

Act No. 504
Public Acts of 2008
Approved by the Governor
January 12, 2009
Filed with the Secretary of State
January 13, 2009
EFFECTIVE DATE: January 13, 2009

**STATE OF MICHIGAN
94TH LEGISLATURE
REGULAR SESSION OF 2008**

Introduced by Reps. Booher, Caul, Ball, Nitz, Walker, Proos, Amos, Hansen and Sheltroun

ENROLLED HOUSE BILL No. 6420

AN ACT to amend 2000 PA 146, entitled "An act to provide for the establishment of obsolete property rehabilitation districts in certain local governmental units; to provide for the exemption from certain taxes; to levy and collect a specific tax upon the owners of certain facilities; to provide for the disposition of the tax; to provide for the obtaining and transferring of an exemption certificate and to prescribe the contents of those certificates; to prescribe the powers and duties of certain local government officials; and to provide penalties," by amending section 8 (MCL 125.2788), as amended by 2006 PA 667.

The People of the State of Michigan enact:

Sec. 8. (1) If the taxable value of the property proposed to be exempt pursuant to an application under consideration, considered together with the aggregate taxable value of property exempt under certificates previously granted and currently in force under this act or under 1974 PA 198, MCL 207.551 to 207.572, exceeds 5% of the taxable value of the qualified local governmental unit, the legislative body of the qualified local governmental unit shall make a separate finding and shall include a statement in its resolution approving the application that exceeding that amount shall not have the effect of substantially impeding the operation of the qualified local governmental unit or impairing the financial soundness of an affected taxing unit.

(2) The legislative body of the qualified local governmental unit shall not approve an application for an obsolete property exemption certificate unless the applicant complies with all of the following requirements:

(a) Except as otherwise provided in subsection (3), the commencement of the rehabilitation of the facility does not occur before the establishment of the obsolete property rehabilitation district.

(b) The application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of this act and that shall be situated within an obsolete property rehabilitation district established in a qualified local governmental unit eligible under this act to establish such a district.

(c) Completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate have the reasonable likelihood to, increase commercial activity, create employment, retain employment, prevent a loss of employment, revitalize urban areas, or increase the number of residents in the community in which the facility is situated.

(d) The applicant states, in writing, that the rehabilitation of the facility would not be undertaken without the applicant's receipt of the exemption certificate.

(e) The applicant is not delinquent in the payment of any taxes related to the facility.

(3) The legislative body of a qualified local governmental unit may approve an application for an obsolete property exemption certificate if the commencement of the rehabilitation of the facility occurs before the establishment of the obsolete property rehabilitation district and if 1 or more of the following are met:

(a) All of the following are met:

- (i) The building permit for the rehabilitation of the facility was obtained in October 2002.
- (ii) The obsolete property rehabilitation district was created in April 2002.
- (iii) The rehabilitation of the facility included adding additional stories to the facility.

(b) All of the following are met:

- (i) Emergency or temporary repairs or improvements were made before the establishment of the obsolete property rehabilitation district.
- (ii) The obsolete property rehabilitation district was created in January 2006.
- (iii) The facility is located in a city with a population of more than 20,500 and less than 27,000 and is located in a county with a population of more than 95,000 and less than 105,000.

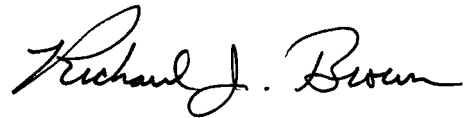
(c) All of the following are met:

- (i) Roof repairs or improvements were completed in March 2006 before the establishment of the obsolete property rehabilitation district.
- (ii) The obsolete property rehabilitation district was created in April 2006.
- (iii) The application was submitted to the qualified local governmental unit in April 2006.
- (iv) The facility is located in a city with a population of more than 10,800 and less than 11,100 and is located in a county with a population of more than 39,000 and less than 42,000.

(4) Notwithstanding any other provisions of this act, for any certificate issued as a result of the enactment of the amendatory act that added subsection (3)(a) and (b), the effective date of the certificate shall be December 31, 2006.

(5) Notwithstanding any other provisions of this act, for any certificate issued as a result of the enactment of the amendatory act that added subsection (3)(c), the effective date of the certificate shall be December 31, 2006.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved

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Governor