

BROWNFIELD REDEVELOPMENT FINANCING ACT (EXCERPT)
Act 381 of 1996

125.2663 Brownfield plan; provisions.

Sec. 13.

(1) When adopting a brownfield plan, the board shall comply with the notice and approval provisions of section 14.

(2) Subject to section 15, the board may implement a brownfield plan. The brownfield plan may apply to 1 or more parcels of eligible property whether or not those parcels of eligible property are contiguous and may be amended to apply to additional parcels of eligible property. Except as otherwise authorized by this act, if more than 1 eligible property is included within the plan, the tax increment revenues under the plan must be determined individually for each eligible property. Each plan or an amendment to a plan must be approved by the governing body of the municipality and must contain all of the following:

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

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

(c) An estimate of the captured taxable value and tax increment revenues for each year of the plan from the eligible property. The plan may provide for the use of part or all of the captured taxable value, including deposits in the local brownfield revolving fund, but the portion intended to be used must be clearly stated in the plan. The plan must not provide either for an exclusion from captured taxable value of a portion of the captured taxable value or for an exclusion of the tax levy of 1 or more taxing jurisdictions unless the tax levy is excluded from tax increment revenues in section 2(eee), or unless the tax levy is excluded from capture under section 15.

(d) The method by which the costs of the plan will be financed, including a description of any advances made or anticipated to be made for the costs of the plan from the municipality.

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

(f) The proposed beginning date and duration of capture of tax increment revenues for each eligible property as determined under section 13b(16).

(g) An estimate of the future tax revenues of all taxing jurisdictions in which the eligible property is located to be generated during the term of the plan.

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

(i) Estimates of the number of persons residing on each eligible property to which the plan applies and the number of families and individuals to be displaced. If occupied residences are designated for acquisition and clearance by the authority, the plan must include a demographic survey of the persons to be displaced, a statistical description of the housing supply in the community, including the number of private and public units in existence or under construction, the condition of those in existence, the number of owner-occupied and renter-occupied units, the annual rate of turnover of the various types of housing and the range of rents and sale prices, an estimate of the total demand for housing in the community, and the estimated capacity of private and public housing available to displaced families and individuals.

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

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

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

(m) Other material that the authority or governing body considers pertinent to the brownfield plan.

(3) If taxes levied for school operating purposes are subject to capture under section 15, the percentage of school operating tax increment revenues captured relating to a parcel of eligible property under a brownfield plan must not be greater than the percentage of local tax increment revenues that are captured under the brownfield plan

relating to that parcel of eligible property, unless there is another approved local contribution to the project that provides a value reasonably equivalent to that percentage of local capture.

(4) Except as otherwise provided in subsection (5) and sections 8, 13b(4) and (5), and 13c(12), tax increment revenues related to a brownfield plan must be used only for 1 or more of the following:

(a) Costs of eligible activities attributable to the eligible property that produces the tax increment revenues.

(b) Eligible activities attributable to any eligible property for property that is owned by or under the control of a land bank fast track authority or a qualified local governmental unit.

(5) A brownfield plan may only authorize the capture of tax increment revenue from eligible property until the year in which the total amount of tax increment revenues captured is equal to the sum of the costs permitted to be funded with tax increment revenues under this act or for not more than 30 years from the beginning date of the capture of the tax increment revenues for that eligible property, whichever occurs first. A brownfield plan may authorize the capture of additional local and school operating tax increment revenue from an eligible property for the local brownfield revolving fund created under section 8 during 1 or more of the following time frames:

(a) The time of capture described in this subsection for the purpose of paying the costs permitted under subsection (4) or section 13b(4).

(b) For not more than 5 years after the date specified in subdivision (a).

History: 1996, Act 381, Eff. Sept. 16, 1996 ;-- Am. 2000, Act 145, Imd. Eff. June 6, 2000 ;-- Am. 2002, Act 727, Imd. Eff. Dec. 30, 2002 ;-- Am. 2003, Act 259, Imd. Eff. Jan. 5, 2004 ;-- Am. 2005, Act 101, Imd. Eff. July 22, 2005 ;-- Am. 2006, Act 32, Imd. Eff. Feb. 23, 2006 ;-- Am. 2006, Act 467, Imd. Eff. Dec. 20, 2006 ;-- Am. 2007, Act 202, Imd. Eff. Dec. 27, 2007 ;-- Am. 2010, Act 246, Imd. Eff. Dec. 14, 2010 ;-- Am. 2010, Act 288, Imd. Eff. Dec. 16, 2010 ;-- Am. 2012, Act 502, Imd. Eff. Dec. 28, 2012 ;-- Am. 2016, Act 471, Eff. Apr. 5, 2017 ;-- Am. 2017, Act 46, Eff. July 24, 2017 ;-- Am. 2020, Act 259, Imd. Eff. Dec. 29, 2020 ;-- Am. 2023, Act 89, Imd. Eff. July 19, 2023 ;-- Am. 2023, Act 90, Imd. Eff. July 19, 2023

Compiler's Notes: For transfer of powers and duties of department of environmental quality to department of natural resources and environment, see E.R.O. No. 2009-31, compiled at MCL 324.99919.