

**SUBSTITUTE FOR
HOUSE BILL NO. 5415**

A bill to amend 1974 PA 198, entitled

"An act to provide for the establishment of plant rehabilitation districts and industrial development districts in local governmental units; to provide for the exemption from certain taxes; to levy and collect a specific tax upon the owners of certain facilities; to impose and provide for the disposition of an administrative fee; to provide for the disposition of the tax; to provide for the obtaining and transferring of an exemption certificate and to prescribe the contents of those certificates; to prescribe the powers and duties of the state tax commission and certain officers of local governmental units; and to provide penalties,"

by amending section 4 (MCL 207.554), as amended by 1999 PA 140.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. (1) A local governmental unit, by resolution of its
2 legislative body, may establish plant rehabilitation districts
3 and industrial development districts that consist of 1 or more
4 parcels or tracts of land or a portion of a parcel or tract of
5 land.

6 (2) The legislative body of a local governmental unit may

1 establish a plant rehabilitation district or an industrial
2 development district on its own initiative or upon a written
3 request filed by the owner or owners of 75% of the state
4 equalized value of the industrial property located within a
5 proposed plant rehabilitation district or industrial development
6 district. This request shall be filed with the clerk of the
7 local governmental unit.

8 (3) Except as provided in section 9(2)(h), after December
9 31, 1983, a request for the establishment of a proposed plant
10 rehabilitation district or industrial development district shall
11 be filed only in connection with a proposed replacement facility
12 or new facility, the construction, acquisition, alteration, or
13 installation of or for which has not commenced at the time of the
14 filing of the request. The legislative body of a local
15 governmental unit shall not establish a plant rehabilitation
16 district or an industrial development district pursuant to
17 subsection (2) if it finds that the request for the district was
18 filed after the commencement of construction, alteration, or
19 installation of, or of an acquisition related to, the proposed
20 replacement facility or new facility. This subsection shall not
21 apply to a speculative building.

22 (4) Before adopting a resolution establishing a plant
23 rehabilitation district or industrial development district, the
24 legislative body shall give written notice by certified mail to
25 the owners of all real property within the proposed plant
26 rehabilitation district or industrial development district and
27 shall hold a public hearing on the establishment of the plant

1 rehabilitation district or industrial development district at
2 which those owners and other residents or taxpayers of the local
3 governmental unit shall have a right to appear and be heard.

4 (5) The legislative body of the local governmental unit, in
5 its resolution establishing a plant rehabilitation district,
6 shall set forth a finding and determination that property
7 comprising not less than 50% of the state equalized valuation of
8 the industrial property within the district is obsolete.

9 (6) A plant rehabilitation district or industrial
10 development district established by a township shall be only
11 within the unincorporated territory of the township and shall not
12 be within a village.

13 (7) Industrial property that is part of an industrial
14 development district or a plant rehabilitation district may also
15 be part of a tax increment district established under the tax
16 increment finance authority act, 1980 PA 450, MCL 125.1801 to
17 125.1830.

18 (8) A local governmental unit, by resolution of its
19 legislative body, may terminate a plant rehabilitation district
20 or an industrial development district, if there are no industrial
21 facilities exemption certificates in effect in the plant
22 rehabilitation district or the industrial development district on
23 the date of the resolution to terminate.

24 (9) Before acting on a proposed resolution terminating a
25 plant rehabilitation district or an industrial development
26 district, the local governmental unit shall give at least 14
27 days' written notice by certified mail to the owners of all real

1 property within the plant rehabilitation district or industrial
2 development district and shall hold a public hearing on the
3 termination of the plant rehabilitation district or industrial
4 development district at which those owners and other residents or
5 taxpayers of the local governmental unit, or others, shall have a
6 right to appear and be heard.