9 activities in accordance with the department's response in order  
10 for that portion of the work plan to be considered approved for  
11 purposes of subsection (1), unless 1 or more of the following  
12 conditions apply:

13 (a) Obligations for the individual activity have been issued  
14 by the authority, or by a municipality on behalf of the authority,  
15 to fund the individual activity prior to issuance of the  
16 department's response.

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

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

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

27 (10) The department's approval or denial of a work plan

1 submitted under this section constitutes a final decision in regard  
2 to the use of taxes levied for school operating purposes but does  
3 not restrict an authority's use of tax increment revenues  
4 attributable to local taxes to pay for eligible activities under a  
5 brownfield plan. If a person is aggrieved by the final decision,  
6 the person may appeal under section 631 of the revised judicature  
7 act of 1961, 1961 PA 236, MCL 600.631.

8 (11) Through December 31, 2012, the authority shall reimburse  
9 the department for the actual cost incurred by the department or a  
10 contractor of the department to review a work plan under subsection  
11 (1)(a) under this section. Funds paid to the department under this  
12 subsection shall be deposited in the cost recovery subaccount of  
13 the cleanup and redevelopment fund created under section 20108 of  
14 the natural resources and environmental protection act, 1994 PA  
15 451, MCL 324.20108.

16 (12) The department shall submit a report each year to each  
17 member of the legislature as provided in section 16(4).

18 (13) To seek Michigan strategic fund approval of a work plan  
19 under section 13(15) **OR SECTION 13A(5)**, the authority shall submit  
20 all of the following for each eligible property:

21 (a) A copy of the brownfield plan **OR TRANSFORMATIONAL**  
22 **BROWNFIELD PLAN**.

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

27 (c) A summary of available information on the historical and

1 current use of each eligible property.

2 (d) Existing and proposed future zoning for each eligible  
3 property.

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

6 (f) A separate work plan, or part of a work plan, for each  
7 eligible activity described in section 13(15) to be undertaken. **FOR**  
8 **A TRANSFORMATIONAL BROWNFIELD PLAN, THE MICHIGAN STRATEGIC FUND**  
9 **SHALL PRESCRIBE THE FORM AND CONTENT FOR THE WORK PLAN TO ADDRESS**  
10 **ADDITIONAL ELIGIBLE ACTIVITIES UNDER SECTION 2(N) (xii) .**

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

17 (14) Upon receipt of a request for approval of a work plan,  
18 the Michigan strategic fund shall provide 1 of the following  
19 written responses to the requesting authority within 65 days:

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

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

26 (c) A denial and a letter stating with specificity the reason  
27 for the denial. If a work plan is denied under this subsection, the

1 work plan may be subsequently resubmitted.

2 (15) In its review of a work plan under section 13(15) **AND**  
3 **SECTION 13A(5)**, the Michigan strategic fund shall consider the  
4 following criteria to the extent reasonably applicable to the type  
5 of activities proposed as part of that work plan when approving or  
6 denying a work plan:

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

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

11 (c) Whether the cost for each individual activity is  
12 reasonable.

13 (d) The overall benefit to the public.

14 (e) The extent of reuse of vacant buildings and redevelopment  
15 of blighted property.

16 (f) Creation of jobs.

17 (g) Whether the eligible property is in an area of high  
18 unemployment.

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

21 (i) The level of private sector contribution.

22 (j) The cost gap that exists between the site and a similar  
23 greenfield site as determined by the Michigan strategic fund.

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

27 (l) Whether the project of the developer, landowner, or



1 corporate entity that is included in the work plan is financially  
2 and economically sound.

3 (m) Other state and local incentives available to the  
4 developer, landowner, or corporate entity for the project of the  
5 developer, landowner, or corporate entity that is included in the  
6 work plan.

7 (n) Any other criteria that the Michigan strategic fund  
8 considers appropriate for the determination of eligibility or for  
9 approval of the work plan.

10 (16) If the Michigan strategic fund fails to provide a written  
11 response under subsection (14) within 65 days after receipt of a  
12 request for approval of a work plan **OR 90 DAYS IN THE CASE OF A**  
13 **TRANSFORMATIONAL BROWNFIELD PLAN**, the eligible activities shall be  
14 considered approved and the authority may proceed with the eligible  
15 activities described in section 13(15) **AND SECTION 13A(5)** as  
16 outlined in the work plan as submitted for approval.

17 (17) The Michigan strategic fund approval of a work plan under  
18 section 13(15) **AND SECTION 13A(5)** is final.

19 (18) Through December 31, 2012, the authority shall reimburse  
20 the Michigan strategic fund for the actual cost incurred by the  
21 Michigan strategic fund or a contractor of the Michigan strategic  
22 fund to review a work plan under this section.

23 (19) The Michigan strategic fund shall submit a report each  
24 year to each member of the legislature as provided in section  
25 16(4).

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

1 brownfield plan or a work plan approved by the department or the  
2 Michigan 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) If a brownfield plan includes the capture of taxes levied  
19 for school operating purposes, the chairperson of the Michigan  
20 strategic fund may approve combined brownfield plans and work plans  
21 that address eligible activities described in section 13(15)  
22 totaling an amount of \$500,000.00 or less according to subsections  
23 (13), (14), (15), (16), (17), and (18).

24 (25) In lieu of seeking approval of a work plan under section  
25 13(15), **SECTION 13A(5)**, or subsection (1)(a), an authority may seek  
26 approval of a combined brownfield plan from the department or  
27 Michigan strategic fund under this subsection as follows:

1 (a) To seek approval of a combined brownfield plan under this  
2 subsection, the authority shall, at least 30 days before the  
3 hearing on the combined brownfield plan to allow for consultation  
4 between the authority and the department or the Michigan strategic  
5 fund, **AND AT LEAST 60 DAYS IN THE CASE OF A TRANSFORMATIONAL**  
6 **BROWNFIELD PLAN**, provide notice that the authority will be seeking  
7 approval of a combined brownfield plan in lieu of a work plan to 1  
8 or more of the following:

9 (i) The department, if the combined brownfield plan involves  
10 the use of taxes levied for school operating purposes to pay for  
11 eligible activities that require approval by the department under  
12 subsection (1)(a).

13 (ii) The Michigan strategic fund, if the combined brownfield  
14 plan involves the use of taxes levied for school operating purposes  
15 to pay for eligible activities subject to subsection (15) **OR**  
16 **SECTION 13A(5), OR THE USE OF SALES AND USE TAX CAPTURE REVENUES OR**  
17 **INCOME TAX CAPTURE REVENUES.**

18 (b) After the governing body approves a combined brownfield  
19 plan, the authority shall submit the combined brownfield plan to  
20 the department under the circumstances described in subdivision  
21 (a)(i) or Michigan strategic fund under the circumstances described  
22 in subdivision (a)(ii).

23 (c) The department shall review a combined brownfield plan  
24 according to subdivision (e). The Michigan strategic fund shall  
25 review a combined brownfield plan according to subdivision (f).

26 (d) Upon receipt of a combined brownfield plan under  
27 subdivision (b), the department or Michigan strategic fund shall

1 provide 1 of the following written responses to the requesting  
2 authority within 65 days **OR, IN THE CASE OF A TRANSFORMATIONAL**  
3 **BROWNFIELD PLAN, WITHIN 90 DAYS:**

4 (i) An unconditional approval that includes an enumeration of  
5 eligible activities and a maximum allowable capture amount.

6 (ii) A conditional approval that delineates specific necessary  
7 modifications to the combined brownfield plan, including, but not  
8 limited to, individual activities to be added to or deleted from  
9 the combined brownfield plan and revision of costs.

10 (iii) A denial and a letter stating with specificity the  
11 reason for the denial. If a combined brownfield plan is denied  
12 under this subdivision, the combined brownfield plan may be  
13 subsequently resubmitted.

14 (e) The department may approve a combined brownfield plan if  
15 the authority submits the information identified in subsection  
16 (2)(b) to (e) and if the conditions identified in subsection (4)  
17 are met.

18 (f) The Michigan strategic fund shall consider the criteria  
19 identified in subsection (15)(a) to (n) to the extent reasonably  
20 applicable to the type of activities proposed as part of a combined  
21 brownfield plan when approving or denying the combined brownfield  
22 plan **AND, IN THE CASE OF A TRANSFORMATIONAL BROWNFIELD PLAN, SHALL**  
23 **ALSO CONSIDER THE CRITERIA DESCRIBED IN SECTION 14A(3).**

24 (g) If the department or Michigan strategic fund issues a  
25 written response to a requesting authority under subdivision (d)(i)  
26 or (ii), the governing body or its designee may administratively  
27 approve any modifications to a combined brownfield plan required by

1 the written response without the need to follow the notice and  
2 approval process required by section 14(2) unless the modifications  
3 add 1 or more parcels of eligible property or increase the maximum  
4 amount of tax increment revenues **OR, IN THE CASE OF A**  
5 **TRANSFORMATIONAL BROWNFIELD PLAN, SALES AND USE TAX CAPTURE**  
6 **REVENUES AND INCOME TAX CAPTURE REVENUES** approved for the project.

7 (h) If the department or Michigan strategic fund fails to  
8 provide a written response under subdivision (d) within 65 days  
9 after receipt of a combined brownfield plan, **OR 90 DAYS IN THE CASE**  
10 **OF A TRANSFORMATIONAL BROWNFIELD PLAN**, the eligible activities  
11 shall be considered approved as submitted.

12 (i) The approval of a combined brownfield plan by the  
13 department or Michigan strategic fund under this subsection is  
14 final.

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

18 (2) The authority shall expend the tax increment revenues  
19 received only in accordance with the brownfield plan. All surplus  
20 funds not deposited in the local site remediation revolving fund of  
21 the authority under section 13(5) shall revert proportionately to  
22 the respective taxing bodies, except as provided in section 15(20).

23 (3) The authority shall submit annually to the governing body,  
24 the department, and the Michigan strategic fund a financial report  
25 on the status of the activities of the authority for each calendar  
26 year. The report shall include all of the following:

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

1 (b) The amount and purpose of expenditures of tax increment  
2 revenues.

3 (c) The amount of principal and interest on all outstanding  
4 indebtedness.

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

7 (e) The captured taxable value realized by the authority for  
8 each eligible property subject to the brownfield plan.

9 (f) The amount of actual capital investment made for each  
10 project.

11 (g) The amount of tax increment revenues attributable to taxes  
12 levied for school operating purposes used for activities described  
13 in section 15(1) (a) and section 2(n) (vii).

14 (h) The number of residential units constructed or  
15 rehabilitated for each project.

16 (i) The amount, by square foot, of new or rehabilitated  
17 residential, retail, commercial, or industrial space for each  
18 project.

19 (j) The number of new jobs created at the project.

20 (k) All additional information that the governing body, the  
21 department, or the Michigan strategic fund considers necessary.

22 (4) The department and the Michigan strategic fund shall  
23 collect the financial reports submitted under subsection (3),  
24 compile a combined report, which includes the use of local taxes,  
25 taxes levied for school operating purposes, and the state  
26 brownfield redevelopment fund, based on the information contained  
27 in those reports and any additional information considered

1 necessary, and submit annually a report based on that information  
2 to each member of the legislature.

3 (5) Beginning on January 1, 2013, all of the following  
4 reporting obligations apply:

5 (a) The department shall on a quarterly basis post on its  
6 website the name, location, and amount of tax increment revenues,  
7 including taxes levied for school operating purposes, for each  
8 project approved by the department under this act during the  
9 immediately preceding quarter.

10 (b) The Michigan strategic fund shall on a quarterly basis  
11 post on its website the name, location, and amount of tax increment  
12 revenues, including taxes levied for school operating purposes, for  
13 each project approved by the Michigan strategic fund under this act  
14 during the immediately preceding quarter.

15 (6) In addition to any other requirements under this act, not  
16 less than once every 3 years beginning not later than June 30,  
17 2008, the auditor general shall conduct and report a performance  
18 postaudit on the effectiveness of the program established under  
19 this act. As part of the performance postaudit, the auditor general  
20 shall assess the extent to which the implementation of the program  
21 by the department and the Michigan strategic fund facilitate and  
22 affect the redevelopment or reuse of eligible property and identify  
23 any factors that inhibit the program's effectiveness. The  
24 performance postaudit shall also assess the extent to which the  
25 interpretation of statutory language, the development of guidance  
26 or administrative rules, and the implementation of the program by  
27 the department and the Michigan strategic fund is consistent with

1 the fundamental objective of facilitating and supporting timely and  
2 efficient brownfield redevelopment of eligible properties.

3 (7) The owner or developer for an active project included  
4 within a brownfield plan must annually submit to the authority a  
5 report on the status of the project. The report shall be in a form  
6 developed by the authority and must contain information necessary  
7 for the authority to report under subsection (3)(f), (h), (i), (j),  
8 and (k). The authority may waive the requirement to submit a report  
9 under this subsection. As used in this subsection, "active project"  
10 means a project for which the authority is currently capturing  
11 taxes under this act.

12 (8) A brownfield plan or plan amendment may be abolished or  
13 terminated according to this subsection subject to all of the  
14 following:

15 (a) The governing body may abolish a brownfield plan when it  
16 finds that the purposes for which the plan was established are  
17 accomplished.

18 (b) The governing body may terminate a brownfield plan or plan  
19 amendment for an eligible property if the project for which  
20 eligible activities were identified in the brownfield plan or plan  
21 amendment fails to occur with respect to the eligible property for  
22 at least 5 years following the date of the resolution approving the  
23 brownfield plan or plan amendment.

24 (c) If a brownfield plan or plan amendment is terminated under  
25 subdivision (b), the governing body may approve a new brownfield  
26 plan or plan amendment for the eligible property under which tax  
27 increment revenues may be captured for up to 30 years as provided



1 in section 13(22).

2 (d) Notwithstanding anything in this subsection to the  
3 contrary, a brownfield plan or plan amendment shall not be  
4 abolished or terminated until the principal and interest on bonds  
5 issued under section 17 and all other obligations to which the tax  
6 increment revenues are pledged have been paid or funds sufficient  
7 to make the payment have been identified or segregated.

8 (9) FOR A TRANSFORMATIONAL BROWNFIELD PLAN, ALL OF THE  
9 FOLLOWING SHALL ALSO APPLY:

10 (A) THE STATE TREASURER SHALL TRANSFER TO THE STATE BROWNFIELD  
11 REDEVELOPMENT FUND EACH FISCAL YEAR AN AMOUNT EQUAL TO THE SALES  
12 AND USE TAX CAPTURE REVENUES AND INCOME TAX CAPTURE REVENUES UNDER  
13 ALL APPROVED PLANS AS PROVIDED FOR IN SECTION 8A(6). FUNDS SHALL BE  
14 TRANSMITTED TO THE AUTHORITY, OR OWNER OR DEVELOPER OF THE ELIGIBLE  
15 PROPERTY TO WHICH THE REVENUES ARE ATTRIBUTABLE, WITHIN 30 DAYS OF  
16 TRANSFER TO THE STATE BROWNFIELD REDEVELOPMENT FUND.

17 (B) THE AUTHORITY, THE DEPARTMENT, AND THE MICHIGAN STRATEGIC  
18 FUND SHALL FOLLOW THE REPORTING REQUIREMENTS OF SUBSECTIONS (3),  
19 (4), AND (5) WITH RESPECT TO ALL APPROVED TRANSFORMATIONAL  
20 BROWNFIELD PLANS, AND SHALL PROVIDE INFORMATION ON THE AMOUNT AND  
21 USE OF SALES AND USE TAX CAPTURE REVENUES AND INCOME TAX CAPTURE  
22 REVENUES TO THE SAME EXTENT REQUIRED FOR TAX INCREMENT REVENUES.

23 (C) THE OWNER OR DEVELOPER OF ACTIVE PROJECTS INCLUDED WITHIN  
24 A TRANSFORMATIONAL BROWNFIELD PLAN SHALL PROVIDE THE INFORMATION  
25 REQUIRED FOR THE AUTHORITY, THE DEPARTMENT, AND THE MICHIGAN  
26 STRATEGIC FUND TO SATISFY THE REPORTING REQUIREMENTS OF THIS  
27 SECTION.