

HOUSE BILL No. 4736

May 8, 2001, Introduced by Reps. Thomas and Allen and referred to the Committee on Commerce.

A bill to amend 1961 PA 120, entitled

"An act to authorize the development or redevelopment of principal shopping districts and business improvement districts; to permit the creation of certain boards; to provide for the operation of principal shopping districts and business improvement districts; and to authorize the collection of revenue and the bonding of certain cities for the development or redevelopment projects,"

(MCL 125.981 to 125.987) by adding chapter 2.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

CHAPTER 2

BUSINESS IMPROVEMENT DISTRICTS

SEC. 10. AS USED IN THIS CHAPTER:

(A) "ASSESSABLE PROPERTY" MEANS REAL PROPERTY IN A DISTRICT AREA OTHER THAN PROPERTY CLASSIFIED AS RESIDENTIAL REAL PROPERTY UNDER SECTION 34C OF THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.34C, OR REAL PROPERTY EXEMPT FROM THE COLLECTION OF TAXES

1 UNDER THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.1 TO
2 211.157.

3 (B) "ASSESSMENT" MEANS A SPECIAL ASSESSMENT LEVIED UNDER
4 THIS CHAPTER AGAINST ASSESSABLE PROPERTY FOR THE BENEFIT OF THE
5 PROPERTY OWNERS.

6 (C) "ASSESSMENT REVENUES" MEANS THE MONEY COLLECTED BY A
7 BUSINESS IMPROVEMENT DISTRICT FROM ANY ASSESSMENTS, INCLUDING ANY
8 INTEREST ON THE ASSESSMENTS.

9 (D) "BOARD" MEANS THE BOARD OF DIRECTORS OF A BUSINESS
10 IMPROVEMENT DISTRICT.

11 (E) "BUSINESS IMPROVEMENT DISTRICT" MEANS A PUBLIC BODY COR-
12 PORATE CREATED UNDER THIS CHAPTER.

13 (F) "DISTRICT AREA" MEANS THE AREA DESIGNATED IN THE DIS-
14 TRICT PLAN AS THE AREA TO BE SERVED BY THE BUSINESS IMPROVEMENT
15 DISTRICT.

16 (G) "DISTRICT PLAN" MEANS A SET OF GOALS, STRATEGIES, OBJEC-
17 TIVES, AND GUIDELINES FOR THE OPERATION OF A BUSINESS IMPROVEMENT
18 DISTRICT, AS APPROVED AT A MEETING OF PROPERTY OWNERS CONDUCTED
19 UNDER SECTION 10D.

20 (H) "NONPROFIT CORPORATION" MEANS A NONPROFIT CORPORATION
21 ORGANIZED UNDER THE NONPROFIT CORPORATION ACT, 1982 PA 162,
22 MCL 450.2101 TO 450.3192, AND WHICH COMPLIES WITH ALL OF THE
23 FOLLOWING:

24 (i) THE ARTICLES OF INCORPORATION OF THE NONPROFIT CORPORA-
25 TION PROVIDE THAT THE NONPROFIT CORPORATION MAY PROMOTE A BUSI-
26 NESS IMPROVEMENT DISTRICT AND MAY ALSO PROVIDE MANAGEMENT
27 SERVICES RELATED TO THE IMPLEMENTATION OF A DISTRICT PLAN.

1 (ii) THE NONPROFIT CORPORATION IS EXEMPT FROM FEDERAL INCOME
2 TAX UNDER SECTION 501(c)(4) OR 501(c)(6) OF THE INTERNAL REVENUE
3 CODE OF 1986.

4 (I) "PERSON" MEANS AN INDIVIDUAL, PARTNERSHIP, CORPORATION,
5 LIMITED LIABILITY COMPANY, ASSOCIATION, OR OTHER LEGAL ENTITY.

6 (J) "PROJECT" MEANS ANY ACTIVITY FOR THE BENEFIT OF PROPERTY
7 OWNERS AUTHORIZED BY SECTION 10A TO ENHANCE THE BUSINESS ENVIRON-
8 MENT WITHIN A DISTRICT AREA.

9 (K) "PROPERTY OWNER" MEANS A PERSON OWNING ASSESSABLE PROP-
10 ERTY ACCORDING TO THE RECORDS OF THE TREASURER OF THE CITY OR
11 VILLAGE IN WHICH THE BUSINESS IMPROVEMENT DISTRICT IS LOCATED.

12 (L) "7-YEAR PERIOD" MEANS THE PERIOD IN WHICH A BUSINESS
13 IMPROVEMENT DISTRICT IS AUTHORIZED TO OPERATE, BEGINNING ON THE
14 DATE THAT THE BUSINESS IMPROVEMENT DISTRICT IS CREATED OR RENEWED
15 AND ENDING 7 CALENDAR YEARS AFTER THAT DATE.

16 SEC. 10A. (1) A BUSINESS IMPROVEMENT DISTRICT IS A PUBLIC
17 BODY CORPORATE AND MAY DO 1 OR MORE OF THE FOLLOWING FOR THE BEN-
18 EFIT OF PROPERTY OWNERS LOCATED IN THE BUSINESS IMPROVEMENT
19 DISTRICT:

20 (A) ACQUIRE, CONSTRUCT, DEVELOP, IMPROVE, MAINTAIN, OPERATE,
21 OR RECONSTRUCT PARK AREAS, PLANTING AREAS, AND RELATED
22 FACILITIES.

23 (B) ACQUIRE, CONSTRUCT, CLEAN, IMPROVE, MAINTAIN, RECON-
24 STRUCT, OR RELOCATE SIDEWALKS, STREET CURBING, STREET MEDIANS,
25 FOUNTAINS, AND LIGHTING.

26 (C) DEVELOP AND PROPOSE LIGHTING STANDARDS.

1 (D) ACQUIRE, PLANT, AND MAINTAIN TREES, SHRUBS, FLOWERS, OR
2 OTHER VEGETATION.

3 (E) PROVIDE OR CONTRACT FOR SECURITY SERVICES WITH OTHER
4 PUBLIC OR PRIVATE ENTITIES AND PURCHASE EQUIPMENT OR TECHNOLOGY
5 RELATED TO SECURITY SERVICES.

6 (F) PROMOTE AND SPONSOR CULTURAL OR RECREATIONAL
7 ACTIVITIES.

8 (G) ENGAGE IN ECONOMIC DEVELOPMENT ACTIVITIES, INCLUDING,
9 BUT NOT LIMITED TO, PROMOTION OF BUSINESS, RETAIL, OR INDUSTRIAL
10 DEVELOPMENT, DEVELOPER RECRUITMENT, BUSINESS RECRUITMENT, BUSI-
11 NESS MARKETING, BUSINESS RETENTION, PUBLIC RELATIONS EFFORTS, AND
12 MARKET RESEARCH.

13 (H) ENGAGE IN ANY OTHER ACTIVITY TO ENHANCE THE ECONOMIC
14 PROSPERITY, ENJOYMENT, APPEARANCE, IMAGE, AND SAFETY OF THE DIS-
15 TRICT AREA.

16 (I) ACQUIRE BY PURCHASE OR GIFT, MAINTAIN, OR OPERATE REAL
17 OR PERSONAL PROPERTY NECESSARY TO IMPLEMENT THIS CHAPTER.

18 (J) SOLICIT AND ACCEPT GIFTS OR GRANTS TO FURTHER THE DIS-
19 TRICT PLAN.

20 (2) A BUSINESS IMPROVEMENT DISTRICT MAY CONTRACT WITH A NON-
21 PROFIT CORPORATION AND MAY PAY A REASONABLE FEE TO THE NONPROFIT
22 CORPORATION FOR SERVICES PROVIDED.

23 (3) A BUSINESS IMPROVEMENT DISTRICT HAS THE AUTHORITY TO
24 BORROW MONEY IN ANTICIPATION OF THE RECEIPT OF ASSESSMENTS IF ALL
25 OF THE FOLLOWING CONDITIONS ARE SATISFIED:

1 (A) THE LOAN WILL NOT BE REQUESTED OR AUTHORIZED, OR WILL
2 NOT MATURE, WITHIN 90 DAYS BEFORE THE EXPIRATION OF THE 7-YEAR
3 PERIOD.

4 (B) THE AMOUNT OF THE LOAN DOES NOT EXCEED 50% OF THE ANNUAL
5 AVERAGE ASSESSMENT REVENUE OF THE BUSINESS IMPROVEMENT DISTRICT
6 DURING THE PREVIOUS YEAR OR, IN THE CASE OF A BUSINESS IMPROVE-
7 MENT DISTRICT THAT HAS BEEN IN EXISTENCE FOR LESS THAN 1 YEAR,
8 THE LOAN DOES NOT EXCEED 25% OF THE PROJECTED ANNUAL ASSESSMENT
9 REVENUE.

10 (C) THE LOAN REPAYMENT PERIOD DOES NOT EXTEND BEYOND THE
11 7-YEAR PERIOD.

12 (4) THE SERVICES PROVIDED BY A BUSINESS IMPROVEMENT DISTRICT
13 ARE SUPPLEMENTAL TO THE MUNICIPAL SERVICES AND FUNCTIONS PROVIDED
14 IN THE DISTRICT AREA BY THE CITY OR VILLAGE IN WHICH THE BUSINESS
15 IMPROVEMENT DISTRICT IS LOCATED. THE ESTABLISHMENT OR EXISTENCE
16 OF A BUSINESS IMPROVEMENT DISTRICT SHALL NOT RESULT IN THE REDUC-
17 TION OF ANY MUNICIPAL SERVICE OR FUNCTION PROVIDED IN THE DIS-
18 TRICT AREA BY THE CITY OR VILLAGE IN WHICH THE BUSINESS IMPROVE-
19 MENT DISTRICT IS LOCATED.

20 SEC. 10B. (1) ONE OR MORE BUSINESS IMPROVEMENT DISTRICTS
21 MAY BE ESTABLISHED WITHIN A CITY OR VILLAGE.

22 (2) THE MAJORITY OF ALL PARCELS INCLUDED IN A DISTRICT AREA,
23 BOTH BY AREA AND BY TAXABLE VALUE, MUST BE ASSESSABLE PROPERTY.
24 A DISTRICT AREA MUST BE CONTIGUOUS, WITH THE EXCEPTION OF PUBLIC
25 STREETS, ALLEYS, PARKS, AND OTHER PUBLIC RIGHTS-OF-WAY.

26 (3) A BUSINESS IMPROVEMENT DISTRICT MAY BE ESTABLISHED IN A
27 CITY OR VILLAGE EVEN IF THE CITY OR VILLAGE HAS ESTABLISHED A

1 PRINCIPAL SHOPPING DISTRICT OR BUSINESS IMPROVEMENT DISTRICT
2 UNDER CHAPTER 1. PROPERTY SHALL NOT BE INCLUDED IN ANY OF THE
3 FOLLOWING:

4 (A) MORE THAN 1 BUSINESS IMPROVEMENT DISTRICT ESTABLISHED
5 UNDER THIS CHAPTER OR CHAPTER 1.

6 (B) BOTH A PRINCIPAL SHOPPING DISTRICT AND A BUSINESS
7 IMPROVEMENT DISTRICT ESTABLISHED UNDER THIS CHAPTER OR
8 CHAPTER 1.

9 SEC. 10C. (1) A PERSON MAY INITIATE THE ESTABLISHMENT OF A
10 BUSINESS IMPROVEMENT DISTRICT BY THE DELIVERY OF A PETITION TO
11 THE CLERK OF THE CITY OR VILLAGE IN WHICH A PROPOSED DISTRICT
12 AREA IS LOCATED. THE PETITION SHALL INCLUDE ALL OF THE
13 FOLLOWING:

14 (A) THE BOUNDARIES OF THE DISTRICT AREA.

15 (B) THE SIGNATURES OF PROPERTY OWNERS OF PARCELS REPRESENT-
16 ING NOT LESS THAN 20% OF THE TOTAL TAXABLE VALUE OF ALL ASSES-
17 SABLE PROPERTY WITHIN THE DISTRICT AREA.

18 (2) AFTER A PETITION IS FILED PURSUANT TO SUBSECTION (1),
19 THE CLERK SHALL NOTIFY ALL PROPERTY OWNERS WITHIN THE DISTRICT
20 AREA OF A PUBLIC MEETING REGARDING THE ESTABLISHMENT OF THE BUSI-
21 NESS IMPROVEMENT DISTRICT TO BE HELD NOT LESS THAN 45 DAYS AFTER
22 THE FILING OF THE PETITION. THE NOTICE SHALL BE SENT BY
23 FIRST-CLASS MAIL TO THE PROPERTY OWNERS NOT LESS THAN 10 DAYS
24 PRIOR TO THE SCHEDULED DATE OF THE MEETING. THE NOTICE SHALL
25 INCLUDE THE SPECIFIC LOCATION AND THE SCHEDULED DATE AND TIME OF
26 THE MEETING.

1 SEC. 10D. (1) AT THE MEETING REQUIRED BY SECTION 10C, THE
2 PROPERTY OWNERS MAY ADOPT A DISTRICT PLAN FOR SUBMISSION TO AND
3 APPROVAL BY THE GOVERNING BODY OF THE CITY OR VILLAGE IN WHICH
4 THE BUSINESS IMPROVEMENT DISTRICT IS LOCATED.

5 (2) A DISTRICT PLAN SHALL INCLUDE ALL OF THE FOLLOWING:

6 (A) A DESCRIPTION OF THE BOUNDARIES OF THE DISTRICT AREA
7 SUFFICIENT TO IDENTIFY EACH ASSESSABLE PROPERTY INCLUDED.

8 (B) THE PROPOSED INITIAL BOARD OF DIRECTORS, EXCEPT FOR THE
9 DIRECTOR OF THE BOARD WHO MAY BE APPOINTED BY THE CITY OR VILLAGE
10 UNDER SECTION 10G(2).

11 (C) THE METHOD FOR REMOVAL, APPOINTMENT, AND REPLACEMENT OF
12 THE BOARD.

13 (D) A DESCRIPTION OF PROJECTS PLANNED DURING THE 7-YEAR
14 PERIOD, INCLUDING THE SCOPE, NATURE, AND DURATION OF THE
15 PROJECTS.

16 (E) AN ESTIMATE OF THE TOTAL AMOUNT OF EXPENDITURES FOR
17 PROJECTS PLANNED DURING THE 7-YEAR PERIOD.

18 (F) THE PROPOSED SOURCE OR SOURCES OF FINANCING FOR THE
19 PROJECTS.

20 (G) IF THE PROPOSED FINANCING INCLUDES ASSESSMENTS, THE
21 AMOUNT OF THE ASSESSMENTS FOR EACH YEAR AND THE BASIS UPON WHICH
22 THE ASSESSMENTS ARE TO BE IMPOSED ON ASSESSABLE PROPERTY.

23 (H) A LISTING, BY TAX PARCEL IDENTIFICATION NUMBER, OF ALL
24 PARCELS WITHIN THE DISTRICT AREA, SEPARATELY IDENTIFYING ASSES-
25 SABLE PROPERTY.

26 (I) A PLAN OF DISSOLUTION FOR THE BUSINESS IMPROVEMENT
27 DISTRICT.

1 (3) A DISTRICT PLAN SHALL BE CONSIDERED ADOPTED BY THE
2 PROPERTY OWNERS IF A MAJORITY OF THE PROPERTY OWNERS VOTING AT
3 THE MEETING APPROVE THE DISTRICT PLAN. THE VOTES OF THE PROPERTY
4 OWNERS AT THE MEETING SHALL BE WEIGHTED IN THE MANNER INDICATED
5 IN SECTION 10F.

6 (4) ANY DISTRICT PLAN ADOPTED UNDER THIS SECTION SHALL BE
7 PRESENTED TO THE CLERK OF THE CITY OR VILLAGE IN WHICH THE DIS-
8 TRICT AREA IS LOCATED.

9 SEC. 10E. (1) IF A DISTRICT PLAN IS ADOPTED AND PRESENTED
10 TO THE CLERK OF THE CITY OR VILLAGE IN ACCORDANCE WITH
11 SECTION 10D, THE GOVERNING BODY OF THE CITY OR VILLAGE SHALL
12 WITHIN 45 DAYS SCHEDULE A PUBLIC HEARING OF THE GOVERNING BODY TO
13 REVIEW THE DISTRICT PLAN AND ANY PROPOSED ASSESSMENT AND TO
14 RECEIVE PUBLIC COMMENT. THE CLERK SHALL NOTIFY ALL OWNERS OF
15 PARCELS WITHIN THE DISTRICT AREA OF THE PUBLIC HEARING.

16 (2) AT THE PUBLIC HEARING, OR AT THE NEXT REGULARLY SCHED-
17 ULED MEETING OF THE GOVERNING BODY OF THE CITY OR VILLAGE, THE
18 GOVERNING BODY SHALL APPROVE OR REJECT THE ESTABLISHMENT OF THE
19 BUSINESS IMPROVEMENT DISTRICT AND THE DISTRICT PLAN AS ADOPTED BY
20 THE PROPERTY OWNERS UNDER SECTION 10D(3).

21 (3) APPROVAL OF THE BUSINESS IMPROVEMENT DISTRICT AND DIS-
22 TRICT PLAN SHALL SERVE AS A DETERMINATION BY THE CITY OR VILLAGE
23 THAT ANY SPECIAL ASSESSMENT SET FORTH IN THE DISTRICT PLAN,
24 INCLUDING THE BASIS FOR ALLOCATING THE SPECIAL ASSESSMENT, IS
25 APPROPRIATE, SUBJECT ONLY TO THE APPROVAL OF THE BUSINESS
26 IMPROVEMENT DISTRICT AND THE DISTRICT PLAN BY THE PROPERTY OWNERS
27 IN ACCORDANCE WITH SECTION 10F.

1 (4) IF THE GOVERNING BODY OF THE CITY OR VILLAGE APPROVES
2 THE BUSINESS IMPROVEMENT DISTRICT AND DISTRICT PLAN, THE PERSON
3 WHO FILED A PETITION UNDER SECTION 10C SHALL PROVIDE A BOND SUF-
4 FICIENT TO REIMBURSE THE CITY OR VILLAGE FOR THE COST OF COMPLY-
5 ING WITH THIS SECTION AND SECTION 10F. THE AMOUNT OF THE BOND
6 SHALL NOT EXCEED \$500.00.

7 (5) IF A BOND IS PROVIDED AS REQUIRED BY THIS SECTION, THE
8 CLERK OF THE CITY OR VILLAGE SHALL SET AN ELECTION PURSUANT TO
9 SECTION 10F NOT MORE THAN 60 DAYS FOLLOWING THE PROVISION OF THE
10 BOND.

11 (6) THE CLERK OF THE CITY OR VILLAGE SHALL SEND TO THE PROP-
12 ERTY OWNERS NOTICE BY FIRST-CLASS MAIL OF THE ELECTION NOT LESS
13 THAN 30 DAYS BEFORE THE ELECTION AND PUBLISH THE NOTICE AT LEAST
14 TWICE IN A NEWSPAPER OF GENERAL CIRCULATION IN THE CITY OR VIL-
15 LAGE IN WHICH THE DISTRICT AREA IS LOCATED. THE FIRST PUBLICA-
16 TION SHALL NOT BE LESS THAN 10 DAYS OR MORE THAN 30 DAYS PRIOR TO
17 THE DATE SCHEDULED FOR THE ELECTION.

18 (7) THE ELECTION DESCRIBED IN THIS SECTION AND SECTION 10F
19 IS NOT AN ELECTION SUBJECT TO THE MICHIGAN ELECTION LAW, 1954 PA
20 116, MCL 168.1 TO 168.992.

21 SEC. 10F. (1) ALL PROPERTY OWNERS AS OF THE DATE OF THE
22 DELIVERY OF THE PETITION AS PROVIDED IN SECTION 10C ARE ELIGIBLE
23 TO PARTICIPATE IN THE ELECTION. THE ELECTION MAY BE CONDUCTED BY
24 MAIL OR BY ELECTRONIC MEANS APPROVED BY THE CLERK OF THE CITY OR
25 VILLAGE IN WHICH THE BUSINESS IMPROVEMENT DISTRICT IS LOCATED,
26 INCLUDING, BUT NOT LIMITED TO, THE INTERNET.

1 (2) VOTES OF PROPERTY OWNERS SHALL BE WEIGHTED IN PROPORTION
2 TO THE AMOUNT OF THE TAXABLE VALUE OF THEIR RESPECTIVE REAL
3 PROPERTY FOR THE PRECEDING CALENDAR YEAR, BUT IN NO CASE SHALL
4 THE TOTAL NUMBER OF VOTES ASSIGNED TO ANY 1 PROPERTY OWNER BE
5 EQUAL TO MORE THAN 25% OF THE TOTAL NUMBER OF VOTES ELIGIBLE TO
6 BE CAST IN THE ELECTION.

7 (3) A DISTRICT PLAN AND THE PROPOSAL FOR THE ESTABLISHMENT
8 OF A BUSINESS IMPROVEMENT DISTRICT, INCLUDING THE IDENTITY OF THE
9 INITIAL BOARD, SHALL BE CONSIDERED ADOPTED UPON THE APPROVAL OF
10 60% OF THE PROPERTY OWNERS VOTING IN THE ELECTION, WITH VOTES
11 WEIGHTED AS PROVIDED IN SUBSECTION (2).

12 (4) UPON ACCEPTANCE OR REJECTION OF A BUSINESS IMPROVEMENT
13 DISTRICT AND DISTRICT PLAN BY THE PROPERTY OWNERS, THE RESULTING
14 BUSINESS IMPROVEMENT DISTRICT OR THE PERSON FILING THE PETITION
15 UNDER SECTION 10C SHALL, AT THE REQUEST OF THE CITY OR VILLAGE,
16 REIMBURSE THE CITY OR VILLAGE FOR ALL EXPENSES INCURRED TO COMPLY
17 WITH SECTIONS 10E AND 10F. THE EXPENSES REIMBURSED SHALL NOT
18 EXCEED \$500.00.

19 (5) ADOPTION OF A BUSINESS IMPROVEMENT DISTRICT AND DISTRICT
20 PLAN UNDER THIS SECTION AUTHORIZES THE CREATION OF THE BUSINESS
21 IMPROVEMENT DISTRICT AND THE IMPLEMENTATION OF THE DISTRICT PLAN
22 FOR THE 7-YEAR PERIOD.

23 SEC. 10G. (1) THE DAY-TO-DAY ACTIVITIES OF THE BUSINESS
24 IMPROVEMENT DISTRICT AND IMPLEMENTATION OF THE DISTRICT PLAN
25 SHALL BE MANAGED BY A BOARD OF DIRECTORS.

26 (2) THE BOARD SHALL CONSIST OF AN ODD NUMBER OF DIRECTORS
27 AND SHALL NOT BE SMALLER THAN 5 AND NOT LARGER THAN 15 IN

1 NUMBER. THE BOARD MAY INCLUDE 1 DIRECTOR NOMINATED BY THE CHIEF
2 EXECUTIVE OF THE CITY OR VILLAGE AND APPROVED BY THE GOVERNING
3 BODY OF THE CITY OR VILLAGE.

4 (3) THE DUTIES AND RESPONSIBILITIES OF THE BOARD SHALL BE
5 PRESCRIBED IN THE DISTRICT PLAN AND TO THE EXTENT APPLICABLE
6 SHALL INCLUDE ALL OF THE FOLLOWING DUTIES AND RESPONSIBILITIES:

7 (A) DEVELOPING ADMINISTRATIVE PROCEDURES RELATING TO THE
8 IMPLEMENTATION OF THE DISTRICT PLAN.

9 (B) RECOMMENDING AMENDMENTS TO THE DISTRICT PLAN.

10 (C) SCHEDULING AND CONDUCTING AN ANNUAL MEETING OF THE PROP-
11 ERTY OWNERS.

12 (D) DEVELOPING A DISTRICT PLAN FOR THE NEXT 7-YEAR PERIOD.

13 SEC. 10H. (1) A BUSINESS IMPROVEMENT DISTRICT MAY BE FUNDED
14 IN WHOLE OR IN PART BY 1 OR MORE SPECIAL ASSESSMENTS ON ASSES-
15 SABLE PROPERTY, AS PROVIDED IN THE DISTRICT PLAN. AN ASSESSMENT
16 SHALL BE IN ADDITION TO ANY TAXES OR ASSESSMENTS OTHERWISE
17 IMPOSED ON ASSESSABLE PROPERTY.

18 (2) AN ASSESSMENT SHALL BE LEVIED AGAINST ASSESSABLE PROP-
19 ERTY ONLY ON THE BASIS OF THE SPECIAL BENEFITS TO ASSESSABLE
20 PROPERTY AFFORDED BY THE DISTRICT PLAN. THERE IS A REBUTTABLE
21 PRESUMPTION THAT A DISTRICT PLAN AND ANY PROJECT SPECIALLY BENE-
22 FITS ALL ASSESSABLE PROPERTY IN A DISTRICT AREA.

23 (3) IF A DISTRICT PLAN PROVIDES FOR AN ASSESSMENT, THE TREA-
24 SURER OF THE CITY OR VILLAGE IN WHICH THE DISTRICT AREA IS
25 LOCATED SHALL LEVY A SPECIAL ASSESSMENT ON ALL ASSESSABLE PROP-
26 ERTY WITHIN THE DISTRICT AREA IN THE AMOUNT AUTHORIZED BY THE
27 DISTRICT PLAN.

1 (4) ASSESSMENTS SHALL BE COLLECTED BY THE TREASURER OF THE
2 CITY OR VILLAGE FROM EACH PROPERTY OWNER AND REMITTED PROMPTLY TO
3 THE BUSINESS IMPROVEMENT DISTRICT.

4 (5) FROM THE DATE ON WHICH THE ASSESSMENT IS LEVIED, THE
5 FULL AMOUNT OF THE ASSESSMENT AND INTEREST ON THE ASSESSMENT
6 SHALL CONSTITUTE A LIEN ON THE PROPERTY. THE BUSINESS IMPROVE-
7 MENT DISTRICT OR THE CITY OR VILLAGE IN WHICH THE BUSINESS
8 IMPROVEMENT DISTRICT IS LOCATED MAY INSTITUTE A CIVIL ACTION TO
9 COLLECT ANY UNPAID ASSESSMENT.

10 SEC. 10I. (1) EXPENSES INCURRED IN IMPLEMENTING ANY PROJECT
11 OR SERVICE OF A BUSINESS IMPROVEMENT DISTRICT SHALL BE FINANCED
12 IN ACCORDANCE WITH THE DISTRICT PLAN.

13 (2) ASSESSMENT REVENUES UNDER SECTION 10H ARE THE FUNDS OF
14 THE BUSINESS IMPROVEMENT DISTRICT AND NOT FUNDS OF THE STATE OR
15 OF THE CITY OR VILLAGE IN WHICH THE BUSINESS IMPROVEMENT DISTRICT
16 IS LOCATED. ALL MONEY COLLECTED UNDER SECTION 10H SHALL BE
17 DEPOSITED IN A FINANCIAL INSTITUTION IN THE NAME OF THE BUSINESS
18 IMPROVEMENT DISTRICT. ASSESSMENT REVENUES MAY BE DEPOSITED IN AN
19 INTEREST GENERATING ACCOUNT. THE BUSINESS IMPROVEMENT DISTRICT
20 SHALL USE THE FUNDS ONLY TO IMPLEMENT THE DISTRICT PLAN.

21 (3) ALL EXPENDITURES BY A BUSINESS IMPROVEMENT DISTRICT
22 SHALL BE AUDITED ANNUALLY BY A CERTIFIED PUBLIC ACCOUNTANT.
23 WITHIN 30 DAYS AFTER COMPLETION OF AN AUDIT, THE CERTIFIED PUBLIC
24 ACCOUNTANT SHALL TRANSMIT A COPY OF THE AUDIT TO THE BOARD AND
25 MAKE COPIES OF THE AUDIT AVAILABLE TO THE PROPERTY OWNERS AND THE
26 PUBLIC.

1 (4) IF AN ANNUAL AUDIT REQUIRED BY THIS SECTION CONTAINS
2 MATERIAL EXCEPTIONS AND THE MATERIAL EXCEPTIONS ARE NOT
3 SUBSTANTIALLY CORRECTED WITHIN 90 DAYS OF THE DELIVERY OF THE
4 AUDIT, THE BUSINESS IMPROVEMENT DISTRICT SHALL BE SUBJECT TO DIS-
5 SOLUTION IN ACCORDANCE WITH THE DISTRICT PLAN UPON APPROVAL OF
6 SUCH DISSOLUTION BY THE GOVERNING BODY OF THE CITY OR VILLAGE IN
7 WHICH THE BUSINESS IMPROVEMENT DISTRICT IS LOCATED.

8 (5) THE BOARD SHALL PUBLISH AN ANNUAL ACTIVITY AND FINANCIAL
9 REPORT. THE REPORT SHALL BE AVAILABLE TO THE PUBLIC.

10 (6) AS USED IN THIS SECTION, "FINANCIAL INSTITUTION" MEANS A
11 STATE OR NATIONALLY CHARTERED BANK OR A STATE OR FEDERALLY
12 CHARTERED SAVINGS AND LOAN ASSOCIATION, SAVINGS BANK, OR CREDIT
13 UNION WHOSE DEPOSITS ARE INSURED BY AN AGENCY OF THE UNITED
14 STATES GOVERNMENT AND THAT MAINTAINS A PRINCIPAL OFFICE OR BRANCH
15 OFFICE LOCATED IN THIS STATE UNDER THE LAWS OF THIS STATE OR OF
16 THE UNITED STATES.

17 SEC. 10J. A DISTRICT PLAN MAY BE AMENDED. AMENDMENTS SHALL
18 BE EFFECTIVE IF APPROVED BY A MAJORITY OF THE PROPERTY OWNERS
19 VOTING ON THE AMENDMENT AT THE ANNUAL MEETING OR A SPECIAL MEET-
20 ING CALLED FOR THAT PURPOSE, WITH THE VOTES OF THE PROPERTY
21 OWNERS WEIGHTED IN ACCORDANCE WITH SECTION 10F(2). A DISTRICT
22 PLAN AMENDMENT CHANGING ANY ASSESSMENT IS EFFECTIVE ONLY IF ALSO
23 APPROVED BY THE GOVERNING BODY OF THE CITY OR VILLAGE IN WHICH
24 THE BUSINESS IMPROVEMENT DISTRICT IS LOCATED.

25 SEC. 10K. (1) PRIOR TO THE EXPIRATION OF ANY 7-YEAR PERIOD,
26 THE BOARD SHALL NOTIFY THE PROPERTY OWNERS OF A SPECIAL MEETING
27 BY FIRST-CLASS MAIL AT LEAST 10 DAYS PRIOR TO THE SCHEDULED DATE

1 OF THE MEETING TO APPROVE A NEW DISTRICT PLAN FOR THE NEXT 7-YEAR
2 PERIOD. NOTICE UNDER THIS SECTION SHALL INCLUDE THE SPECIFIC
3 LOCATION, SCHEDULED DATE, AND TIME OF THE MEETING.

4 (2) APPROVAL OF THE NEW DISTRICT PLAN AT THE SPECIAL MEETING
5 BY 60% OF THE PROPERTY OWNERS OF ASSESSABLE PROPERTY VOTING AT
6 THAT MEETING, WITH THE VOTE OF THE PROPERTY OWNERS BEING WEIGHTED
7 IN ACCORDANCE WITH SECTION 10F(2), CONSTITUTES REAUTHORIZATION OF
8 THE BUSINESS IMPROVEMENT DISTRICT FOR AN ADDITIONAL 7-YEAR
9 PERIOD, COMMENCING AS OF THE EXPIRATION OF THE 7-YEAR PERIOD THEN
10 IF EFFECT. IF THE NEW DISTRICT PLAN REFLECTS ANY NEW ASSESSMENT,
11 OR REFLECTS AN EXTENSION OF ANY ASSESSMENT BEYOND THE PERIOD PRE-
12 VIOUSLY APPROVED BY THE CITY OR VILLAGE IN WHICH THE BUSINESS
13 IMPROVEMENT DISTRICT IS LOCATED, THE NEW OR EXTENDED ASSESSMENT
14 SHALL BE EFFECTIVE ONLY WITH THE APPROVAL OF THE GOVERNING BODY
15 OF THE CITY OR VILLAGE.

16 SEC. 101. (1) UPON WRITTEN PETITION DULY SIGNED BY 30% OF
17 THE PROPERTY OWNERS OF ASSESSABLE PROPERTY WITHIN A DISTRICT
18 AREA, THE BOARD SHALL PLACE ON THE AGENDA OF THE NEXT ANNUAL
19 MEETING THE ISSUE OF DISSOLUTION OF THE BUSINESS IMPROVEMENT
20 DISTRICT.

21 (2) THE BUSINESS IMPROVEMENT DISTRICT SHALL BE DISSOLVED
22 UPON A VOTE OF 60% OF THE PROPERTY OWNERS OF ASSESSABLE PROPERTY
23 VOTING AT AN ANNUAL MEETING, WITH VOTING WEIGHTED IN ACCORDANCE
24 WITH SECTION 10F(2). A DISSOLUTION SHALL NOT TAKE EFFECT UNTIL
25 SUCH TIME AS ALL LIQUIDATED DEBTS OF THE BUSINESS IMPROVEMENT
26 DISTRICT HAVE BEEN PAID AND DISCHARGED.

1 (3) UPON DISSOLUTION OF A BUSINESS IMPROVEMENT DISTRICT, ALL
2 MONEY COLLECTED THROUGH ASSESSMENTS AND NOT REQUIRED TO DEFRAY
3 THE EXPENSES OF THE BUSINESS IMPROVEMENT DISTRICT SHALL BE
4 REFUNDED ON A PRO RATA BASIS TO PERSONS FROM WHOM ASSESSMENTS
5 WERE COLLECTED. IF THE BOARD FINDS THAT THE REFUNDABLE AMOUNT IS
6 SO SMALL AS TO MAKE IMPRACTICABLE THE COMPUTATION AND REFUNDING
7 OF THE MONEY, IT MAY BE TRANSFERRED TO THE TREASURER OF THE CITY
8 OR VILLAGE IN WHICH THE BUSINESS IMPROVEMENT DISTRICT IS LOCATED
9 FOR DEPOSIT IN THE TREASURY OF THE CITY OR VILLAGE TO THE CREDIT
10 OF THE GENERAL FUND.

11 (4) UPON DISSOLUTION OF A BUSINESS IMPROVEMENT DISTRICT, ANY
12 REMAINING ASSETS OF THE BUSINESS IMPROVEMENT DISTRICT SHALL BE
13 TRANSFERRED TO THE TREASURER OF THE CITY OR VILLAGE IN WHICH THE
14 BUSINESS IMPROVEMENT DISTRICT IS LOCATED FOR DEPOSIT IN THE TREA-
15 SURY OF THE CITY OR VILLAGE TO THE CREDIT OF THE GENERAL FUND.

16 SEC. 10M. (1) THE BOARD SHALL CONDUCT BUSINESS AT A PUBLIC
17 MEETING HELD IN COMPLIANCE WITH THE OPEN MEETINGS ACT, 1976
18 PA 267, MCL 15.261 TO 15.275. PUBLIC NOTICE OF THE TIME, DATE,
19 AND PLACE OF THE MEETING SHALL BE GIVEN IN THE MANNER REQUIRED BY
20 THE OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261 TO 15.275.

21 (2) A WRITING PREPARED, OWNED, USED, IN THE POSSESSION OF,
22 OR RETAINED BY THE BUSINESS IMPROVEMENT DISTRICT IN THE PER-
23 FORMANCE OF ITS DUTIES UNDER THIS CHAPTER IS A PUBLIC RECORD
24 UNDER THE FREEDOM OF INFORMATION ACT, 1976 PA 442, MCL 15.231 TO
25 15.246.