

**INCLUDE TOWNSHIPS IN
SHOPPING DISTRICT ACT**

House Bill 4263
Sponsor: Rep. Shelley Taub
Committee: Commerce

Complete to 3-13-03

A SUMMARY OF HOUSE BILL 4263 AS INTRODUCED 2-25-03

Chapter 1 of the Principal Shopping District Act allows a city to create a principal shopping district and allows one or more cities to create a business improvement district. The act permits a city, among other things, to impose a special assessment on property within a district in order to pay for such projects as street and sidewalk improvements, parking structures, traffic regulation, market research, and public relations campaigns. A district is managed by a special board. Cities can also issue general obligation bonds or revenue bonds under the act. House Bill 4263 would include townships under Chapter 1 of the act. It would do this by eliminating references to the term “city” and using instead the term “local governmental unit”, which would be defined to mean a city or township.

(The main differences between shopping districts and business improvement districts appear to be that a shopping district can only be formed by a single city whereas one or more cities can establish a business improvement district; there is a dollar limit on assessments in shopping districts but not in business improvement districts; a shopping district must encompass a portion of the city that is predominantly commercial property and must contain at least 10 retail businesses whereas a business improvement district must encompass a portion of a city or contiguous portions of two or more cities that are predominantly commercial or industrial. The act also contains a Chapter 2, which allows for the creation of business improvement zones in cities and villages. The bill would not amend that chapter.)

MCL 125.981 et al.

Analyst: C. Couch

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