NEIGHBORHOOD ASSISTANCE AND PARTICIPATION ACT

Act 56 of 1980

AN ACT to create a neighborhood assistance program; to prescribe the powers and duties of the department of labor; to create a fund; to permit certain rebates to business firms participating in neighborhood projects; and to require certain reports.

History: 1980, Act 56, Imd. Eff. Apr. 1, 1980

The People of the State of Michigan enact:

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125.801 Short title.

Sec. 1.

This act shall be known and may be cited as the "neighborhood assistance and participation act".

History: 1980, Act 56, Imd. Eff. Apr. 1, 1980

125.802 Meanings of words and phrases.

Sec. 2.

For purposes of this act, the words and phrases used in sections 3 to 5 shall have the meanings ascribed to them in those sections.

History: 1980, Act 56, Imd. Eff. Apr. 1, 1980

125.803 Definitions; B, C.

Sec. 3.

(1) "Bureau" means the bureau of community services in the department of labor.

(2) "Business firm" means a sole proprietorship, partnership, or corporation authorized to do business in this state and subject to tax under either the single business tax act, 1975 PA 228, MCL 208.1 to 208.145, or the Michigan business tax act, 2007 PA 36, MCL 208.1101 to 208.1601.

(3) "Community development commission" means an advisory commission established pursuant to law within the department of labor.

(4) "Community services" means services, including counseling and advice, recreational programs, emergency assistance, medical care, or instructional services furnished to a person or a group in an eligible neighborhood.

(5) "Crime prevention" means activities which aid in the reduction of crime in an eligible neighborhood.

History: 1980, Act 56, Imd. Eff. Apr. 1, 1980 ;-- Am. 1983, Act 104, Imd. Eff. June 30, 1983 ;-- Am. 2007, Act 177, Imd. Eff. Dec. 21, 2007

125.804 Definitions; D to L.

Sec. 4.

(1) "Department" means the department of labor.

(2) "Director" means the director of the department.

(3) "Eligible neighborhood" means an area located within a city, township, or village with boundaries clearly identified within the project application and certified by the department. The certification shall be made on the basis of federal census studies and current indices of local economic conditions.

(4) "Fund" means the neighborhood assistance and partnership fund created in section 6.

(5) "Job training" means instruction to a person that enables that person to acquire job readiness or vocational skills so that the person can become employable in a trade or profession of that person's choosing.

(6) "Local unit of government" means a city, township, or village in which a project will be located.

History: 1980, Act 56, Imd. Eff. Apr. 1, 1980

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125.805 Definitions; N to R.

Sec. 5.

(1) "Neighborhood assistance project" or "project" means any arrangement between a neighborhood organization and 1 or more business firms for the provision of financial assistance for projects offering job training, community services, crime prevention, or physical revitalization.

(2) "Neighborhood organization" means any nongovernmental organization serving an area with geographically definable boundaries, having elected officials, adopted bylaws, and a minimum membership of 50 households, or 10% of the households, within its boundaries.

(3) "Physical revitalization" means the replacement, rehabilitation, or restoration of existing neighborhood facilities or the creation of new neighborhood facilities. Neighborhood facilities may include streets, sidewalks, parks, recreational facilities, residential structures, and public facilities.

(4) "Rebate" means the payment by the department to a business firm as provided in the reimbursement form.

(5) "Reimbursement form" means the form submitted by a business firm to the department for the purpose of receiving a rebate.

History: 1980, Act 56, Imd. Eff. Apr. 1, 1980

125.806 Neighborhood assistance and partnership fund; creation; purpose; limitation on rebates; rules.

Sec. 6.

(1) A neighborhood assistance and partnership fund is created within the bureau of community services of the department of labor.

(2) The purpose of the fund shall be to encourage neighborhood organizations and business firms to engage in neighborhood assistance projects.

(3) The total amount of rebates to business firms approved within any local unit of government shall not exceed 1/2 of the money appropriated to the fund in any fiscal year.

(4) The director shall promulgate rules pursuant to Act No. 306 of the Public Acts of 1969, as amended, being sections 24.201 to 24.315 of the Michigan Compiled Laws, for the administration of the fund.

History: 1980, Act 56, Imd. Eff. Apr. 1, 1980
Admin Rule: R 125.601 et seq. of the Michigan Administrative Code.

125.807 Eligibility of neighborhood; rules; criteria.

Sec. 7.

(1) The department shall promulgate rules pursuant to Act No. 306 of the Public Acts of 1969, as amended, to determine the eligibility of neighborhoods to participate in this program.

(2) The criteria used to certify an eligible neighborhood shall be made on the basis of federal census studies and current indices of local economic and social conditions, which indicate blight or the threat of a deteriorating environment. Criteria used to determine eligibility for a project shall include at least 1 of the following:

(a) Real per capita income growth.

(b) Rate of unemployment.

(c) Declining state equalized valuation within the project area.

(d) Deterioration of the community's social environment.

(e) Number of minority group residents within the project area.

(3) The department periodically shall issue minimum levels for established criteria which applicants shall meet for eligibility.

History: 1980, Act 56, Imd. Eff. Apr. 1, 1980
Admin Rule: R 125.601 et seq. of the Michigan Administrative Code.

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125.808 Project application; contents.

Sec. 8.

(1) A neighborhood organization requesting project approval shall submit a project application to the director. The application shall include the following:

(a) Proof and certification that:

(i) The neighborhood meets the criteria established in section 7.

(ii) The organization meets the definition of neighborhood organization as provided in section 5.

(b) A detailed project work plan including:

(i) An assessment of the needs and objectives being addressed by the project.

(ii) A description of how the project will meet the stated objectives.

(iii) Letters of commitment from participating business firms, if any.

(iv) Other project details as required by the director.

(c) A detailed project budget including:

(i) Total project cost.

(ii) Project expenses by category of expense item.

(iii) Business contributions to the project cost.

(iv) Justification of administrative costs.

(v) Other budget details as required by the director.

(2) A project application may be for a project life of more than 1 year.

History: 1980, Act 56, Imd. Eff. Apr. 1, 1980

125.809 Project application; approval or disapproval; review and comments.

Sec. 9.

(1) The department shall approve or disapprove a project application within 45 working days after the date of receipt of the application. The decision and the detailed reasons for the approval or disapproval of a proposal shall be in writing, and, if the proposal is approved, the amount of rebates to business firms authorized for use shall be stated.

(2) Upon receipt of the application, the department shall provide a copy of the project application to the local unit of government and the county in which the project will be located for review and comments. Any review and comments of the project shall be returned to the department within 30 working days after receipt of the application. Comments shall include:

(a) Whether the project conflicts with any applicable comprehensive plan.

(b) Verification of the neighborhood organization and business firm submitting the project application.

(c) Other comments as may be considered appropriate.

(3) The department may provide any other person, group, community action agency, or division of federal, state, or local unit of government a copy of the project for review and comment.

(4) The department may approve a project application after 35 working days from receipt of the project application, whether or not comments have been received from a local unit of government, or any person, group, or division of federal, state, or a local unit of government to whom copies of the project application have been provided.

History: 1980, Act 56, Imd. Eff. Apr. 1, 1980

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125.810 Certification; entering into project; project representative; professional assistance.

Sec. 10.

Upon certification by the department, a neighborhood organization may enter into a neighborhood assistance project with 1 or more business firms for the purpose of providing job training, community services, crime prevention, or physical revitalization through a project approved by the department. A business firm may appoint a person as a project representative to the neighborhood organization, or may provide professional assistance to the project upon request from the neighborhood organization.

History: 1980, Act 56, Imd. Eff. Apr. 1, 1980

125.811 Rebate; reimbursement form; amount; review and approval; eligibility; prohibitions.

Sec. 11.

(1) A business firm shall receive from a neighborhood organization with which it has entered into a neighborhood assistance project a reimbursement form for a rebate. The reimbursement form shall be submitted to the department for an amount not to exceed 50% of the total amount contributed by the business firm to a project approved by the department. The department shall review the reimbursement form and approve the rebate within 30 days after receipt of the form.

(2) A contribution by a business firm shall be eligible for rebate the first year for that portion that exceeds the total contributions by the firm for the project in the previous year.

(3) A rebate shall not be issued to a business firm until after a contribution has been received for a project by the neighborhood organization implementing that project.

(4) A rebate for any specific business firm shall not exceed $50,000.00 for the first year of the neighborhood assistance project. The total amount of the rebate may be increased by not more than $50,000.00 each year for the succeeding 4 years so that in the fifth consecutive year, and each year thereafter, the rebate shall be a maximum of $250,000.00.

(5) A rebate shall not be granted to a bank, insurance company, trust company, building and loan or savings and loan association, or a credit union for activities that are considered a part of its normal course of business.

History: 1980, Act 56, Imd. Eff. Apr. 1, 1980

125.812 Annual report to department.

Sec. 12.

A neighborhood organization with projects approved by the department shall submit to the department an annual report not later than 90 days after the close of the project year for each year in which the project is certified. The report shall contain:

(a) An assessment of how the project is attaining the project objectives.

(b) An independent audit of project expenditures.

(c) Any other items that the director requires.

History: 1980, Act 56, Imd. Eff. Apr. 1, 1980

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125.813 Annual report to legislature.

Sec. 13.

The department shall submit to the legislature an annual report not later than 90 days after the close of the fiscal year. The report shall contain:

(a) An assessment of the economic impacts of all projects approved.

(b) An assessment of the social impacts of all projects approved.

(c) A description of and status report on all projects approved.

(d) Total reimbursements authorized and paid.

(e) Any other information that the legislature requires.

History: 1980, Act 56, Imd. Eff. Apr. 1, 1980

125.814 Transfer of duties and obligations.

Sec. 14.

The duties and obligations imposed by this act upon the director and the department, other than by section 13, shall be transferred to, and be vested in, the community development commission after October 1, 1981.

History: 1980, Act 56, Imd. Eff. Apr. 1, 1980