

# HOUSE BILL No. 6502

November 7, 2002, Introduced by Rep. Allen and referred to the Committee on Tax Policy.

A bill to amend 1996 PA 381, entitled  
"Brownfield redevelopment financing act,"  
by amending sections 13 and 15 (MCL 125.2663 and 125.2665), as  
amended by 2000 PA 145.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 13. (1) Subject to section 15, the board may implement  
2 a brownfield plan. The brownfield plan may apply to 1 or more  
3 parcels of eligible property whether or not those parcels of eli-  
4 gible property are contiguous and may be amended to apply to  
5 additional parcels of eligible property. If more than 1 parcel  
6 of eligible property is included within the plan, the tax incre-  
7 ment revenues under the plan shall be determined individually for  
8 each parcel of eligible property. Each plan or an amendment to a  
9 plan shall be approved by the governing body of the municipality  
10 and shall contain all of the following:

**HB6502, As Passed House, November 13, 2002**

2

1 (a) A description of the costs of the plan intended to be  
2 paid for with the tax increment revenues. ~~, including a~~

3 (B) A brief summary of the eligible activities that are pro-  
4 posed for each eligible property.

5 (C) ~~(b)~~ An estimate of the captured taxable value and tax  
6 increment revenues for each year of the plan from each parcel of  
7 eligible property and in the aggregate. The plan may provide for  
8 the use of part or all of the captured taxable value, including  
9 deposits in the local site remediation revolving fund, but the  
10 portion intended to be used shall be clearly stated in the plan.  
11 The plan shall not provide either for an exclusion from captured  
12 taxable value of a portion of the captured taxable value or for  
13 an exclusion of the tax levy of 1 or more taxing jurisdictions  
14 unless the tax levy is excluded from tax increment revenues in  
15 section 2(aa), or unless the tax levy is excluded from capture  
16 under section 15.

17 (D) ~~(c)~~ The method by which the costs of the plan will be  
18 financed, including a description of any advances made or antici-  
19 pated to be made for the costs of the plan from the  
20 municipality.

21 (E) ~~(d)~~ The maximum amount of note or bonded indebtedness  
22 to be incurred, if any.

23 (F) ~~(e)~~ The duration of the brownfield plan, which shall  
24 not exceed the lesser of the period authorized under  
25 subsections (4) and (5) or 30 years.

**HB6502, As Passed House, November 13, 2002**

1           (G) ~~-(f)-~~ An estimate of the impact of tax increment  
2 financing on the revenues of all taxing jurisdictions in which  
3 the eligible property is located.

4           (H) ~~-(g)-~~ A legal description of each parcel of eligible  
5 property to which the plan applies, a map showing the location  
6 and dimensions of each eligible property, a statement of the  
7 characteristics that qualify the property as eligible property,  
8 and a statement of whether personal property is included as part  
9 of the eligible property. IF THE PROJECT IS ON PROPERTY THAT IS  
10 FUNCTIONALLY OBSOLETE, THE TAXPAYER SHALL INCLUDE, WITH THE  
11 APPLICATION, AN AFFIDAVIT SIGNED BY A LEVEL 3 OR LEVEL 4 ASSES-  
12 SOR, THAT STATES THAT IT IS THE ASSESSOR'S EXPERT OPINION THAT  
13 THE PROPERTY IS FUNCTIONALLY OBSOLETE AND THE UNDERLYING BASIS  
14 FOR THAT OPINION.

15           (I) ~~-(h)-~~ Estimates of the number of persons residing on  
16 each eligible property to which the plan applies and the number  
17 of families and individuals to be displaced. If occupied resi-  
18 dences are designated for acquisition and clearance by the  
19 authority, the plan shall include a demographic survey of the  
20 persons to be displaced, a statistical description of the housing  
21 supply in the community, including the number of private and  
22 public units in existence or under construction, the condition of  
23 those in existence, the number of owner-occupied and  
24 renter-occupied units, the annual rate of turnover of the various  
25 types of housing and the range of rents and sale prices, an esti-  
26 mate of the total demand for housing in the community, and the

**HB6502, As Passed House, November 13, 2002**

4

1 estimated capacity of private and public housing available to  
2 displaced families and individuals.

3 (J) ~~(i)~~ A plan for establishing priority for the reloca-  
4 tion of persons displaced by implementation of the plan.

5 (K) ~~(j)~~ Provision for the costs of relocating persons dis-  
6 placed by implementation of the plan, and financial assistance  
7 and reimbursement of expenses, including litigation expenses and  
8 expenses incident to the transfer of title, in accordance with  
9 the standards and provisions of the uniform relocation assistance  
10 and real property acquisition policies act of 1970, Public Law  
11 91-646, 84 Stat. 1894.

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

14 (M) ~~(l)~~ A description of proposed use of the local site  
15 remediation revolving fund.

16 (N) ~~(m)~~ Other material that the authority or governing  
17 body considers pertinent.

18 (2) The percentage of all taxes levied on a parcel of eligi-  
19 ble property for school operating expenses that is captured and  
20 used under a brownfield plan and all tax increment finance plans  
21 under 1975 PA 197, MCL 125.1651 to 125.1681, the tax increment  
22 finance authority act, 1980 PA 450, MCL 125.1801 to 125.1830, or  
23 the local development financing act, 1986 PA 281, MCL 125.2151 to  
24 125.2174, shall not be greater than the combination of the plans'  
25 percentage capture and use of all local taxes levied for purposes  
26 other than for the payment of principal of and interest on either  
27 obligations approved by the electors or obligations pledging the

**HB6502, As Passed House, November 13, 2002**

5

1 unlimited taxing power of the local unit of government. This  
2 subsection shall apply only when taxes levied for school operat-  
3 ing purposes are subject to capture under section 15.

4 (3) Except as provided in subsections (5), (15), and (16),  
5 tax increment revenues related to a brownfield plan shall be used  
6 only for costs of eligible activities attributable to the eligi-  
7 ble property, the captured taxable value of which produces the  
8 tax increment revenues, including the cost of principal of and  
9 interest on any obligation issued by the authority to pay the  
10 costs of eligible activities attributable to the eligible proper-  
11 ty, and the reasonable costs of preparing a work plan or remedial  
12 action plan for the eligible property, including the actual cost  
13 of the review of the work plan or remedial action plan under  
14 section 15.

15 (4) Except as provided in subsection (5), a brownfield plan  
16 shall not authorize the capture of tax increment revenue from  
17 eligible property after the year in which the total amount of tax  
18 increment revenues captured is equal to the sum of the costs of  
19 eligible activities attributable to the eligible property includ-  
20 ing the cost of principal of and interest on any obligation  
21 issued by the authority to pay the costs of eligible activities  
22 on the eligible property, and the reasonable cost of preparing a  
23 work plan or remedial action plan for eligible property, and the  
24 actual cost of the department's review of the work plan or reme-  
25 dial action plan.

26 (5) A brownfield plan may authorize the capture of  
27 additional tax increment revenue from an eligible property in

**HB6502, As Passed House, November 13, 2002**

6

1 excess of the amount authorized under subsection (4) during the  
2 time of capture for the purpose of paying the costs of eligible  
3 activities under subsection (3), or for not more than 5 years  
4 after the time that capture is required for the purpose of paying  
5 the costs of eligible activities under subsection (3), or both.  
6 Excess revenues captured under this subsection shall be deposited  
7 in the local site remediation revolving fund created under  
8 section 8 and used for the purposes authorized in section 8. If  
9 tax increment revenues levied for school operating purposes from  
10 eligible property are captured by the authority for purposes  
11 authorized under subsection (3), the tax increment revenues cap-  
12 tured for deposit in the local site remediation revolving fund  
13 also may include tax increment revenues levied for school operat-  
14 ing purposes in an amount not greater than the tax increment rev-  
15 enues levied for school operating purposes captured from the eli-  
16 gible property by the authority for the purposes authorized under  
17 subsection (3). Excess revenues from taxes levied for school  
18 operating purposes for eligible activities authorized under sub-  
19 section (15) by the Michigan economic growth authority shall not  
20 be captured for deposit in the local site remediation revolving  
21 fund.

22 (6) An authority shall not expend tax increment revenues to  
23 acquire or prepare eligible property, unless the acquisition or  
24 preparation is an eligible activity.

25 (7) Costs of eligible activities attributable to eligible  
26 property include all costs that are necessary or related to a  
27 release from the eligible property, including eligible activities

**HB6502, As Passed House, November 13, 2002**

7

1 on properties affected by a release from the eligible property.  
2 For purposes of this subsection, "release" means that term as  
3 defined in section 20101 of the natural resources and environmen-  
4 tal protection act, 1994 PA 451, MCL 324.20101.

5 (8) Costs of a response activity paid with tax increment  
6 revenues that are captured pursuant to subsection (3) may be  
7 recovered from a person who is liable for the costs of eligible  
8 activities at an eligible property. This state or an authority  
9 may undertake cost recovery for tax increment revenue captured.  
10 Before an authority or this state may institute a cost recovery  
11 action, it must provide the other with 120 days' notice. This  
12 state or an authority that recovers costs under this subsection  
13 shall apply those recovered costs to the following, in the fol-  
14 lowing order of priority:

15 (a) The reasonable attorney fees and costs incurred by this  
16 state or an authority in obtaining the cost recovery.

17 (b) One of the following:

18 (i) If an authority undertakes the cost recovery action, the  
19 authority shall deposit the remaining recovered funds into the  
20 local site remediation fund created pursuant to section 8, if  
21 such a fund has been established by the authority. If a local  
22 site remediation fund has not been established, the authority  
23 shall disburse the remaining recovered funds to the local taxing  
24 jurisdictions in the proportion that the local taxing  
25 jurisdictions' taxes were captured.

26 (ii) If this state undertakes a cost recovery action, this  
27 state shall deposit the remaining recovered funds into the

**HB6502, As Passed House, November 13, 2002**

1 revitalization revolving loan fund established under  
2 section 20108a of the natural resources and environmental protec-  
3 tion act, 1994 PA 451, MCL 324.20108a.

4 (iii) If this state and an authority each undertake a cost  
5 recovery action, undertake a cost recovery action jointly, or  
6 on behalf of the other, the amount of any remaining recovered  
7 funds shall be deposited pursuant to subparagraphs (i) and (ii)  
8 in the proportion that the tax increment revenues being recovered  
9 represent local taxes and taxes levied for school operating pur-  
10 poses, respectively.

11 (9) Approval of the brownfield plan or an amendment to a  
12 brownfield plan shall be in accordance with the notice and  
13 approval provisions of this section and section 14.

14 (10) Before approving a brownfield plan for an eligible  
15 property, the governing body shall hold a public hearing on the  
16 brownfield plan. Notice of the time and place of the hearing  
17 shall be given by publication twice in a newspaper of general  
18 circulation designated by the municipality, the first of which  
19 shall be not less than 20 or more than 40 days before the date  
20 set for the hearing.

21 (11) Notice of the time and place of the hearing on a brown-  
22 field plan shall contain all of the following:

23 (a) A description of the property to which the plan applies  
24 in relation to existing or proposed highways, streets, streams,  
25 or otherwise.

26 (b) A statement that maps, plats, and a description of the  
27 brownfield plan are available for public inspection at a place



**HB6502, As Passed House, November 13, 2002**

1 designated in the notice and that all aspects of the brownfield  
2 plan are open for discussion at the public hearing required by  
3 this subsection.

4 (c) Any other information that the governing body considers  
5 appropriate.

6 (12) At the time set for the hearing on the brownfield plan  
7 required under subsection (10), the governing body shall provide  
8 an opportunity for interested persons to be heard and shall  
9 receive and consider communications in writing with reference to  
10 the brownfield plan. The governing body shall make and preserve  
11 a record of the public hearing, including all data presented at  
12 the hearing.

13 (13) Not less than 20 days before the hearing on the brown-  
14 field plan, the governing body shall provide notice of the hear-  
15 ing to the taxing jurisdictions that levy taxes subject to cap-  
16 ture under this act. The authority shall fully inform the taxing  
17 jurisdictions about the fiscal and economic implications of the  
18 proposed brownfield plan. At that hearing, an official from a  
19 taxing jurisdiction with millage that would be subject to capture  
20 under this act has the right to be heard in regard to the adop-  
21 tion of the brownfield plan.

22 (14) The authority shall not enter into agreements with the  
23 taxing jurisdictions and the governing body of the municipality  
24 to share a portion of the captured taxable value of an eligible  
25 property. Upon adoption of the plan, the collection and trans-  
26 mission of the amount of tax increment revenues as specified in  
27 this act shall be binding on all taxing units levying ad valorem

**HB6502, As Passed House, November 13, 2002**

10

1 property taxes or specific taxes against property located in the  
2 zone.

3 (15) If a brownfield plan includes the capture of taxes  
4 levied for school operating purposes OR THE USE OF TAX INCREMENT  
5 REVENUES RELATED TO A BROWNFIELD PLAN FOR THE COST OF ELIGIBLE  
6 ACTIVITIES ATTRIBUTABLE TO MORE THAN 1 ELIGIBLE PROPERTY THAT IS  
7 ADJACENT AND CONTIGUOUS TO ALL OTHER ELIGIBLE PROPERTIES COVERED  
8 BY THE DEVELOPMENT AGREEMENT, WHETHER OR NOT THE CAPTURED TAXES  
9 ARE LEVIED FOR SCHOOL OPERATING PURPOSES, approval of a work plan  
10 by the Michigan economic growth authority before January 1,  
11 ~~2003~~ 2008 to use school operating taxes and a development  
12 agreement between the municipality and ~~the~~ AN owner OR  
13 DEVELOPER of ~~the~~ eligible property are required if the revenues  
14 will be used for infrastructure improvements that directly bene-  
15 fit eligible property, demolition of structures that is not  
16 response activity under part 201 of the natural resources and  
17 environmental protection act, 1994 PA 451, MCL 324.20101 to  
18 324.20142, lead or asbestos abatement, or site preparation that  
19 is not response activity under section 201 of the natural  
20 resources and environmental protection act, 1994 PA 451,  
21 MCL 324.20101. The eligible activities to be conducted described  
22 in this subsection shall be consistent with the work plan submit-  
23 ted by the authority to the Michigan economic growth authority.  
24 The department's approval is not required for the capture of  
25 taxes levied for school operating purposes for eligible activi-  
26 ties described in this subsection.

**HB6502, As Passed House, November 13, 2002**

11

1 (16) A brownfield authority may reimburse reasonable and  
2 actual administrative and operating expenses that include, but  
3 are not limited to, baseline environmental assessments, due care  
4 activities, and additional response activities, related directly  
5 to work conducted by the authority on prospective eligible prop-  
6 erties prior to approval of the brownfield plan and on eligible  
7 properties and for eligible activities after the approval of the  
8 brownfield plan, only from captured local taxes not to exceed  
9 \$75,000.00 for each authority in each fiscal year. Reasonable  
10 and actual administrative and operating expenses do not include  
11 reasonable costs of preparing a work plan or remedial action plan  
12 or the cost of the review of a work plan for which taxes may be  
13 used under section 13(3).

14 Sec. 15. (1) An authority shall not do any of the  
15 following:

16 (a) For eligible activities not described in section 13(15),  
17 use taxes levied for school operating purposes captured from eli-  
18 gible property unless the eligible activities to be conducted on  
19 the eligible property are eligible activities under part 201 of  
20 the natural resources and environmental protection act, 1994  
21 PA 451, MCL 324.20101 to 324.20142, consistent with a work plan  
22 or remedial action plan approved by the department after July 24,  
23 1996 and before January 1, ~~2003~~ 2008.

24 (b) For eligible activities not described in section 13(15),  
25 use funds from a local site remediation revolving fund that are  
26 derived from taxes levied for school operating purposes unless  
27 the eligible activities to be conducted are eligible activities

**HB6502, As Passed House, November 13, 2002**

12

1 under part 201 of the natural resources and environmental  
2 protection act, 1994 PA 451, MCL 324.20101 to 324.20142, consis-  
3 tent with a work plan or remedial action plan that has been  
4 approved by the department after July 24, 1996.

5 (c) Use funds from a local site remediation revolving fund  
6 created pursuant to section 8 that are derived from taxes levied  
7 for school operating purposes for the eligible activities  
8 described in section 13(15) unless the eligible activities to be  
9 conducted are consistent with a work plan approved by the  
10 Michigan economic growth authority.

11 (d) Use taxes captured from eligible property to pay for  
12 eligible activities conducted before approval of the brownfield  
13 plan except for costs described in section 13(16).

14 (e) Use taxes levied for school operating purposes captured  
15 from eligible property for response activities that benefit a  
16 party liable under section 20126 of the natural resources and  
17 environmental protection act, 1994 PA 451, MCL 324.20126.

18 (f) Use taxes captured from eligible property to pay for  
19 administrative and operating activities of the authority or the  
20 municipality on behalf of the authority except for costs  
21 described in section 13(16) and for the reasonable costs for pre-  
22 paring a work plan or remedial action plan for the eligible prop-  
23 erty, including the actual cost of the review of the work plan or  
24 remedial action plan under this section.

25 (2) To seek department approval of a work plan under subsec-  
26 tion (1)(a) or (b) or remedial action plan, the authority shall  
27 submit all of the following for each eligible property:

**HB6502, As Passed House, November 13, 2002**

13

1 (a) A copy of the brownfield plan.

2 (b) Current ownership information for each eligible property  
3 and a summary of available information on proposed future owner-  
4 ship, including the amount of any delinquent taxes, interest, and  
5 penalties that may be due.

6 (c) A summary of available information on the historical and  
7 current use of each eligible property, including a brief summary  
8 of site conditions and what is known about environmental contami-  
9 nation as that term is defined in section 20101 of the natural  
10 resources and environmental protection act, 1994 PA 451,  
11 MCL 324.20101.

12 (d) Existing and proposed future zoning for each eligible  
13 property.

14 (e) A brief summary of the proposed redevelopment and future  
15 use for each eligible property.

16 (f) A separate work plan or remedial action plan, or part of  
17 a work plan or remedial action plan, for each eligible activity  
18 to be undertaken.

19 (3) Upon receipt of a request for approval of a work plan or  
20 remedial action plan under subsection (2) that pertains to base-  
21 line environmental assessment activities or due care activities,  
22 or both, or a portion of a work plan or remedial action plan that  
23 pertains to only baseline environmental assessment activities or  
24 due care activities, or both, the department shall provide 1 of  
25 the following written responses to the requesting authority  
26 within 60 days:

**HB6502, As Passed House, November 13, 2002**

14

1 (a) An unconditional approval.

2 (b) A conditional approval that delineates specific  
3 necessary modifications to the work plan or remedial action plan,  
4 including, but not limited to, individual activities to be added  
5 or deleted from the work plan or remedial action plan and revi-  
6 sion of costs.

7 (c) If the work plan or remedial action plan lacks suffi-  
8 cient information for the department to respond under  
9 subdivision (a) or (b), a letter stating with specificity the  
10 necessary additions or changes to the work plan or remedial  
11 action plan to be submitted before a plan will be considered by  
12 the department.

13 (4) In its review of a work plan or remedial action plan,  
14 the department shall consider all of the following:

15 (a) Whether the individual activities included in the work  
16 plan or remedial action plan are sufficient to complete the eli-  
17 gible activity.

18 (b) Whether each individual activity included in the work  
19 plan or remedial action plan is required to complete the eligible  
20 activity.

21 (c) Whether the cost for each individual activity is  
22 reasonable.

23 (5) If the department fails to provide a written response  
24 under subsection (3) within 60 days after receipt of a request  
25 for approval of a work plan or remedial action plan that pertains  
26 to baseline environmental assessment activities or due care  
27 activities, or both, the authority may proceed with the baseline

**HB6502, As Passed House, November 13, 2002**

15

1 environmental assessment activities or due care activities, or  
2 both, as outlined in the work plan or remedial action plan as  
3 submitted for approval. Except as provided in subsection (6),  
4 baseline environmental assessment activities or due care activi-  
5 ties, or both, conducted pursuant to a work plan or remedial  
6 action plan that was submitted to the department for approval but  
7 for which the department failed to provide a written response  
8 under subsection (3) shall be considered approved for the pur-  
9 poses of subsection (1).

10 (6) The department may issue a written response to a work  
11 plan or remedial action plan that pertains to baseline environ-  
12 mental assessment activities or due care activities, or both,  
13 more than 60 days but less than 6 months after receipt of a  
14 request for approval. If the department issues a written  
15 response under this subsection, the authority is not required to  
16 conduct individual activities that are in addition to the indi-  
17 vidual activities included in the work plan or remedial action  
18 plan as it was submitted for approval and failure to conduct  
19 these additional activities shall not affect the authority's  
20 ability to capture taxes under subsection (1) for the eligible  
21 activities described in the work plan or remedial action plan  
22 initially submitted under subsection (5). In addition, at the  
23 option of the authority, these additional individual activities  
24 shall be considered part of the work plan or remedial action plan  
25 of the authority and approved for purposes of subsection (1).  
26 However, any response by the department under this subsection  
27 that identifies additional individual activities that must be

**HB6502, As Passed House, November 13, 2002**

16

1 carried out to satisfy the baseline environmental assessment or  
2 due care requirements, or both, of part 201 of the natural  
3 resources and environmental protection act, 1994 PA 451,  
4 MCL 324.20101 to 324.20142, must be satisfactorily completed for  
5 the baseline environmental assessment or due care activities, or  
6 both, to be considered acceptable for the purposes of compliance  
7 with part 201 of the natural resources and environmental protec-  
8 tion act, 1994 PA 451, MCL 324.20101 to 324.20142.

9 (7) If the department issues a written response under  
10 subsection (6) to a work plan or remedial action plan that per-  
11 tains to baseline environmental assessment activities or due care  
12 activities, or both, and if the department's written response  
13 modifies an individual activity proposed by the work plan or  
14 remedial action plan of the authority in a manner that reduces or  
15 eliminates a proposed response activity, the authority must com-  
16 plete those individual activities included in the baseline envi-  
17 ronmental assessment or due care activities, or both, in accord-  
18 ance with the department's response in order for that portion of  
19 the work plan or remedial action plan to be considered approved  
20 for purposes of subsection (1), unless 1 or more of the following  
21 conditions apply:

22 (a) Obligations for the individual activity have been issued  
23 by the authority, or by a municipality on behalf of the authori-  
24 ty, to fund the individual activity prior to issuance of the  
25 department's response.



**HB6502, As Passed House, November 13, 2002**

17

1 (b) The individual activity has commenced or payment for the  
2 work has been irrevocably obligated prior to issuance of the  
3 department's response.

4 (8) It shall be in the sole discretion of an authority to  
5 propose to undertake additional response activities at an eligi-  
6 ble property under a brownfield plan. The department shall not  
7 require a work plan or remedial action plan for either baseline  
8 environmental assessment activities or due care activities, or  
9 both, to include additional response activities.

10 (9) The department may reject the portion of a work plan or  
11 remedial action plan that includes additional response activities  
12 and may consider the level of risk reduction that will be accom-  
13 plished by the additional response activities in determining  
14 whether to approve or reject the work plan or remedial action  
15 plan or a portion of a plan.

16 (10) The department's approval or rejection of a work plan  
17 under subsection (1)(a) or (b) or remedial action plan for addi-  
18 tional response activities is final.

19 (11) The authority shall reimburse the department for the  
20 actual cost incurred by the department or a contractor of the  
21 department to review a work plan under subsection (1)(a) or (b)  
22 or remedial action plan under this section. Funds paid to the  
23 department under this subsection shall be deposited in the cost  
24 recovery subaccount of the cleanup and redevelopment fund created  
25 under section 20108 of the natural resources and environmental  
26 protection act, 1994 PA 451, MCL 324.20108.

**HB6502, As Passed House, November 13, 2002**

18

1 (12) The department shall submit a report each year on or  
2 before March 1 to each member of the legislature that contains  
3 all of the following:

4 (a) A compilation and summary of all the information submit-  
5 ted under subsection (2).

6 (b) The amount of revenue this state would have received if  
7 taxes levied for school operating purposes had not been captured  
8 under this section for the previous calendar year.

9 (c) The amount of revenue each local governmental unit would  
10 have received if taxes levied for school operating purposes had  
11 not been captured under this section for the previous calendar  
12 year.

13 (13) To seek Michigan economic growth authority approval of  
14 a work plan under subsection (1)(c) or section 13(15), the  
15 authority shall submit all of the following for each eligible  
16 property:

17 (a) A copy of the brownfield plan.

18 (b) Current ownership information for each eligible property  
19 and a summary of available information on proposed future owner-  
20 ship, including the amount of any delinquent taxes, interest, and  
21 penalties that may be due.

22 (c) A summary of available information on the historical and  
23 current use of each eligible property.

24 (d) Existing and proposed future zoning for each eligible  
25 property.

26 (e) A brief summary of the proposed redevelopment and future  
27 use for each eligible property.

**HB6502, As Passed House, November 13, 2002**

19

1 (f) A separate work plan, or part of a work plan, for each  
2 eligible activity described in section 13(15) to be undertaken.

3 (g) A copy of the development agreement required under sec-  
4 tion 13(15), which shall include, but is not limited to, a  
5 detailed summary of any and all ownership interests, monetary  
6 considerations, fees, revenue and cost sharing, charges, or other  
7 financial arrangements or other consideration between the  
8 parties.

9 (14) Upon receipt of a request for approval of a work plan,  
10 the Michigan economic growth authority shall provide 1 of the  
11 following written responses to the requesting authority within  
12 ~~60~~ 65 days:

13 (a) An unconditional approval THAT INCLUDES AN ENUMERATION  
14 OF ELIGIBLE ACTIVITIES AND A MAXIMUM ALLOWABLE CAPTURE AMOUNT.

15 (b) A conditional approval that delineates specific neces-  
16 sary modifications to the work plan, including, but not limited  
17 to, individual activities to be added or deleted from the work  
18 plan and revision of costs.

19 ~~(c) If the work plan lacks sufficient information for the~~  
20 ~~Michigan economic growth authority to respond under~~  
21 ~~subdivision (a) or (b),~~ A DENIAL AND a letter stating with spec-  
22 ificity the ~~necessary additions or changes to the work plan to~~  
23 ~~be submitted before a plan will be considered by the Michigan~~  
24 ~~economic growth authority~~ REASON FOR THE DENIAL.

25 (15) In its review of a work plan under subsection (1)(c) or  
26 section 13(15), the Michigan economic growth authority shall  
27 consider ~~all of~~ the following CRITERIA TO THE EXTENT REASONABLY

**HB6502, As Passed House, November 13, 2002**

20

1 APPLICABLE TO THE TYPE OF ACTIVITIES PROPOSED AS PART OF THAT  
2 WORK PLAN WHEN APPROVING OR DENYING A WORK PLAN:

3 (a) Whether the individual activities included in the work  
4 plan are sufficient to complete the eligible activity.

5 (b) Whether each individual activity included in the work  
6 plan is required to complete the eligible activity.

7 (c) Whether the cost for each individual activity is  
8 reasonable.

9 (D) THE OVERALL BENEFIT TO THE PUBLIC.

10 (E) THE EXTENT OF REUSE OF VACANT BUILDINGS AND REDEVELOP-  
11 MENT OF BLIGHTED PROPERTY.

12 (F) CREATION OF JOBS.

13 (G) WHETHER THE ELIGIBLE PROPERTY IS IN AN AREA OF HIGH  
14 UNEMPLOYMENT.

15 (H) THE LEVEL AND EXTENT OF CONTAMINATION ALLEVIATED BY OR  
16 IN CONNECTION WITH THE ELIGIBLE ACTIVITIES.

17 (I) THE LEVEL OF PRIVATE SECTOR CONTRIBUTION.

18 (J) THE COST GAP THAT EXISTS BETWEEN THE SITE AND A SIMILAR  
19 GREENFIELD SITE AS DETERMINED BY THE MICHIGAN ECONOMIC GROWTH  
20 AUTHORITY.

21 (K) IF THE DEVELOPER OR PROJECTED OCCUPANT OF THE NEW DEVEL-  
22 OPMENT IS MOVING FROM ANOTHER LOCATION IN THIS STATE, WHETHER THE  
23 MOVE WILL CREATE A BROWNFIELD.

24 (l) WHETHER THE FINANCIAL STATEMENTS OF THE DEVELOPER, LAND-  
25 OWNER, OR CORPORATE ENTITY INDICATE THAT THE DEVELOPER, LANDOWN-  
26 ER, OR CORPORATE ENTITY IS FINANCIALLY SOUND AND THAT THE PROJECT

**HB6502, As Passed House, November 13, 2002**

HB 6502 as amended November 13, 2002

21

1 OF THE DEVELOPER, LANDOWNER, OR CORPORATE ENTITY THAT IS INCLUDED  
2 IN THE WORK PLAN IS ECONOMICALLY SOUND.

3 (M) OTHER STATE AND LOCAL INCENTIVES AVAILABLE TO THE DEVEL-  
4 OPER, LANDOWNER, OR CORPORATE ENTITY FOR THE PROJECT OF THE  
5 DEVELOPER, LANDOWNER, OR CORPORATE ENTITY THAT IS INCLUDED IN THE  
6 WORK PLAN.

7 (N) ANY OTHER CRITERIA THAT THE MICHIGAN ECONOMIC GROWTH  
8 AUTHORITY CONSIDERS APPROPRIATE FOR THE DETERMINATION OF ELIGI-  
9 BILITY OR FOR APPROVAL OF THE WORK PLAN.

10 (16) If the Michigan economic growth authority fails to pro-  
11 vide a written response under subsection (14) within ~~90~~ 65 days  
12 after receipt of a request for approval of a work plan, the eli-  
13 gible activities shall be considered approved and the authority  
14 may proceed with the eligible activities described in  
15 section 13(15) as outlined in the work plan as submitted for  
16 approval.

17 (17) The Michigan economic growth authority's approval of a  
18 work plan under section 13(15) is final. [IF A WORK PLAN IS DENIED UNDER  
SUBSECTION (14), THE WORK MAY BE RESUBMITTED.]

19 (18) The authority shall reimburse the Michigan economic  
20 growth authority for the actual cost incurred by the Michigan  
21 economic growth authority or a contractor of the Michigan eco-  
22 nomic growth authority to review a work plan under this section.

23 (19) The Michigan economic growth authority shall submit a  
24 report each year on or before March 1 to each member of the leg-  
25 islature that contains all of the following:

26 (a) A compilation and summary of all the information  
27 submitted under subsection (13).

**HB6502, As Passed House, November 13, 2002**

22

1           (b) The amount of revenue this state would have received if  
2 taxes levied for school operating purposes had not been captured  
3 under this section for the previous calendar year.

4           (c) The amount of revenue each local governmental unit would  
5 have received if taxes levied for school operating purposes had  
6 not been captured under this section for the previous calendar  
7 year.

8           (20) All taxes levied for school operating purposes that are  
9 not used for eligible activities consistent with a work plan  
10 approved by the department or the Michigan economic growth  
11 authority and that are not deposited in a local site remediation  
12 revolving fund shall be distributed proportionately between the  
13 local school district and the school aid fund.