

**SUBSTITUTE FOR
HOUSE BILL NO. 4483**

A bill to provide for the creation of land bank fast track authorities to assist governmental entities in the assembly and clearance of title to property in a coordinated manner; to facilitate the use and development of certain property; to promote economic growth; to prescribe the powers and duties of certain authorities; to provide for the creation and appointment of boards to govern land bank fast track authorities and to prescribe their powers and duties; to authorize the acquisition, maintenance, and disposal of interests in real and personal property; to authorize the conveyance of certain properties to a land bank fast track authority; to authorize the enforcement of tax liens and the clearing or quieting of title by a land bank fast track authority; to provide for the distribution and use of revenues collected or received by a land bank fast track authority; to prescribe powers and duties of certain public

entities and state and local officers and agencies; to authorize the transfer and acceptance of property in lieu of taxes and the release of tax liens; to exempt property, income, and operations of a land bank fast track authority from tax; to extend protections against certain liabilities to a land bank fast track authority; and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1

CHAPTER 1

2

GENERAL PROVISIONS

3

Sec. 1. This act shall be known and may be cited as the

4 "land bank fast track act".

5

Sec. 2. The legislature finds that there exists in this

6 state a continuing need to strengthen and revitalize the economy

7 of this state and local units of government in this state and

8 that it is in the best interests of this state and local units of

9 government in this state to assemble or dispose of public

10 property, including tax reverted property, in a coordinated

11 manner to foster the development of that property and to promote

12 economic growth in this state and local units of government in

13 this state. It is declared to be a valid public purpose for a

14 land bank fast track authority created under this act to acquire,

15 assemble, dispose of, and quiet title to property under this

16 act. It is further declared to be a valid public purpose for a

17 land bank fast track authority created under this act to provide

18 for the financing of the acquisition, assembly, disposition, and

19 quieting of title to property, and for a land bank fast track

20 authority to exercise other powers granted to a land bank fast

1 track authority under this act. The legislature finds that a
2 land bank fast track authority created under this act and powers
3 conferred by this act constitute a necessary program and serve a
4 necessary public purpose.

5 Sec. 3. As used in this act:

6 (a) "Authority" means a land bank fast track authority
7 created under section 15, section 23(4), or section 23(5).

8 (b) "Authority board" means the board of directors of the
9 state authority appointed under section 16.

10 (c) "Casino" means a casino regulated by this state under the
11 Michigan gaming control and revenue act, the Initiated Law of
12 1996, MCL 432.201 to 432.226, or a casino at which gaming is
13 conducted under the Indian gaming regulatory act, Public Law
14 100-497, 102 Stat. 2467, and all property associated or
15 affiliated with the operation of the casino, including, but not
16 limited to, a parking lot, hotel, motel, or retail store.

17 (d) "County authority" means a county land bank fast track
18 authority created by a county foreclosing governmental unit under
19 section 23(4).

20 (e) "Department" means the department of consumer and
21 industry services, a principal department of state government
22 created by section 225 of the executive organization act of 1965,
23 1965 PA 380, MCL 16.325, and renamed by Executive Order
24 No. 1996-2, MCL 445.2001.

25 (f) "Foreclosing governmental unit" means that term as
26 defined in section 78 of the general property tax act, 1893 PA
27 206, MCL 211.78.

1 (g) "Fund" means the land bank fast track fund created in
2 section 18.

3 (h) "Intergovernmental agreement" means a contractual
4 agreement between 1 or more governmental agencies, including, but
5 not limited to, an interlocal agreement to jointly exercise any
6 power, privilege, or authority that the agencies share in common
7 and that each might exercise separately under the urban
8 cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to
9 124.512.

10 (i) "Local authority" means a local land bank fast track
11 authority created by a qualified city under section 23(5).

12 (j) "Local unit of government" means a city, village,
13 township, county, or any intergovernmental, metropolitan, or
14 local agency or authority, or other local political subdivision.

15 (k) "Michigan economic development corporation" means the
16 public body corporate created under section 28 of article VII of
17 the state constitution of 1963 and the urban cooperation act of
18 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, by a
19 contractual interlocal agreement effective April 5, 1999, as
20 amended, between local participating economic development
21 corporations formed under the economic development corporations
22 act, 1974 PA 338, MCL 125.1601 to 125.1636, and the Michigan
23 strategic fund. If the Michigan economic development corporation
24 is unable for any reason to perform its duties under this act,
25 those duties may be exercised by the Michigan strategic fund.

26 (l) "Michigan state housing development authority" means the
27 authority created under the state housing development authority

1 act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c.

2 (m) "Michigan strategic fund" means the Michigan strategic
3 fund as described in the Michigan strategic fund act, 1984 PA
4 270, MCL 125.2001 to 125.2093.

5 (n) "Qualified city" means a city that collects delinquent
6 real property taxes pursuant to a city ordinance and that is
7 located in a county that collects nondelinquent county real
8 property taxes for the county.

9 (o) "State administrative board" means the board created
10 under 1921 PA 2, MCL 17.1 to 17.3, that exercises general
11 supervisory control over the functions and activities of all
12 administrative departments, boards, commissioners, and officers
13 of the state and of all state institutions.

14 (p) "State authority" means the land bank fast track
15 authority created under section 15.

16 (q) "Tax reverted property" means property that meets 1 or
17 more of the following criteria:

18 (i) The property was conveyed to this state under section 67a
19 of the general property tax act, 1893 PA 206, MCL 211.67a, and
20 subsequently was not sold at a public auction under section 131
21 of the general property tax act, 1893 PA 206, MCL 211.131, except
22 property described in section 131 of the general property tax
23 act, 1893 PA 206, MCL 211.131, that is withheld from sale by the
24 director of the department of natural resources as authorized in
25 that section.

26 (ii) The property was conveyed to this state under section
27 67a of the general property tax act, 1893 PA 206, MCL 211.67a,

1 and subsequently was either redeemed by a local unit of
2 government or transferred to a local unit of government under
3 section 2101 or 2102 of the natural resources and environmental
4 protection act, 1994 PA 451, MCL 324.2101 and 324.2102, or under
5 former section 461 of 1909 PA 223 except property transferred to
6 a local unit of government that is subject to a reverter clause
7 under which the property reverts to this state upon transfer by
8 the local unit of government.

9 (iii) The property was subject to forfeiture, foreclosure,
10 and sale for the collection of delinquent taxes as provided in
11 sections 78 to 79a of the general property tax act, 1893 PA 206,
12 MCL 211.78 to 211.79a, and both of the following apply:

13 (A) Title to the property vested in a foreclosing
14 governmental unit under section 78k of the general property tax
15 act, 1893 PA 206, MCL 211.78k.

16 (B) The property was offered for sale at an auction but not
17 sold under section 78m of the general property tax act, 1893
18 PA 206, MCL 211.78m.

19 (iv) The property was obtained by or transferred to a local
20 unit of government under section 78m of the general property tax
21 act, 1893 PA 206, MCL 211.78m.

22 (v) Pursuant to the requirements of a city charter, the
23 property was deeded to or foreclosed by the city for unpaid
24 delinquent real property taxes.

25 Sec. 4. (1) Except as otherwise provided in this act, an
26 authority may do all things necessary or convenient to implement
27 the purposes, objectives, and provisions of this act, and the

1 purposes, objectives, and powers delegated to the board of
2 directors of an authority by other laws or executive orders,
3 including, but not limited to, all of the following:

4 (a) Adopt, amend, and repeal bylaws for the regulation of its
5 affairs and the conduct of its business.

6 (b) Sue and be sued in its own name and plead and be
7 impleaded, including, but not limited to, defending the authority
8 in an action to clear title to property conveyed by the
9 authority.

10 (c) Borrow money and issue bonds and notes according to the
11 provisions of this act.

12 (d) Enter into contracts and other instruments necessary,
13 incidental, or convenient to the performance of its duties and
14 the exercise of its powers, including, but not limited to,
15 interlocal agreements under the urban cooperation act of 1967,
16 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, for the joint
17 exercise of powers under this act.

18 (e) Solicit and accept gifts, grants, labor, loans, and other
19 aid from any person, or the federal government, this state, or a
20 political subdivision of this state or any agency of the federal
21 government, this state, a political subdivision of this state, or
22 an intergovernmental entity created under the laws of this state
23 or participate in any other way in a program of the federal
24 government, this state, a political subdivision of this state, or
25 an intergovernmental entity created under the laws of this
26 state.

27 (f) Procure insurance against loss in connection with the

1 property, assets, or activities of the authority.

2 (g) Invest money of the authority, at the discretion of the
3 board of directors of the authority, in instruments, obligations,
4 securities, or property determined proper by the board of
5 directors of the authority, and name and use depositories for its
6 money.

7 (h) Employ legal and technical experts, other officers,
8 agents, or employees, permanent or temporary, paid from the funds
9 of the authority. The authority shall determine the
10 qualifications, duties, and compensation of those it employs.
11 The board of directors of an authority may delegate to 1 or more
12 members, officers, agents, or employees any powers or duties it
13 considers proper. Members of the board of directors of an
14 authority shall serve without compensation but shall be
15 reimbursed for actual and necessary expenses subject to available
16 appropriations.

17 (i) Contract for goods and services and engage personnel as
18 necessary and engage the services of private consultants,
19 managers, legal counsel, engineers, accountants, and auditors for
20 rendering professional financial assistance and advice payable
21 out of any money of the authority.

22 (j) Study, develop, and prepare the reports or plans the
23 authority considers necessary to assist it in the exercise of its
24 powers under this act and to monitor and evaluate progress under
25 this act.

26 (k) Enter into contracts for the management of, the
27 collection of rent from, or the sale of real property held by an

1 authority.

2 (1) Do all other things necessary or convenient to achieve
3 the objectives and purposes of the authority or other laws that
4 relate to the purposes and responsibility of the authority.

5 (2) The enumeration of a power in this act shall not be
6 construed as a limitation upon the general powers of an
7 authority. The powers granted under this act are in addition to
8 those powers granted by any other statute or charter.

9 (3) An authority, in its discretion, may contract with
10 others, public or private, for the provision of all or a portion
11 of the services necessary for the management and operation of the
12 authority.

13 (4) If an authority holds a tax deed to abandoned property,
14 the authority may quiet title to the property under section 79a
15 of the general property tax act, 1893 PA 206, MCL 211.79a.

16 (5) The property of an authority and its income and
17 operations are exempt from all taxation by this state or any of
18 its political subdivisions.

19 (6) An authority shall not assist or expend any funds for, or
20 related to, the development of a casino.

21 (7) An authority shall not levy any tax or special
22 assessment.

23 (8) An authority shall not exercise the power of eminent
24 domain or condemn property.

25 (9) An authority shall adopt a code of ethics for its
26 directors, officers, and employees.

27 (10) An authority shall establish policies and procedures

1 requiring the disclosure of relationships that may give rise to a
2 conflict of interest. The governing body of an authority shall
3 require that any member of the governing body with a direct or
4 indirect interest in any matter before the authority disclose the
5 member's interest to the governing body before the board takes
6 any action on the matter.

7 Sec. 5. (1) Except as provided in section 4(8), an
8 authority may acquire by gift, devise, transfer, exchange,
9 foreclosure, purchase, or otherwise on terms and conditions and
10 in a manner the authority considers proper, real or personal
11 property, or rights or interests in real or personal property.

12 (2) Real property acquired by an authority by purchase may be
13 by purchase contract, lease purchase agreement, installment sales
14 contract, land contract, or otherwise, except as provided in
15 section 4(8). The authority may acquire real property or rights
16 or interests in real property for any purpose the authority
17 considers necessary to carry out the purposes of this act,
18 including, but not limited to, 1 or more of the following
19 purposes:

20 (a) The use or development of property the authority has
21 otherwise acquired.

22 (b) To facilitate the assembly of property for sale or lease
23 to any other public or private person, including, but not limited
24 to, a nonprofit or for profit corporation.

25 (c) To protect or prevent the extinguishing of any lien,
26 including a tax lien, held by the authority or imposed upon
27 property held by the authority.

1 (3) An authority may also acquire by purchase, on terms and
2 conditions and in a manner the authority considers proper,
3 property or rights or interest in property from 1 or more of the
4 following sources:

5 (a) The department of natural resources under section 2101 or
6 2102 of the natural resources and environmental protection act,
7 1994 PA 451, MCL 324.2101 and 324.2102.

8 (b) A foreclosing governmental unit under the general
9 property tax act, 1893 PA 206, MCL 211.1 to 211.157.

10 (c) The Michigan state housing development authority under
11 the state housing development authority act of 1966, 1966 PA 346,
12 MCL 125.1401 to 125.1499c.

13 (4) An authority may hold and own in its name any property
14 acquired by it or conveyed to it by this state, a foreclosing
15 governmental unit, a local unit of government, an
16 intergovernmental entity created under the laws of this state, or
17 any other public or private person, including, but not limited
18 to, tax reverted property and property with or without clear
19 title.

20 (5) All deeds, mortgages, contracts, leases, purchases, or
21 other agreements regarding property of an authority, including
22 agreements to acquire or dispose of real property, may be
23 approved by and executed in the name of the authority.

24 (6) A foreclosing governmental unit may not transfer property
25 subject to forfeiture, foreclosure, and sale under sections 78 to
26 78p of the general property tax act, 1893 PA 206, MCL 211.78 to
27 211.78p, until after the property has been offered for sale or

1 other transfer under section 78m of the general property tax act,
2 1893 PA 206, MCL 211.78m, and the foreclosing governmental unit
3 has retained possession of the property under section 78m(7) of
4 the general property tax act, 1893 PA 206, MCL 211.78m.

5 Sec. 6. (1) An authority may, without the approval of a
6 local unit of government in which property held by the authority
7 is located, control, hold, manage, maintain, operate, repair,
8 lease as lessor, secure, prevent the waste or deterioration of,
9 demolish, and take all other actions necessary to preserve the
10 value of the property it holds or owns. An authority may take or
11 perform the following with respect to property held or owned by
12 the authority:

13 (a) Grant or acquire a license, easement, or option with
14 respect to property as the authority determines is reasonably
15 necessary to achieve the purposes of this act.

16 (b) Fix, charge, and collect rents, fees, and charges for use
17 of property under the control of the authority or for services
18 provided by the authority.

19 (c) Pay any tax or special assessment due on property
20 acquired or owned by the authority.

21 (d) Take any action, provide any notice, or institute any
22 proceeding required to clear or quiet title to property held by
23 the authority in order to establish ownership by and vest title
24 to property in the authority, including, but not limited to, an
25 expedited quiet title and foreclosure action under section 9.

26 (e) Remediate environmental contamination on any property
27 held by the authority.

1 (2) An authority shall be made a party to and shall defend
2 any action or proceeding concerning title claims against property
3 held by the authority.

4 (3) Subject to subsection (4), an authority may accept from a
5 person with an interest in a parcel of tax delinquent property or
6 tax reverted property a deed conveying that person's interest in
7 the property in lieu of the foreclosure or sale of the property
8 for delinquent taxes, penalties, and interest levied under the
9 general property tax act, 1893 PA 206, MCL 211.1 to 211.157, or
10 delinquent specific taxes levied under another law of this state
11 against the property by a local unit of government or other
12 taxing jurisdiction.

13 (4) An authority may not accept under subsection (3) a deed
14 in lieu of foreclosure or sale of the tax lien attributable to
15 taxes levied by a local unit of government or other taxing
16 jurisdiction without the written approval of all taxing
17 jurisdictions and the foreclosing governmental unit that would be
18 affected. Upon approval of the affected taxing jurisdictions and
19 the foreclosing governmental unit, all of the unpaid general ad
20 valorem taxes and specific taxes levied on the property, whether
21 recorded or not, shall be extinguished. The authority shall
22 record proof of the acceptance by the affected taxing
23 jurisdictions under this subsection and the deed in lieu of
24 foreclosure with the register of deeds for the county in which
25 the property is located.

26 (5) Except as provided in subsection (4), conveyance of
27 property by deed in lieu of foreclosure under this section shall

1 not affect or impair any other lien against that property or any
2 existing recorded or unrecorded interest in that property,
3 including, but not limited to, future installments of special
4 assessments, liens recorded by this state, or restrictions
5 imposed under the natural resources and environmental protection
6 act, 1994 PA 451, MCL 324.101 to 324.90106, easements or
7 rights-of-way, private deed restrictions, security interests and
8 mortgages, or tax liens of other taxing jurisdictions or a
9 foreclosing governmental unit that does not consent to a release
10 of their liens.

11 (6) A tax lien against property held by or under the control
12 of an authority may be released at any time by 1 or more of the
13 following:

14 (a) The governing body of a local unit of government with
15 respect to a lien held by the local unit of government.

16 (b) The governing body of any other taxing jurisdiction other
17 than this state with respect to a lien held by the taxing
18 jurisdiction.

19 (c) A foreclosing governmental unit with respect to a tax
20 lien or right to collect a tax held by the foreclosing
21 governmental unit.

22 (d) The state treasurer with respect to a tax lien securing
23 the state education tax under the state education tax act, 1993
24 PA 331, MCL 211.901 to 211.906.

25 Sec. 7. (1) Except as an authority otherwise agrees by
26 intergovernmental agreement or otherwise, on terms and
27 conditions, and in a manner and for an amount of consideration an

1 authority considers proper, fair, and valuable, including for no
2 monetary consideration, the authority may convey, sell, transfer,
3 exchange, lease as lessor, or otherwise dispose of property or
4 rights or interests in property in which the authority holds a
5 legal interest to any public or private person for value
6 determined by the authority. The transfer and use of property
7 under this section and the exercise by the authority of powers
8 and duties under this act shall be considered a necessary public
9 purpose and for the benefit of the public.

10 (2) All property held by an authority shall be inventoried
11 and classified by the authority according to title status and
12 suitability for use.

13 (3) A document, including, but not limited to, a deed,
14 evidencing the transfer under this act of 1 or more parcels of
15 property to an authority by this state or a political subdivision
16 of this state may be recorded with the register of deeds office
17 in the county in which the property is located without the
18 payment of a fee.

19 Sec. 8. (1) Money received by an authority as payment of
20 taxes, penalties, or interest, or from the redemption or sale of
21 property subject to a tax lien of any taxing unit shall be
22 returned to the local tax collecting unit in which the property
23 is located for distribution on a pro rata basis to the
24 appropriate taxing units in an amount equal to delinquent taxes,
25 penalties, and interest owed on the property, if any.

26 (2) Except as otherwise provided in this act, as required by
27 other law, as required under the provisions of a deed, or as an

1 authority otherwise agrees, any proceeds received by the
2 authority may be retained by the authority for the purposes of
3 this act.

4 Sec. 9. (1) An authority may initiate an expedited quiet
5 title and foreclosure action under this section to quiet title to
6 real property held by the authority or interests in tax reverted
7 property held by the authority by recording with the register of
8 deeds in the county in which the property subject to expedited
9 quiet title and foreclosure is located a notice of pending
10 expedited quiet title and foreclosure action in a form prescribed
11 by the department of treasury. The notice shall include a legal
12 description of the property, the street address of the property
13 if available, the name, address, and telephone number of the
14 authority, a statement that the property is subject to expedited
15 quiet title proceedings and foreclosure under this act, and a
16 statement that any legal interests in the property may be
17 extinguished by a circuit court vesting title to the property in
18 the authority. If a notice is recorded in error, the authority
19 may correct the error by recording a certificate of correction
20 with the register of deeds. A notice or certificate under this
21 subsection need not be notarized and may be authenticated by a
22 digital signature or other electronic means. Property is not
23 subject to an expedited quiet title and foreclosure action under
24 this section if the property was forfeited under section 78g of
25 the general property tax act, 1893 PA 206, MCL 211.78g, and
26 remains subject to foreclosure under section 78k of the general
27 property tax act, 1893 PA 206, MCL 211.78k.

1 (2) After recording the notice under subsection (1), an
2 authority shall initiate a search of records identified in this
3 subsection to identify the owners of a property interest in the
4 property who are entitled to notice of the foreclosure hearing
5 under this section. The authority may enter into a contract with
6 or may request from 1 or more authorized representatives a title
7 search or other title product to identify the owners of a
8 property interest in the property as required under this
9 subsection or to perform the other functions set forth in this
10 section required for the quieting of title to property under this
11 act. The owner of a property interest is entitled to notice
12 under this section if that owner's interest was identifiable by
13 reference to any of the following sources before the date that
14 the authority records the notice under subsection (1):

15 (a) Land title records in the office of the county register
16 of deeds.

17 (b) Tax records in the office of the county treasurer.

18 (c) Tax records in the office of the local assessor.

19 (d) Tax records in the office of the local treasurer.

20 (3) An authority may file a single petition with the clerk of
21 the circuit court in which property subject to expedited
22 foreclosure under this section is located listing all property
23 subject to expedited foreclosure by the authority and for which
24 the authority seeks to quiet title. If available to the
25 authority, the list of properties shall include a legal
26 description of, a tax parcel identification number for, and the
27 street address of each parcel of property. The petition shall

1 seek a judgment in favor of the authority against each property
2 listed and shall include a date, within 90 days, on which the
3 authority requests a hearing on the petition. The petition shall
4 request that a judgment be entered vesting absolute title in the
5 authority, without right of redemption for each parcel of
6 property listed, as provided in this section. Prior to the entry
7 of judgment under this section, the authority may request the
8 court to remove property erroneously included in the petition, or
9 any tax delinquent properties redeemed prior to the hearing.

10 (4) The clerk of the circuit court in which a petition is
11 filed under subsection (3) shall immediately set the date, time,
12 and place for a hearing on the petition for foreclosure. The
13 date shall be set by the clerk and shall not be more than 10 days
14 after the date requested by the authority in the petition. In no
15 event may the clerk schedule the hearing later than 90 days after
16 the filing of a petition by the authority under subsection (3).

17 (5) After completing the records search under subsection (2),
18 an authority shall determine the address or addresses reasonably
19 calculated to inform those owners of a property interest in
20 property subject to expedited foreclosure under this section of
21 the pendency of the foreclosure hearing under subsection (11).
22 If, after conducting the title search, the authority is unable to
23 determine an address reasonably calculated to inform persons with
24 a property interest in property subject to expedited tax
25 foreclosure or if the notice under subsection (6) is returned as
26 undeliverable, the following shall be considered reasonable steps
27 by the authority to ascertain the addresses of persons with a

1 property interest in the property subject to expedited
2 foreclosure:

3 (a) For an individual, a search of records of the county
4 probate court.

5 (b) For an individual, a search of the qualified voter file
6 established under section 509o of the Michigan election law, 1954
7 PA 116, MCL 168.509o, which is authorized by this subdivision.

8 (c) For a partnership, a search of partnership records filed
9 with the county clerk.

10 (d) For a business entity other than a partnership, a search
11 of business entity records filed with the corporation division of
12 the department.

13 (e) A search of the current telephone directory for the area
14 in which the property is located.

15 (f) A letter of inquiry to the last seller of the property or
16 an attorney for the seller, if ascertainable.

17 (6) Not less than 30 days before the quiet title and
18 foreclosure hearing under subsection (11), the authority shall
19 send notice by certified mail, return receipt requested, of the
20 foreclosure hearing to the persons identified under subsection
21 (5) with a property interest in property subject to expedited
22 foreclosure. The authority shall also send a notice via regular
23 mail addressed to the "Occupant" for each property subject to
24 expedited foreclosure if an address for the property is
25 ascertainable.

26 (7) Not less than 30 days before the quiet title and
27 foreclosure hearing under subsection (11), the authority or its

1 authorized representative shall visit each parcel of property
 2 subject to expedited foreclosure and post conspicuously on the
 3 property notice of the hearing. In addition to the requirements
 4 of subsection (8), the notice shall also include the following
 5 statement: "THIS PROPERTY HAS BEEN TRANSFERRED TO THE
 6 _____ LAND BANK FAST TRACK AUTHORITY AND IS
 7 SUBJECT TO AN EXPEDITED QUIET TITLE AND FORECLOSURE ACTION.
 8 PERSONS WITH INFORMATION REGARDING THE PRIOR OWNER OF THE
 9 PROPERTY ARE REQUESTED TO CONTACT THE LAND BANK FAST TRACK
 10 AUTHORITY AT _____."

11 (8) The notice required under subsections (6) and (7) shall
 12 include:

13 (a) The date on which the authority recorded under subsection
 14 (1) notice of the pending expedited quiet title foreclosure
 15 action.

16 (b) A statement that a person with a property interest in the
 17 property may lose his or her interest, if any, as a result of the
 18 foreclosure hearing under subsection (11).

19 (c) A legal description, parcel number of the property, and
 20 the street address of the property, if available.

21 (d) The person to whom the notice is addressed.

22 (e) The date and time of the hearing on the petition for
 23 foreclosure hearing under subsection (11) and a statement that
 24 the judgment of the court may result in title to the property
 25 vesting in the authority.

26 (f) An explanation of any rights of redemption and notice
 27 that the judgment of the court may extinguish any ownership

1 interest in or right to redeem the property.

2 (g) The name, address, and telephone number of the
3 authority.

4 (h) A statement that persons with information regarding the
5 prior owner of any of the properties are requested to contact the
6 authority.

7 (9) If the authority is unable to ascertain the address
8 reasonably calculated to inform the owners of a property interest
9 entitled to notice under this section, or is unable to provide
10 notice under subsection (6) or (7), the authority shall provide
11 notice by publication. Prior to the hearing, a notice shall be
12 published for 3 successive weeks, once each week, in a newspaper
13 published and circulated in the county in which the property is
14 located. If no paper is published in that county, publication
15 shall be made in a newspaper published and circulated in an
16 adjoining county. This publication shall substitute for notice
17 under subsection (6) or (7). The published notice shall include
18 all of the following:

19 (a) A legal description, parcel number of the property, and
20 the street address of the property, if available.

21 (b) The name of any person not notified under subsection (6)
22 or (7) that the authority reasonably believes may be entitled to
23 notice under this section of the foreclosure hearing under
24 subsection (11).

25 (c) A statement that a person with a property interest in the
26 property may lose his or her interest, if any, as a result of the
27 foreclosure proceeding under subsection (11).

1 (d) The date and time of the hearing on the petition for
2 foreclosure under subsection (11).

3 (e) A statement that the judgment of the court may result in
4 title to the property vesting in the authority.

5 (f) An explanation of any rights of redemption and notice
6 that judgment of the court may extinguish any ownership interest
7 in or right to redeem the property.

8 (g) The name, address, and telephone number of the
9 authority.

10 (h) A statement that persons with information regarding the
11 prior owner of any of the properties are requested to contact the
12 authority.

13 (10) If prior to the foreclosure hearing under subsection
14 (11) the authority discovers any deficiency in the provision of
15 notice under this section, the authority shall take reasonable
16 steps in good faith to correct the deficiency before the
17 hearing. The provisions of this section relating to notice of
18 the quiet title and foreclosure hearing are exclusive and
19 exhaustive. Other requirements relating to notice and proof of
20 service under other law, rule, or other legal requirement are not
21 applicable to notice or proof of service under this section.

22 (11) If a petition for expedited quiet title and foreclosure
23 is filed under subsection (3), before the hearing, the authority
24 shall file with the clerk of the circuit court proof of service
25 of notice by certified mail under subsection (6), proof of notice
26 by posting on the property under subsection (7), and proof of
27 notice by publication, if applicable. A person claiming an

1 interest in a parcel of property set forth in the petition for
2 foreclosure who desires to contest that petition shall file
3 written objections with the clerk of the circuit court and serve
4 those objections on the authority before the date of the
5 hearing. The circuit court may appoint and utilize as the court
6 considers necessary a special master for assistance with the
7 resolution of any objections to the foreclosure or questions
8 regarding the title to property subject to foreclosure. If the
9 court withholds property from foreclosure, an authority's ability
10 to include the property in a subsequent petition for expedited
11 quiet title and foreclosure is not prejudiced. No injunction
12 shall issue to stay an expedited quiet title and foreclosure
13 action under this section. The circuit court shall enter
14 judgment on a petition to quiet title and foreclosure filed under
15 subsection (3) not more than 10 days after the conclusion of the
16 hearing. The circuit court's judgment shall specify all of the
17 following:

18 (a) The legal description and, if known, the street address
19 of the property foreclosed.

20 (b) That fee simple title to property foreclosed by the
21 judgment is vested absolutely in the authority, except as
22 otherwise provided in subdivisions (c) and (e), without any
23 further rights of redemption.

24 (c) That all liens against the property, including any lien
25 for unpaid taxes or special assessments, except future
26 installments of special assessments and liens recorded by this
27 state or the authority under the natural resources and

1 environmental protection act, 1994 PA 451, MCL 324.101 to
2 324.90106, are extinguished.

3 (d) That, except as otherwise provided in subdivisions (c)
4 and (e), the authority has good and marketable fee simple title
5 to the property.

6 (e) That all existing recorded and unrecorded interests in
7 that property are extinguished, except a visible or recorded
8 easement or right-of-way, private deed restrictions, plat
9 restrictions, or restrictions or other governmental interests
10 imposed under the natural resources and environmental protection
11 act, 1994 PA 451, MCL 324.101 to 324.90106.

12 (f) A finding that all persons entitled to notice and an
13 opportunity to be heard have been provided that notice and
14 opportunity. A person shall be deemed to have been provided
15 notice and an opportunity to be heard if 1 or more of the
16 following apply:

17 (i) The person had constructive notice of the hearing by
18 acquiring an interest in the property after the date of the
19 recording under subsection (1) of the notice of pending expedited
20 quiet title and foreclosure action.

21 (ii) The person appeared at the hearing under this subsection
22 or submitted written objections to the clerk of the circuit court
23 under this subsection prior to the hearing.

24 (iii) Prior to the hearing under this subsection, the person
25 had actual notice of the hearing.

26 (12) Except as otherwise provided in subsection (11)(c) and
27 (e), fee simple title to property set forth in a petition for

1 foreclosure filed under subsection (3) shall vest absolutely in
2 the authority upon the entry of the judgment by the circuit court
3 and the authority shall have absolute title to the property. The
4 authority's title is not subject to any recorded or unrecorded
5 lien, except as provided in subsection (11) and shall not be
6 stayed or held invalid except as provided in subsection (13).

7 (13) An authority or a person claiming to have a property
8 interest under subsection (2) in property foreclosed under this
9 section may within 21 days of the entry of the judgment under
10 subsection (12) appeal the circuit court's order or the circuit
11 court's judgment foreclosing property to the court of appeals.
12 An appeal under this subsection is limited to the record of the
13 proceedings in the circuit court under this section. The circuit
14 court's judgment foreclosing property shall be stayed until the
15 court of appeals has reversed, modified, or affirmed that
16 judgment. If an appeal under this subsection stays the circuit
17 court's judgment foreclosing property, the circuit court's
18 judgment is stayed only as to the property that is the subject of
19 that appeal and the circuit court's judgment foreclosing other
20 property that is not the subject of that appeal is not stayed.
21 To appeal the circuit court's judgment foreclosing property, a
22 person appealing the judgment shall pay to the authority any
23 taxes, interest, penalties, and fees due on the property and
24 provide notice of the appeal to the authority within 21 days
25 after the circuit court's judgment is entered. If the circuit
26 court's judgment foreclosing the property is affirmed on appeal,
27 the amount determined to be due shall be refunded to the person

1 who appealed the judgment. If the circuit court's judgment
2 foreclosing the property is reversed or modified on appeal, the
3 authority shall refund the amount determined to be due to the
4 person who appealed the judgment, if any, and forward the balance
5 to the appropriate taxing jurisdictions in accordance with the
6 order of the court of appeals.

7 (14) The authority shall record a notice of judgment for each
8 parcel of foreclosed property in the office of the register of
9 deeds for the county in which the foreclosed property is located
10 in a form prescribed by the department of treasury. If an
11 authority records a notice of judgment in error, the authority
12 may subsequently record a certificate of correction. A notice or
13 certificate under this subsection need not be notarized and may
14 be authenticated by a digital signature or other electronic
15 means.

16 (15) If a judgment of foreclosure is entered under subsection
17 (12), and all existing recorded and unrecorded interests in a
18 parcel of property are extinguished as provided in subsection
19 (12), the owner of any extinguished recorded or unrecorded
20 interest in that property who claims that he or she did not
21 receive notice of the expedited quiet title and foreclosure
22 action shall not bring an action for possession of the property
23 against any subsequent owner, but may only bring an action to
24 recover monetary damages as provided in this subsection. The
25 court of claims has original and exclusive jurisdiction in any
26 action to recover monetary damages under this subsection. An
27 action to recover monetary damages under this subsection shall

1 not be brought more than 2 years after a judgment for foreclosure
2 is entered under subsection (12). Any monetary damages
3 recoverable under this subsection shall be determined as of the
4 date a judgment for foreclosure is entered under subsection (12)
5 and shall not exceed the fair market value of the property on
6 that date, less any taxes, interest, penalties, and fees owed on
7 the property as of that date.

8 (16) The owner of a property interest with notice of the
9 foreclosure hearing under subsection (11) may not assert any of
10 the following:

11 (a) That notice to the owner was insufficient or inadequate
12 in any way because some other owner of a property interest in the
13 property was not notified.

14 (b) That any right to redeem tax reverted property was
15 extended in any way because some other person was not notified.

16 (17) A person holding or formerly holding an interest in tax
17 reverted property subject to expedited foreclosure under this
18 section is barred from questioning the validity of the expedited
19 foreclosure under this section if 1 or more of the following
20 apply:

21 (a) Prior to the transfer of the property to the authority,
22 the property was deeded to this state under section 67a of the
23 general property tax act, 1893 PA 206, MCL 211.67a, and the
24 person or the person's predecessor in title was notified of a
25 hearing regarding the deeding of the property as required by
26 section 131e of the general property tax act, 1893 PA 206,
27 MCL 211.131e.

1 (b) Prior to the transfer of the property to the authority,
2 title to the property vested in a foreclosing governmental unit
3 following a circuit court hearing under section 78k of the
4 general property tax act, 1893 PA 206, MCL 211.78k, and the
5 person or the person's predecessor in title was notified of the
6 hearing under section 78i of the general property tax act, 1893
7 PA 206, MCL 211.78i.

8 (18) The failure of an authority to comply with any provision
9 of this section shall not invalidate any proceeding under this
10 section if a person with a property interest in property subject
11 to foreclosure was accorded the minimum due process required
12 under the state constitution of 1963 and the constitution of the
13 United States.

14 (19) It is the intent of the legislature that the provisions
15 of this section relating to the expedited quiet title and
16 foreclosure of property held by an authority satisfy the minimum
17 requirements of due process required under the constitution of
18 this state and the constitution of the United States but that
19 those provisions do not create new rights beyond those required
20 under the state constitution of 1963 or the constitution of the
21 United States. The failure of an authority, this state, or a
22 local unit of government of this state to follow a requirement of
23 this section relating to the expedited quiet title and
24 foreclosure of property held by an authority shall not be
25 construed to create a claim or cause of action against an
26 authority, this state, or a local unit of government of this
27 state unless the minimum requirements of due process accorded

1 under the state constitution of 1963 or the constitution of the
2 United States are violated.

3 (20) As used in this section, "authorized representative"
4 includes 1 or more of the following:

5 (a) A title insurance company or agent licensed to conduct
6 business in this state.

7 (b) An attorney licensed to practice law in this state.

8 (c) A person accredited in land title search procedures by a
9 nationally recognized organization in the field of land title
10 searching.

11 (d) A person with demonstrated experience in the field of
12 searching land title records, as determined by the authority.

13 Sec. 10. For purposes of part 201 of the natural resources
14 and environmental protection act, 1994 PA 451, MCL 324.20101 to
15 324.20142, an authority shall be considered a local unit of
16 government. The acquisition or control of property through
17 bankruptcy, tax delinquent forfeiture, foreclosure, or sale,
18 abandonment, transfer from a lender, court order, foreclosure,
19 forfeiture, circumstances in which the authority has acquired
20 title or control by virtue of the performance of any function
21 permitted by the authority under this act, or by transfer of the
22 property to the authority by this state, an agency or department
23 of this state, or any local unit of government of this state
24 shall not subject the authority to liability under the natural
25 resources and environmental protection act, 1994 PA 451,
26 MCL 324.101 to 324.90106, unless the authority is responsible for
27 an activity causing a release on the property. This section

1 shall not be considered to restrict or diminish any protection
2 from liability under the natural resources and environmental
3 protection act, 1994 PA 451, MCL 324.101 to 324.90106, that is
4 otherwise available under law to the authority.

5 Sec. 11. (1) An authority may institute a civil action to
6 prevent, restrain, or enjoin the waste of or unlawful removal of
7 any property from tax reverted property or other real property
8 held by the authority.

9 (2) A circuit court may, on application, order the purchaser
10 of any real property sold by an authority under this act in
11 possession of the property.

12 Sec. 12. An authority shall be made a party to any action
13 or proceeding instituted for the purpose of setting aside title
14 to property held by the authority, the sale of property by the
15 authority, or an expedited foreclosure under section 9. A
16 hearing in any such proceeding shall not be held until the
17 authority is served with process and proper proof of service is
18 filed.

19 Sec. 13. Property of an authority is public property
20 devoted to an essential public and governmental function and
21 purpose. Income of the authority is considered to be for a
22 public and governmental purpose. The property of the authority
23 and its income and operation are exempt from all taxes and
24 special assessments of this state or a local unit of government
25 of this state. Bonds or notes issued by the authority, and the
26 interest on and income from those bonds and notes, are exempt
27 from all taxation of this state or a local unit of government.

1 Sec. 14. (1) This act shall be construed liberally to
2 effectuate the legislative intent and the purposes as complete
3 and independent authorization for the performance of each and
4 every act and thing authorized by this act, and all powers
5 granted shall be broadly interpreted to effectuate the intent and
6 purposes and not as a limitation of powers. In the exercise of
7 its powers and duties under this act and its powers relating to
8 property held by the authority, the authority shall have complete
9 control as fully and completely as if it represented a private
10 property owner and shall not be subject to restrictions imposed
11 on the authority by the charter, ordinances, or resolutions of a
12 local unit of government.

13 (2) Unless permitted by this act or approved by an authority,
14 any restrictions, standards, conditions, or prerequisites of a
15 city, village, township, or county otherwise applicable to an
16 authority and enacted after the effective date of this act shall
17 not apply to an authority. This subsection is intended to
18 prohibit special local legislation or ordinances applicable
19 exclusively or primarily to an authority and not to exempt an
20 authority from laws generally applicable to other persons or
21 entities.

22 (3) The provisions of this act apply notwithstanding any
23 resolution, ordinance, or charter provision to the contrary.
24 This section is not intended to exempt an authority from local
25 zoning or land use controls, including, but not limited to, those
26 controls authorized under the city and village zoning act, 1921
27 PA 207, MCL 125.581 to 125.600, the local historic districts act,

1 1970 PA 169, MCL 399.201 to 399.215, or 1945 PA 344, MCL 125.71
2 to 125.84.

3 (4) The transfer to an authority of tax reverted property,
4 the title to which involuntarily vested in this state under
5 section 67a of the general property tax act, 1893 PA 206, MCL
6 211.67a, in a foreclosing governmental unit under section 78m(7)
7 of the general property tax act, 1893 PA 206, MCL 211.78m, or in
8 a qualified city pursuant to procedures established under the
9 charter or ordinances of the qualified city, shall be construed
10 as an involuntary transfer of property to the authority. After a
11 transfer described in this subsection, the authority shall be
12 deemed to have assumed any governmental immunity or other legal
13 defenses of this state or the local unit of government related to
14 the property and the manner in which title to the property was
15 held by this state or the local unit of government.

16 Sec. 15. (1) The land bank fast track authority is created
17 as a public body corporate and politic within the department.

18 (2) The state authority shall exercise its powers, duties,
19 functions, and responsibilities independently of the director of
20 the department. The budgeting, procurement, and related
21 administrative or management functions of the state authority
22 shall be performed under the direction and supervision of the
23 director of the department. The state authority may contract
24 with the department for the purpose of maintaining the rights and
25 interests of the state authority.

26 (3) Subject to available appropriations, if requested by the
27 state authority, the department shall provide staff and other

1 support to the state authority sufficient to carry out its
2 duties, powers, and responsibilities.

3 (4) All departments and agencies of state government shall
4 provide full cooperation to the state authority in the
5 performance of its duties, powers, and responsibilities.

6 Sec. 16. (1) The purposes, powers, and duties of the state
7 authority are vested in and shall be exercised by a board of
8 directors. The authority board shall consist of 7 members. The
9 governor shall appoint 4 residents of this state as members of
10 the authority board. The members of the authority board shall
11 serve terms of 4 years. In appointing the initial members of the
12 authority board, the governor shall designate 2 to serve for 4
13 years, 1 to serve for 3 years, and 1 to serve for 2 years. All
14 of the following shall also serve as members of the authority
15 board:

16 (a) The director of the department or his or her designee.

17 (b) The chief executive officer of the Michigan economic
18 development corporation or his or her designee.

19 (c) The executive director of the Michigan state housing
20 development authority or his or her designee.

21 (2) Upon appointment to the authority board under subsection
22 (1) and upon the taking and filing of the constitutional oath of
23 office prescribed in section 1 of article XI of the state
24 constitution of 1963, a member of the authority board shall enter
25 the office and exercise the duties of the office. A member of
26 the authority board may be removed by the governor as provided in
27 section 10 of article V of the state constitution of 1963.

1 (3) Regardless of the cause of a vacancy on the authority
2 board, the governor shall fill a vacancy in the office by
3 appointment in the same manner as an appointment under subsection
4 (1). A vacancy shall be filled for the balance of the unexpired
5 term of the office. A member of the authority board shall hold
6 office until a successor has been appointed and qualified.

7 (4) The authority board shall elect a chairperson and a
8 vice-chairperson from among its members. Members of the
9 authority board shall serve without compensation, but shall be
10 reimbursed for actual and necessary expenses.

11 (5) A state officer or director who is a member of the
12 authority board may designate a representative from his or her
13 department or agency as a voting member of the authority board
14 for 1 or more meetings.

15 (6) A member of the authority board, officer, employee, or
16 agent of the state authority shall discharge the duties of his or
17 her position in a nonpartisan manner, with good faith, and with
18 that degree of diligence, care, and skill that an ordinarily
19 prudent person would exercise under similar circumstances in a
20 like position. In discharging the duties of his or her position,
21 a member of the authority board or an officer, employee, or
22 agent, when acting in good faith, may rely upon the opinion of
23 counsel for the state authority, upon the report of an
24 independent appraiser selected with reasonable care by the board,
25 or upon financial statements of the authority represented to the
26 member of the authority board or officer, employee, or agent of
27 the state authority to be correct by the president or the officer

1 of the state authority having charge of its books or account, or
2 stated in a written report by a certified public accountant or
3 firm of certified public accountants fairly to reflect the
4 financial condition of the state authority.

5 Sec. 17. The governor shall appoint a person to serve as
6 the executive director of the state authority. A member of the
7 authority board is not eligible to hold the position of executive
8 director. Before entering upon the duties of his or her office,
9 the executive director shall take and file the constitutional
10 oath of office provided in section 1 of article XI of the state
11 constitution of 1963. Subject to the approval of the authority
12 board, the executive director shall supervise, and be responsible
13 for, the performance of the functions of the state authority
14 under this act. The executive director shall attend the meetings
15 of the authority board and shall provide the authority board and
16 the governing body of the state authority a regular report
17 describing the activities and financial condition of the state
18 authority. The executive director shall furnish the authority
19 board with information or reports governing the operation of the
20 state authority as the authority board requires.

21 Sec. 18. (1) The land bank fast track fund is created under
22 the jurisdiction and control of the state authority and may be
23 administered to secure any notes and bonds of the state
24 authority.

25 (2) The state authority may receive money or other assets
26 from any source for deposit into the fund. The state authority
27 shall credit to the fund interest and earnings from fund

1 investments.

2 (3) Money in the fund at the close of the fiscal year shall
3 remain in the fund and shall not lapse to any other fund.

4 (4) The state authority shall expend money from the fund only
5 for 1 or more of the following:

6 (a) Costs to clear or quiet title to property held by the
7 state authority.

8 (b) To repay a loan made to the state authority under section
9 2f of 1855 PA 105, MCL 21.142f.

10 (c) Any other purposes provided in this act.

11 (5) The state authority shall deposit into the fund all money
12 it receives from the sale or transfer of property under this act,
13 subject to section 8. The state authority shall credit to the
14 fund the proceeds of the sale of notes or bonds to the extent
15 provided for in the authorizing resolution of the state
16 authority, and any other money made available to the state
17 authority for the purposes of the fund.

18 Sec. 19. (1) The state authority may borrow money and issue
19 bonds or notes for the following purposes:

20 (a) To provide sufficient funds for achieving the state
21 authority's purposes and objectives or incident to and necessary
22 or convenient to carry out the state authority's purposes and
23 objectives, including necessary administrative costs.

24 (b) To refund bonds or notes of the state authority issued
25 under this act, by the issuance of new bonds, whether or not the
26 bonds or notes to be refunded have matured or are subject to
27 prior redemption or are to be paid, redeemed, or surrendered at

1 the time of the issuance of the refunding bonds or notes; and to
2 issue bonds or notes partly to refund the bonds or notes and
3 partly for any other purpose provided for by this section.

4 (c) To pay the costs of issuance of bonds or notes under this
5 act; to pay interest on bonds or notes becoming payable before
6 the receipt of the first revenues available for payment of that
7 interest as determined by the authority board; and to establish,
8 in full or in part, a reserve for the payment of the principal
9 and interest on the bonds or notes in the amount determined by
10 the authority board.

11 (2) The bonds and notes, including, but not limited to,
12 commercial paper, shall be authorized by resolution adopted by
13 the authority board, shall bear the date or dates, and shall
14 mature at the time or times not exceeding 50 years from the date
15 of issuance, as the resolution may provide. The bonds and notes
16 shall bear interest at the rate or rates as may be set, reset, or
17 calculated from time to time, or may bear no interest, as
18 provided in the resolution. The bonds and notes shall be in the
19 denominations, be in the form, either coupon or registered, carry
20 the registration privileges, be transferable, be executed in the
21 manner, be payable in the medium of payment, at the place or
22 places, and be subject to the terms of prior redemption at the
23 option of the state authority or the holders of the bonds and
24 notes as the resolution or resolutions may provide. The bonds
25 and notes of the state authority may be sold at public or private
26 sale at the price or prices determined by the state authority.
27 Bonds and notes may be sold at a discount.

1 (3) Bonds or notes may be 1 or more of the following:

2 (a) Made the subject of a put or agreement to repurchase by
3 the state authority or others.

4 (b) Secured by a letter of credit or by any other collateral
5 that the resolution may authorize.

6 (c) Reissued by the state authority once reacquired by the
7 state authority pursuant to any put or repurchase agreement.

8 (4) The state authority may authorize by resolution any
9 member of the board to do 1 or more of the following:

10 (a) Sell and deliver, and receive payment for notes or
11 bonds.

12 (b) Refund notes or bonds by the delivery of new notes or
13 bonds whether or not the notes or bonds to be refunded have
14 matured, are subject to prior redemption, or are to be paid,
15 redeemed, or surrendered at the time of the issuance of refunding
16 bonds or notes.

17 (c) Deliver notes or bonds, partly to refund notes or bonds
18 and partly for any other authorized purposes.

19 (d) Buy notes or bonds issued at not more than the face value
20 of the notes or bonds.

21 (e) Approve interest rates or methods for fixing interest
22 rates, prices, discounts, maturities, principal amounts,
23 denominations, dates of issuance, interest payment dates,
24 redemption rights at the option of the state authority or the
25 holder, the place of delivery and payment, and other matters and
26 procedures necessary to complete the transactions authorized.

27 (5) Except as may otherwise be expressly provided by the

1 state authority, every issue of its notes or bonds shall be
2 general obligations of the state authority payable out of
3 revenues, properties, or money of the state authority, subject
4 only to agreements with the holders of particular notes or bonds
5 pledging particular receipts, revenues, properties, or money as
6 security for the notes or bonds.

7 (6) The notes or bonds of the state authority are negotiable
8 instruments within the meaning of and for all the purposes of the
9 uniform commercial code, 1962 PA 174, MCL 440.1101 to 440.11102,
10 subject only to the provisions of the notes or bonds for
11 registration.

12 (7) Bonds or notes issued by the state authority are not
13 subject to the revised municipal finance act, 2001 PA 34, MCL
14 141.2101 to 141.2821. The issuance of bonds and notes under this
15 act is subject to the agency financing reporting act, 2002 PA
16 470, MCL 129.171 to 129.177. The bonds or notes issued by the
17 state authority are not required to be registered. A filing of a
18 bond or note of the state authority is not required under the
19 uniform securities act, 1964 PA 265, MCL 451.501 to 451.818.

20 (8) A bond or note issued by the state authority shall
21 contain on its face a statement to the effect that the state
22 authority is obligated to pay the principal of and the interest
23 on the bond or note only from revenue or funds of the state
24 authority pledged for the payment of principal and interest and
25 that this state is not obligated to pay that principal and
26 interest and that neither the faith and credit nor the taxing
27 power of this state is pledged to the payment of the principal of

1 or the interest on the bond or note.

2 Sec. 20. (1) The state administrative board may transfer to
3 the state authority tax reverted property owned or under control
4 of this state, on terms and conditions the state administrative
5 board considers appropriate and consistent with the provisions of
6 this act.

7 (2) The state administrative board shall transfer and convey
8 to the state authority, subject to the conditions and
9 restrictions of this section, the surplus state real property
10 described in this section, including all options, easements,
11 rights-of-way, and all improvements to the property except as
12 noted in this section. All of the following described state
13 surplus real property shall be transferred to the state authority
14 under this section:

15 (a) All of Lots 1 through 9, inclusive, the strip of land
16 twenty (20) feet in width lying between the east line of said
17 Lots 1 and 2 and the west line of said Lot 3, being the alley
18 vacated by the Common Council of the City of Detroit by
19 resolution adopted October 22, 1912, and the West 11.80 feet of
20 Lot 10, Atkinson's Subdivision of the South Part of Lot One of
21 the Subdivision of Quarter Section Fifty Seven, Ten Thousand Acre
22 Tract, Township of Hamtramck (now City of Detroit), Wayne County,
23 Michigan, as recorded in Plat Liber 7, Page 33, Wayne County
24 Records, And the Southerly 27-1/2 feet and the Easterly 155 feet
25 of the North 80 feet of Lot 1, Bagg's Subdivision of part of Lot
26 1 in Quarter Section 57, Ten Thousand Acre Tract, Town 1 South,
27 Range 12 East, as recorded in Plat Liber 7, Page 33, Wayne County

1 Records, said parcel of land being more particularly described
2 as: BEGINNING at the northeast corner of Woodward Avenue and
3 East Grand Boulevard at the southwest corner of said Lot 1 of
4 said Atkinson's Subdivision; thence N25 degrees 59 minutes 43
5 seconds W 145.04 feet along the northeasterly line of said
6 Woodward Avenue to the southerly line of said Southerly 27-1/2
7 feet of said Lot 1 of said Bagg's Subdivision; thence N63 degrees
8 57 minutes 05 seconds E 65.00 feet along said southerly line;
9 thence N25 degrees 59 minutes 43 seconds W 80.03 feet to the
10 southeasterly line of Horton Avenue; thence N63 degrees 57
11 minutes 39 seconds E 155.00 feet along said southeasterly line to
12 the easterly line of said Lot 1 of said Bagg's Subdivision and
13 the west line of a 20 foot wide public alley; thence S25 degrees
14 59 minutes 43 seconds E 115.00 feet to the southeasterly line of
15 a 15 foot wide public alley; thence N63 degrees 57 minutes 05
16 seconds E 361.41 feet along said southeasterly line and
17 northwesterly line of said Lots 3 through 10 to the southwesterly
18 line of John R Street; thence S25 degrees 46 minutes 52 seconds E
19 109.95 feet along said southwesterly line to the northwest corner
20 of said John R Street and East Grand Boulevard; thence S63
21 degrees 56 minutes 30 seconds W 581.00 feet along the
22 northwesterly line of East Grand Boulevard to the Point of
23 Beginning, containing 1.928 acres and being subject to easements
24 and restrictions of record.

25 (b) The East 10 feet of Lot 2, all of Lots 3 through 13,
26 inclusive, and the West 1.80 feet of Lot 14, Bagg's Subdivision
27 of Part of Lot 1 in Quarter Section 57, Ten Thousand Acre Tract,

1 Town 1 South, Range 12 East, as recorded in Plat Liber 7, Page
2 33, Wayne County Records; said parcel of land being more
3 particularly described as: BEGINNING at the southwest corner of
4 Horton Avenue and John R Street at the northeast corner of said
5 West 1.80 feet of Lot 14 of said Bagg's Subdivision; thence S25
6 degrees 46 minutes 52 seconds E 99.95 feet along the
7 southwesterly line of said John R Street to the northwesterly
8 line of a 15 foot wide public alley; thence S63 degrees 57
9 minutes 05 seconds W 341.47 feet along said northwesterly line
10 and southeasterly line of said Lots 3 through 13 to the
11 northeasterly line of a 20 foot wide public alley; thence N25
12 degrees 59 minutes 43 seconds W 100.00 feet to the southeasterly
13 line of Horton Avenue; thence N63 degrees 57 minutes 39 seconds E
14 341.80 feet along said southeasterly line to the Point of
15 Beginning, containing 0.784 of an acre and being subject to
16 easements and restrictions of record.

17 (c) All of Lots 88, 89, and the Northerly 53 feet of Lot 90,
18 Hibbard Baker's Subdivision of Lot No. 2 of the Subdivision of
19 1/4 Section 57, Ten Thousand Acre Tract, Hamtramck (now City of
20 Detroit), Town 1 South, Range 12 East, as recorded in Plat Liber
21 7, Page 90, Wayne County Records, said parcel of land being more
22 particularly described as: BEGINNING at the southeast corner of
23 said Lot 89 on the northwesterly line of Horton Avenue which is
24 S63 degrees 57 minutes 39 seconds W 31.82 feet from the southeast
25 corner of Horton Avenue and John R Street at the northwest corner
26 of said Lot 90 of said Hibbard Baker's Subdivision; thence
27 continuing along said northwesterly line of Horton Avenue S63

1 degrees 57 minutes 39 seconds E 60.03 feet to the southwest
2 corner of said Lot 88; thence N25 degrees 48 minutes 16 seconds W
3 124.95 feet to the southeasterly line of a 20 foot wide public
4 alley; thence N63 degrees 56 minutes 35 seconds E 91.90 feet
5 along said line to the northeast corner of said Lot 90; thence
6 S25 degrees 46 minutes 52 seconds E 53.00 feet to the southerly
7 line of said Northerly 53 feet of Lot 90; thence S63 degrees 56
8 minutes 35 seconds W 31.83 feet along said line to the
9 southwesterly line of said Lot 90; thence S63 degrees 47 minutes
10 36 seconds E 71.97 feet along the northeasterly line of said Lot
11 89 to the Point of Beginning, containing 0.211 of an acre and
12 being subject to easements and restrictions of record.

13 (d) All of Lots 61 and 62, Hibbard Baker's Subdivision of Lot
14 No. 2 of the Subdivision of 1/4 Section 57, Ten Thousand Acre
15 Tract, Hamtramck (now City of Detroit), Town 1 South, Range 12
16 East, as recorded in Plat Liber 7, Page 90, Wayne County Records,
17 said parcel of land being more particularly described as:

18 BEGINNING at the southwest corner of Custer Avenue and John R
19 Street at the northeast corner of said Lot 61 of said Hibbard
20 Baker's Subdivision; thence S25 degrees 46 minutes 52 seconds
21 124.98 feet to the southeasterly line of a 20 foot wide public
22 alley; thence S63 degrees 56 minutes 35 seconds W 61.89 feet
23 along said line to the southwest corner of said Lot 62; thence
24 N25 degrees 48 minutes 16 seconds W 124.96 feet along the
25 southeasterly line of said Lot 62 to the southeasterly line of
26 said Horton Avenue; thence N63 degrees 55 minutes 31 seconds E
27 61.94 feet along said line to the Point of Beginning, containing

1 .0178 of an acre and being subject to easements and restrictions
2 of record.

3 (e) The West 10 feet of Lot 287 and all of Lots 288 and 289,
4 except that part taken for East Grand Boulevard, Frisbie and
5 Foxen's Subdivision of Part of Fractional Section 31 and Lot 18
6 of Theodore J. and Denis J. Campau's Subdivision of Fractional
7 Sections 29 and 32, T 1 S, R. 12 E, Detroit, Wayne County,
8 Michigan, as recorded in Plat Liber 6, Page 78, Wayne County
9 Records, said parcel of land being more particularly described
10 as: BEGINNING at the northwest corner of said Lot 289 of said
11 Frisbie and Foxen's Subdivision; thence N63 degrees 59 minutes 51
12 seconds E 70.00 feet to the northeast corner of said West 10 feet
13 of said Lot 287; thence S25 degrees 44 minutes 45 seconds E
14 175.32 feet to the southeast corner of said West 10 feet of said
15 Lot 287; thence S63 degrees 59 minutes 51 seconds W 70.00 feet
16 along the southeasterly line of said Lots 287 to 289 to the
17 southwest corner of said Lot 289; thence N25 degrees 44 minutes
18 45 seconds W 175.32 feet along the southwesterly line of said Lot
19 289 to the Point of Beginning, containing 0.282 of an acre and
20 being subject to easements and restrictions of record.

21 (f) Land in the City of Southgate, Wayne County, Michigan,
22 described as: That part of the southwest 1/4 and of the
23 southeast 1/4 of section 35, town 3 south, range 10 east, City of
24 Southgate, County of Wayne, State of Michigan, described as:
25 Beginning at the south 1/4 corner of section 35, town 3 south,
26 range 10 east; thence north 89 degrees 29 minutes 52 seconds west
27 377.03 feet along the south line of said section 35; thence north

1 00 degrees 07 minutes 38 seconds east 1950.98 feet to centerline
2 of Frank and Poet Drain; thence south 63 degrees 23 minutes 08
3 seconds east 15.60 feet along centerline of Frank and Poet Drain;
4 thence south 37 degrees 03 minutes 54 seconds east 61.06 feet
5 along centerline of Frank and Poet Drain; thence south 54 degrees
6 43 minutes 11 seconds east 78.36 feet along centerline of Frank
7 and Poet Drain; thence south 50 degrees 32 minutes 05 seconds
8 east 47.65 feet along centerline of Frank and Poet Drain; thence
9 south 35 degrees 20 minutes 50 seconds east 67.52 feet along
10 centerline of Frank and Poet Drain; thence south 63 degrees 46
11 minutes 49 seconds east 32.66 feet along centerline of Frank and
12 Poet Drain; thence south 45 degrees 25 minutes 00 seconds east
13 71.96 feet along centerline of Frank and Poet Drain; thence south
14 61 degrees 13 minutes 05 seconds east 61.73 feet along centerline
15 of Frank and Poet Drain; thence south 50 degrees 50 minutes 08
16 seconds east 41.80 feet along centerline of Frank and Poet Drain;
17 thence south 44 degrees 20 minutes 22 seconds east 33.12 feet
18 along centerline of Frank and Poet Drain; thence south 29 degrees
19 37 minutes 15 seconds east 34.98 feet along centerline of Frank
20 and Poet Drain; thence south 05 degrees 34 minutes 10 seconds
21 east 49.66 feet along centerline of Frank and Poet Drain; thence
22 south 28 degrees 00 minutes 22 seconds west 36.63 feet along
23 centerline of Frank and Poet Drain; thence south 33 degrees 24
24 minutes 36 seconds east 119.14 feet along centerline of Frank and
25 Poet Drain; thence north 67 degrees 59 minutes 35 seconds east
26 50.70 feet along centerline of Frank and Poet Drain; thence north
27 88 degrees 16 minutes 46 seconds east 484.63 feet along

1 centerline of Frank and Poet Drain; thence south 80 degrees 13
2 minutes 42 seconds east 53.20 feet along centerline of Frank and
3 Poet Drain to east line of west 1/2 of west 1/2 of southeast 1/4
4 of section 35; thence north 00 degrees 07 minutes 12 seconds east
5 106.82 feet along above noted east line; thence south 57 degrees
6 15 minutes 29 seconds east 449.51 feet to south 1/16 line of
7 section 35; thence north 89 degrees 37 minutes 15 seconds west
8 50.00 feet along south 1/16 line of section 35; thence south 00
9 degrees 04 minutes 09 seconds west 1311.05 feet to south line of
10 section 35; thence north 89 degrees 22 minutes 00 seconds west
11 989.22 feet along south line of section 35 to point of
12 beginning.

13 (3) Proceeds from the sale of property transferred to the
14 state authority under this section shall be deposited in the fund
15 and expended for purposes of this act.

16 (4) The governor may direct a department or agency of this
17 state to record any documents necessary to evidence the transfer
18 of property to the state authority under this section.

19 Sec. 21. If the state authority has completed the purposes
20 for which it was organized, the authority board, by vote of at
21 least 5 directors and with the written consent of the governor,
22 may provide for the dissolution of the state authority and may
23 provide for the transfer of any property held by the state
24 authority to another authority or state agency. Upon the
25 dissolution of the state authority, any remaining balance in the
26 fund shall be transferred to the general fund of this state.

27 Sec. 22. The state authority shall report biennially to the

1 legislature on the activities of the state authority.

2 Sec. 23. (1) An authority may enter into an
3 intergovernmental agreement with the Michigan economic
4 development corporation for the joint exercise of powers and
5 duties under this act, of the powers and duties of the authority
6 and the Michigan economic development corporation, and for the
7 provision of economic development services related to the
8 activities of the authority.

9 (2) An authority may enter into an intergovernmental
10 agreement with the Michigan state housing development authority
11 for the joint exercise of powers and duties under this act, of
12 the powers and duties of the authority and the Michigan state
13 housing development authority, and for the provision of
14 redevelopment services related to the activities of the
15 authority.

16 (3) A county, city, qualified city, township, or village may
17 enter into an intergovernmental agreement with the state
18 authority providing for the transfer to the authority of tax
19 reverted property held by the county, city, township, or village,
20 for title clearance, for the disposition of the proceeds from the
21 sale of the property, and for other activities authorized under
22 this act, including the return or transfer of property under the
23 control of the authority to the county, city, township, or
24 village. An intergovernmental agreement under this subsection
25 may not provide for a separate legal or administrative entity to
26 administer or execute the agreement under section 7 of the urban
27 cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.507.

1 (4) A county foreclosing governmental unit may, with the
2 approval of the board of commissioners for that county and, if
3 that county has an elected county executive, with the concurrence
4 of the elected county executive, enter into an intergovernmental
5 agreement with the state authority providing for the exercise of
6 the powers, duties, functions, and responsibilities of an
7 authority under this act and for the creation of a county
8 authority to exercise those functions. If a county authority is
9 created under this subsection, the treasurer of the county shall
10 be a member of the authority board.

11 (5) A qualified city may enter into an intergovernmental
12 agreement with the state authority providing for the exercise of
13 the powers, duties, functions, and responsibilities of an
14 authority under this act and for the creation of a local
15 authority to exercise those functions.

16 (6) An intergovernmental agreement under subsection (4) or
17 (5) shall provide for all of the following:

18 (a) The incorporation of a county or local authority as a
19 public body corporate.

20 (b) The name of the authority.

21 (c) The size of the initial governing body of the county or
22 local authority, which shall be composed of an odd number of
23 members.

24 (d) The qualifications, method of selection, and terms of
25 office of the initial board members.

26 (e) A method for the adoption of articles of incorporation by
27 the governing body of the county or local authority.

1 (f) A method for the distribution of proceeds from the
2 activities of the county or local authority.

3 (g) A method for the dissolution of the local or county
4 authority and for the withdrawal from the authority of any
5 governmental agencies involved.

6 (h) Any other matters considered advisable by the
7 participating governmental agencies, consistent with this act.

8 (7) If under the charter of a qualified city the qualified
9 city collects delinquent city real property taxes and does not
10 return the delinquent taxes to the treasurer of the county in
11 which the qualified city is located under the general property
12 tax act, 1893 PA 206, MCL 211.1 to 211.157, any of the following
13 property held by the qualified city may be transferred to a local
14 authority:

15 (a) Tax delinquent real property for which a lien has been
16 deemed sold to a city department director under the charter or
17 ordinances of the qualified city, except for property that was
18 deeded to a department director less than 2 years before the
19 proposed transfer to the local authority.

20 (b) Tax delinquent real property held by the city that has
21 been foreclosed by the qualified city and for which title has
22 vested in the city pursuant to procedures established under the
23 charter or ordinances of the qualified city.

24 (c) Any tax reverted property owned or under the control of
25 the qualified city.

26 (8) A qualified city may authorize the transfer with or
27 without consideration of any real property or interest in real

1 property to a local authority including, but not limited to, tax
2 reverted property or interests in tax reverted property held or
3 acquired after the creation of the local authority by the
4 qualified city, with the consent of the local authority.

5 (9) A qualified city and any agency or department of a
6 qualified city, or any other official public body, may do 1 or
7 more of the following:

8 (a) Anything necessary or convenient to aid a local authority
9 in fulfilling its purposes under this act.

10 (b) Lend, grant, transfer, appropriate, or contribute funds
11 to a local authority in furtherance of its purposes.

12 (c) Lend, grant, transfer, or convey funds to a local
13 authority that are received from the federal government or this
14 state or from any nongovernmental entity in aid of the purposes
15 of this act.

16 (10) A local authority may reimburse advances made by a
17 qualified city under subsection (9) or by any other person for
18 costs eligible to be incurred by the local authority with any
19 source of revenue available for use of the local authority under
20 this act and enter into agreements related to these
21 reimbursements. A reimbursement agreement under this subsection
22 is not subject to section 305 of the revised municipal finance
23 act, 2001 PA 34, MCL 141.2305.

24 (11) A local authority may enter into agreements with the
25 county treasurer of the county in which the qualified city is
26 located for the collection of property taxes or the enforcement
27 and consolidation of tax liens within that qualified city for any

1 property or interest in property transferred to the local
2 authority.

3 (12) Unless specifically reserved or conditioned upon the
4 approval of the governing body of a qualified city, all powers
5 granted under this act to a local authority may be exercised by
6 the local authority without the approval of the governing body of
7 the qualified city, notwithstanding any charter, ordinance, or
8 resolution to the contrary.

9 Sec. 24. (1) By resolution of its board, an authority
10 created under section 23 may borrow money and issue bonds and
11 notes, subject to limitations set forth in this section, for the
12 purpose of achieving the purposes of and objectives incident to
13 and necessary or convenient to carry out the purposes and
14 objectives of the authority, including, but not limited to,
15 necessary administrative and operational costs. The bonds or
16 notes shall mature in not more than 30 years and shall bear
17 interest and be sold and be payable in the manner and upon the
18 terms and conditions determined, or within the parameters
19 specified, by the authority in the resolution authorizing
20 issuance of the bonds or notes. The bonds or notes may include
21 capitalized interest, an amount sufficient to fund costs of the
22 issuance of the bonds or notes, and a sum to provide a reasonable
23 reserve for payment of principal and interest on the bonds or
24 notes. Bonds or notes issued under this section are not subject
25 to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to
26 141.2821. The resolution authorizing the obligations shall
27 create a lien on revenues pledged by the resolution that shall be

1 a statutory lien and shall be a first lien subject only to liens
2 previously created. The resolution may provide the terms upon
3 which additional bonds or notes may be issued of equal standing
4 and parity of lien as to revenues pledged under the resolution.

5 (2) The qualified city or county which authorized the
6 formation of an authority under section 23 may by a majority vote
7 of its governing body make a limited tax pledge to support the
8 authority's bonds or notes, or if authorized by the voters of the
9 qualified city or county, may pledge its unlimited tax full faith
10 and credit for the payment of principal of and interest on the
11 authority's bonds or notes.

12 (3) The bonds or notes issued under this section shall be
13 secured by 1 or more sources of revenue available to the
14 authority, as provided by resolution of the authority, including
15 revenues available to the authority under the tax reverted
16 property clean title act.

17 (4) The bonds and notes of the authority may be invested in
18 by the state treasurer and all other public officers, state
19 agencies, and political subdivisions, insurance companies, banks,
20 savings and loan associations, investment companies, and
21 fiduciaries and trustees, and may be deposited with and received
22 by the state treasurer and all other public officers and the
23 agencies and political subdivisions of this state for 1 or more
24 of the purposes for which the deposit of bonds or notes is
25 authorized. The authorization granted by this section is
26 supplemental and in addition to all other authority granted by
27 law.

1 (5) The net present value of the principal and interest to be
2 paid on an obligation issued by or incurred by the authority to
3 refund an obligation incurred under this section, including the
4 cost of issuance, shall be less than the net present value of the
5 principal and interest to be paid on the obligation being
6 refunded as calculated using a method approved by the department
7 of treasury.

8 (6) An obligation issued by an authority under this section
9 shall not appreciate in principal amount or be sold at a discount
10 of more than 10% unless the obligation of the authority is issued
11 to this state, an agency of this state, the county, or the
12 qualifying city.

13 (7) Bonds and notes issued by an authority under this section
14 and the interest on and income from the bonds and notes are
15 exempt from taxation by this state or a political subdivision of
16 this state.

17 (8) This section does not apply to a loan under section 2f of
18 1855 PA 105, MCL 21.142f.

19 Enacting section 1. The tax reverted property emergency
20 disposal act, 1999 PA 134, MCL 211.971 to 211.976, is repealed.

21 Enacting section 2. This act does not take effect unless
22 all of the following bills of the 92nd Legislature are enacted
23 into law:

24 (a) House Bill No. 4480.

25 (b) House Bill No. 4481.

26 (c) House Bill No. 4482.

27 (d) House Bill No. 4484.

1 (e) House Bill No. 4488.