

SENATE BILL No. 582

October 31, 1991, Introduced by Senators BOUCHARD, FAXON, DILLINGHAM, MC MANUS, HONIGMAN, FAUST and O'BRIEN and referred to the Committee on Corporations and Economic Development.

A bill to amend the title and sections 1, 2, 3, 4, 5, and 6 of Act No. 120 of the Public Acts of 1961, entitled as amended "An act to authorize the redevelopment of principal shopping areas of certain cities; to permit the creation of certain boards; and to authorize the collection of revenue and the bonding of certain cities for such redevelopment projects," sections 1, 2, and 5 as amended by Act No. 260 of the Public Acts of 1984, being sections 125.981, 125.982, 125.983, 125.984, 125.985, and 125.986 of the Michigan Compiled Laws; and to add section 7.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. The title and sections 1, 2, 3, 4, 5, and 6 of
2 Act No. 120 of the Public Acts of 1961, sections 1, 2, and 5 as
3 amended by Act No. 260 of the Public Acts of 1984, being sections
4 125.981, 125.982, 125.983, 125.984, 125.985, and 125.986 of the

1 Michigan Compiled Laws, are amended and section 7 is added to
2 read as follows:

3 TITLE

4 An act to authorize the DEVELOPMENT OR redevelopment of
5 principal shopping ~~areas~~ DISTRICTS of certain cities; to permit
6 the creation of certain boards; and to authorize the collection
7 of revenue and the bonding of certain cities for ~~such~~ THE
8 DEVELOPMENT OR redevelopment projects.

9 Sec. 1. (1) AS USED IN THIS ACT:

10 (A) "HIGHWAYS" MEANS PUBLIC STREETS, HIGHWAYS, AND ALLEYS.

11 (B) "PRINCIPAL SHOPPING DISTRICT" MEANS A PORTION OF A CITY
12 DEFINED BY THE GOVERNING BODY OF THE CITY THAT IS PREDOMINANTLY
13 COMMERCIAL AND THAT CONTAINS AT LEAST 10 RETAIL BUSINESSES.

14 (2) A city with a master plan for the physical development
15 of the city, ~~which~~ THAT EITHER includes ~~the~~ AN URBAN DESIGN
16 PLAN DESIGNATING A PRINCIPAL SHOPPING DISTRICT OR INCLUDES THE
17 DEVELOPMENT OR redevelopment of a principal shopping ~~area~~
18 DISTRICT, in respect to the ~~redevelopment project~~ PRINCIPAL
19 SHOPPING DISTRICT, may do ~~any~~ 1 OR MORE of the following:

20 (a) Open, widen, extend, realign, pave, MAINTAIN, or other-
21 wise improve ~~public streets, highways, and alleys, referred to~~
22 ~~as~~ highways ~~in this act,~~ and construct, reconstruct, MAINTAIN,
23 or relocate pedestrian walkways.

24 (b) Prohibit vehicular traffic where necessary to carry out
25 the purposes of the DEVELOPMENT OR redevelopment.

26 (c) Regulate or prohibit vehicular parking on highways.

1 (d) Acquire, own, MAINTAIN, or operate off-street parking
2 lots.

3 (e) Contract for the operation AND MAINTENANCE by others of
4 city off-street parking lots, or appoint agents for the operation
5 AND MAINTENANCE.

6 (f) Construct, maintain, and operate malls with bus stops,
7 information centers, and other buildings ~~as~~ THAT will serve the
8 public interest.

9 (g) Acquire by purchase, gift, or condemnation and own,
10 maintain, or operate land necessary to implement this section.

11 (H) PROMOTE ECONOMIC ACTIVITY IN THE PRINCIPAL SHOPPING DIS-
12 TRICT BY UNDERTAKINGS INCLUDING, BUT NOT LIMITED TO, CONDUCTING
13 MARKET RESEARCH AND PUBLIC RELATIONS CAMPAIGNS, DEVELOPING AND
14 COORDINATING RETAIL AND INSTITUTIONAL PROMOTIONS, AND SPONSORING
15 SPECIAL EVENTS AND RELATED ACTIVITIES.

16 (I) ~~(h)~~ Provide for the ongoing maintenance, promotion,
17 security, and continued operation of a ~~redevelopment project~~
18 PRINCIPAL SHOPPING DISTRICT within the city.

19 (3) A city ~~which~~ THAT provides for the ongoing mainte-
20 nance, security, promotion, and continued operation of a
21 ~~redevelopment project~~ PRINCIPAL SHOPPING DISTRICT pursuant to
22 ~~this subdivision~~ SUBSECTION (2)(I) shall also provide for the
23 creation of a board for the management of the ongoing mainte-
24 nance, security, promotion, and continued operation of that
25 ~~redevelopment project~~ PRINCIPAL SHOPPING DISTRICT. The board
26 shall be appointed by the chief executive officer of the city
27 with the concurrence of the ~~legislative~~ GOVERNING body of the

1 city. ~~A~~ IF THE BOUNDARIES OF THE PRINCIPAL SHOPPING DISTRICT
 2 ARE THE SAME AS THOSE OF A DOWNTOWN DISTRICT DESIGNATED UNDER ACT
 3 NO. 197 OF THE PUBLIC ACTS OF 1975, BEING SECTIONS 125.1651 TO
 4 125.1681 OF THE MICHIGAN COMPILED LAWS, THE GOVERNING BODY MAY
 5 PROVIDE THAT THE MEMBERS OF THE BOARD OF THE DOWNTOWN DEVELOPMENT
 6 AUTHORITY, WHICH MANAGES THE DOWNTOWN DISTRICT, SHALL COMPOSE THE
 7 BOARD OF THE PRINCIPAL SHOPPING DISTRICT. UNLESS THE MEMBERS OF
 8 THE BOARD OF A DOWNTOWN DEVELOPMENT AUTHORITY COMPOSE THE BOARD
 9 OF THE PRINCIPAL SHOPPING DISTRICT, A majority of the members of
 10 the board OF THE PRINCIPAL SHOPPING DISTRICT shall be composed of
 11 owners or operators of businesses located within the area of the
 12 ~~redevelopment project. One~~ PRINCIPAL SHOPPING DISTRICT, 1
 13 member of the board shall be from the adjacent residential area,
 14 and 1 member shall be a representative of city government.

15 ~~(2) As used in this act, "principal shopping area" means a~~
 16 ~~portion of a city as defined in a redevelopment plan which shall~~
 17 ~~be predominantly commercial, and which shall contain at least 10~~
 18 ~~commercial businesses.~~

19 Sec. 2. The cost of the whole or any part of a
 20 ~~redevelopment~~ PRINCIPAL SHOPPING DISTRICT project as authorized
 21 in this act may be financed by 1 or more of the following
 22 methods:

23 (a) ~~From grants~~ GRANTS and gifts to the city.

24 (b) ~~From city~~ CITY funds.

25 (c) ~~By the~~ THE issuance of general obligation bonds of the
 26 city.

1 (d) ~~By the~~ THE issuance of revenue bonds by the city under
2 THE REVENUE BOND ACT OF 1933, Act No. 94 of the Public Acts of
3 1933, as amended, being sections 141.101 to ~~141.139~~ 141.140 of
4 the Michigan Compiled Laws, or under any other applicable revenue
5 bond act. The issuance of the bonds shall be limited to the part
6 or parts of the ~~redevelopment~~ PRINCIPAL SHOPPING DISTRICT
7 project ~~which~~ THAT are public improvements.

8 (e) ~~By the~~ THE levying of special assessments against land
9 or interests in land, or both, for ~~redevelopment~~ THE PRINCIPAL
10 SHOPPING DISTRICT and to defray the cost of maintenance, securi-
11 ty, promotion, and continued operation of the ~~redevelopment~~
12 PRINCIPAL SHOPPING DISTRICT project.

13 Sec. 3. A ~~redevelopment~~ PRINCIPAL SHOPPING DISTRICT
14 project as ~~herein~~ authorized ~~shall be deemed to be~~ BY THIS
15 ACT IS a public improvement. The use ~~herein~~ IN THIS ACT of the
16 term "public improvement" ~~shall~~ DOES not prevent the levying of
17 a special assessment for the cost of ~~any part thereof which~~ A
18 PART OF A PRINCIPAL SHOPPING DISTRICT PROJECT THAT represents
19 special benefits. THERE IS A REBUTTABLE PRESUMPTION THAT A PRIN-
20 CIPAL SHOPPING DISTRICT PROJECT SPECIALLY BENEFITS ALL NONRESI-
21 DENTIAL PROPERTIES LOCATED WITHIN THE PRINCIPAL SHOPPING
22 DISTRICT.

23 Sec. 4. The DEVELOPMENT OR redevelopment of ~~any~~ A
24 PRINCIPAL shopping ~~area~~ DISTRICT, including the various phases
25 ~~thereof~~ OF THE DEVELOPMENT OR REDEVELOPMENT, ~~shall be deemed~~
26 ~~to be one~~ IS 1 project and, in the discretion of the governing
27 body of the city, may be financed as a single improvement.

1 Sec. 5. If a city elects to levy special assessments to
2 defray all or ~~any~~ part of the cost of the ~~redevelopment~~
3 PRINCIPAL SHOPPING DISTRICT project, then the special assessments
4 shall be levied pursuant to applicable statutory or charter
5 provisions. IF A CITY CHARTER AUTHORIZES SPECIAL ASSESSMENTS,
6 BUT DOES NOT AUTHORIZE THEM FOR THE PURPOSES SET FORTH IN THIS
7 ACT, THE CHARTER PROVISIONS AUTHORIZING SPECIAL ASSESSMENTS ARE
8 MADE APPLICABLE TO THE PURPOSES SET FORTH IN THIS ACT, WITHOUT
9 AMENDMENT TO THE CHARTER. The total amount assessed for
10 ~~redevelopment~~ PRINCIPAL SHOPPING DISTRICT purposes may be made
11 payable in not more than 20 annual installments as determined by
12 the governing body of the city, the first installment to be pay-
13 able in not more than 18 months after the date of the confirma-
14 tion of the special assessment roll. ~~Special assessments~~ A
15 SPECIAL ASSESSMENT may be ~~made~~ LEVIED against ~~properties~~ A
16 PROPERTY on the basis of the SPECIAL benefits to ~~the respective~~
17 ~~properties~~ THAT PROPERTY from the total project. Property that
18 is used for residential purposes shall not be considered to be
19 benefited by a project for which special assessments are levied
20 by a city pursuant to this act. The city may issue special
21 assessment bonds in anticipation of the collection of the special
22 assessments for ~~redevelopment purposes~~ A PRINCIPAL SHOPPING
23 DISTRICT PROJECT and, by action of its governing body, may pledge
24 its full faith and credit for the prompt payment of the bonds.
25 The last maturity on the bonds ~~may~~ SHALL be not later than 2
26 years after the due date of the last installment on the special
27 assessments. Except as otherwise provided, special assessment

1 bonds may be issued pursuant to statutory or charter authority
2 for the issuance by the city of special assessment bonds for
3 street improvements.

4 Sec. 6. If off-street parking lots are essential to the
5 ~~redevelopment~~ PRINCIPAL SHOPPING DISTRICT project, ~~and~~ if 1
6 or more ~~of such~~ OFF-STREET parking lots are already owned by
7 the city ~~having been~~ AND WERE acquired through the issuance of
8 revenue bonds, and if the remaining parking lots are to be
9 financed in whole or in part by special assessments and special
10 assessment bonds, then the city, ~~in order~~ to place all parking
11 lots on the same basis, may include as a part of the cost of
12 parking lots for the project ~~—~~ the amount necessary to retire
13 all or any part of the outstanding revenue bonds, inclusive of
14 any premium not exceeding 5% necessary to be paid upon the
15 redemption or purchase of ~~such~~ THOSE outstanding bonds. From
16 the proceeds of ~~such~~ THE special assessments or from the sale
17 of bonds issued in anticipation of the payment ~~thereof~~ OF THE
18 SPECIAL ASSESSMENTS, the city shall retire by redemption or pur-
19 chase the OUTSTANDING revenue bonds. ~~so refunded. Nothing in~~
20 ~~this section shall be construed as authorizing~~ THIS SECTION DOES
21 NOT AUTHORIZE the refunding of noncallable bonds without the con-
22 sent of the holders ~~thereof~~ OF THE BONDS.

23 SEC. 7. THE POWERS GRANTED BY THIS ACT ARE IN ADDITION TO
24 AND NOT IN DEROGATION OF ANY OTHER POWERS GRANTED BY LAW OR
25 CHARTER.