

HOUSE BILL NO. 6359

November 12, 2020, Introduced by Reps. Coleman and Steven Johnson and referred to the Committee on Government Operations.

A bill to amend 1945 PA 344, entitled

"An act to authorize counties, cities, villages and townships of this state to adopt plans to prevent blight and to adopt plans for the rehabilitation of blighted areas; to authorize assistance in carrying out such plans by the acquisition of real property, the improvement of such real property and the disposal of real property in such areas; to prescribe the methods of financing the exercise of these powers; and to declare the effect of this act,"

by amending sections 4 and 10 (MCL 125.74 and 125.80), section 4 as amended by 1986 PA 320.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 4. (1) As used in this section:

~~(a) "District area" means a portion of a municipality consisting of 1 or more adjacent or nearby development areas and any surrounding territory that will be significantly affected by the plan for the development area or areas, where a majority of residents in the district area reside in the development area or areas.~~

~~(b) "Development plan" and "development area" mean those terms as defined in section 2.~~

(a) ~~(e)~~ "Citizens' district council" means a citizens' district council established under this act.

(b) ~~(d)~~ "Coordinating council on community redevelopment" means any coordinating council on community redevelopment established under this act.

(c) "District area" means a portion of a municipality consisting of 1 or more adjacent or nearby development areas and any surrounding territory that will be significantly affected by the plan for the development area or areas, where a majority of residents in the district area reside in the development area or areas.

(2) Except as provided in subsection (7), the plans, statements, and actions prescribed in subsections (3) to (11) are requirements and conditions for the exercise of the powers granted by this act for the acquisition, sale, or lease of real property for the carrying out of a development plan in a development area.

(3) The following plans ~~shall~~**must** be adopted by the local legislative body of the municipality in which the development area is located:

1 (a) A master plan of the municipality or a master plan ~~which~~
 2 **that** is sufficiently advanced to designate areas in need of
 3 rehabilitation or in need of measures to prevent blight.

4 (b) A plan of the general features of development of the
 5 district within which the development area lies and of other
 6 districts adjacent to the development area, of such extent,
 7 content, and particularity as is necessary to ~~the coordination of~~
 8 **coordinating** the development area plan with the future development
 9 of the territory surrounding the development area, or, if no future
 10 development is planned, then in coordination with the present
 11 development.

12 (4) District areas ~~shall~~**must** be designated for all
 13 development areas that have been approved by a local legislative
 14 body and subject to the terms of this act as of January 1, 1968,
 15 and all subsequent development areas that are so approved. A
 16 district area ~~shall~~**must** not be designated unless the local
 17 legislative body first holds a public hearing on the designation.
 18 ~~The~~**Before January 1, 2022, the** legislative body shall give notice
 19 of the public hearing not less than 20 ~~nor~~**or** more than 30 days
 20 before the date for the public hearing. **Beginning January 1, 2022,**
 21 **not less than 20 or more than 30 days before the date for the**
 22 **public hearing, public notice of the public hearing must be posted**
 23 **by the legislative body as set forth in the local government public**
 24 **notice act.**

25 (5) Citizens' district councils are governed by the following:

26 (a) Except as otherwise provided in this subdivision, for each
 27 district area, a citizens' district council of not less than 12 ~~nor~~
 28 **or** more than 25 members ~~shall~~**must** be selected in a manner that
 29 ensures that the citizens' district council is to the maximum

1 extent possible representative of the residents of the area and of
 2 other persons with a demonstrable and substantial interest in the
 3 area. The majority of the citizens' district council ~~shall~~**must** be
 4 composed of citizens living in the development area.

5 (b) The term of office on the councils ~~shall be~~**is** 3 years. If
 6 terms of council members are not staggered, then, upon the
 7 expiration of the terms of the members of the citizens' district
 8 council, 1/3 ~~shall~~**must** be elected or appointed for 3 years, 1/3
 9 for 2 years, and 1/3 for 1 year.

10 (c) Members of the council may be selected by direct election
 11 by the residents of the area and other persons with a demonstrable
 12 and substantial interest in the area, or may be appointed by the
 13 chief executive officer of the municipality after consultation with
 14 local community groups and residents of the area, or by a
 15 combination of appointment and election. The method of selection of
 16 the citizens' district council, and any appointments to the council
 17 by the chief executive officer, ~~shall~~**must** be determined with the
 18 approval of the local legislative body after a public hearing has
 19 been held. ~~, with public~~**Before January 1, 2022, public** notice of
 20 ~~such the~~ hearing **must be** distributed throughout the district area
 21 at least 20 days before the date of the hearing. **Beginning January**
 22 **1, 2022, at least 20 days before the date of the hearing, public**
 23 **notice of the hearing must be posted as set forth in the local**
 24 **government public notice act.** Citizens' district councils ~~shall~~
 25 **must** be established within 45 days of any initial designation of a
 26 development area by any local planning agency or local legislative
 27 body.

28 (d) In a city of over ~~1,000,000,~~**600,000,** the local
 29 legislative body shall adopt an ordinance governing the composition

1 and method of selecting the members of the citizens' district
2 councils, with the limitation that ~~such as the~~ ordinance ~~shall~~
3 ~~provide~~**provides** for a majority of the citizens' district council
4 to be composed of citizens living in a development area or areas.

5 (6) The local official responsible for ~~preparation of~~
6 **preparing** the development plan within the district area shall
7 periodically consult with and advise the citizens' district council
8 regarding all aspects of the plan, including the development of new
9 housing for relocation purposes located either inside or outside of
10 the development area. The consultation ~~shall~~**must** begin before any
11 final decisions by any local planning agency or local legislative
12 body regarding the development plan other than the designation of
13 the development area. The consultation ~~shall~~**must** continue
14 throughout the various stages of the development plan, including
15 the final implementation of the plan. The local officials
16 responsible for the development of the plan shall incorporate into
17 the development plan the desires and suggestions of the citizens'
18 district council to the extent feasible. A local commission, public
19 agency, or local legislative body of any municipality shall not
20 approve any development plan for a development area unless there
21 has previously been consultation between the citizens' district
22 council and the local officials responsible for the development
23 plan. A record of the meetings, including information and data
24 presented, ~~shall~~**must** be maintained and included in official
25 presentation of the proposed development plan to the local
26 legislative body.

27 (7) The chief executive officer of the municipality shall give
28 the citizens' district council written notice of any contemplated
29 zoning change, hearing, or condemnation proceedings within the

1 district area. The notice ~~shall~~**must** be given at least 20 days
2 before the effective date of the change or the date of the hearing
3 or proceedings. Upon receiving a request from the citizens'
4 district council, the local legislative body shall hold a public
5 hearing on the proposed zoning change or condemnation proceedings.
6 **Beginning January 1, 2022, public notice of the hearing on the**
7 **proposed zoning change or condemnation proceedings must be posted**
8 **as set forth in the local government public notice act.** Each
9 citizens' district council may call upon any city department for
10 information.

11 (8) In a municipality with 2 or more district areas, each
12 citizens' district council shall elect 4 of its members who shall
13 compose the entire membership of the coordinating council on
14 community redevelopment. The committee shall advise local units of
15 government on proposed policy on urban renewal, make
16 recommendations for new projects, and promote better relations
17 between local units of government and residents of urban renewal
18 areas. Notwithstanding any other provisions of this act, the
19 formation of a coordinating council on community redevelopment
20 ~~shall is~~ not be a requisite for or condition of the exercise of the
21 powers granted by this act for the acquisition, sale, or lease of
22 real property, or the carrying out of a development plan in a
23 development area.

24 (9) The local legislative body shall adopt a development plan
25 after consultation with a citizens' district council, if required,
26 and a public hearing on the development plan as provided in
27 subsection (11), for the development area in which the land
28 proposed to be acquired is located or for the effectuation or
29 protection of which development the proposed land acquisition is

1 ~~deemed~~**considered** necessary. A development plan ~~shall~~**must** comply
2 with the following:

3 (a) The plan ~~shall~~**must** designate the location and extent of
4 streets and other public facilities within the area and ~~shall~~**must**
5 designate the location, character, and extent of the categories of
6 public and private land uses proposed for and within the area, such
7 as residential, recreation, business, industry, schools, open
8 spaces, and others, and ~~shall~~**must** also include a feasible method
9 for the relocation of families who will be displaced from the area
10 in decent, safe, and sanitary dwelling accommodations and without
11 undue hardship to those families, and such other general features
12 of the proposed rehabilitation as may be determined by the local
13 legislative body. A feasible method for relocation of displaced
14 families ~~shall~~**must** demonstrate that standard housing units are or
15 will be available to the displaced families and individuals at
16 rents or prices within their financial means, in reasonably
17 convenient locations not less desirable than the development area
18 with respect to utilities and facilities.

19 (b) The plan ~~shall~~**must** designate the location, extent,
20 character, and estimated cost of the improvements contemplated for
21 the area and may include any or all of the following improvements:

22 (i) Partial or total vacation of plats, or replatting.

23 (ii) Opening, widening, straightening, extending, vacating, or
24 closing streets, alleys, or walkways.

25 (iii) Locating or relocating water mains, sewers, or other
26 public or private utilities.

27 (iv) Paving of streets, alleys, or sidewalks in special
28 situations.

29 (v) Acquiring parks, playgrounds, or other recreational areas

1 or facilities.

2 (vi) Street tree planting, green belts, or buffer strips.

3 (vii) Property renovation in accordance with this act.

4 (viii) Parking facilities.

5 (ix) Commercial area promotion.

6 (x) Economic restructuring of commercial areas.

7 (xi) Recruiting of new businesses.

8 (xii) Other appropriate public improvements and activities
9 ~~which~~**that** address rehabilitation or blight prevention in
10 accordance with this act.

11 (c) The plan ~~shall~~**must** include estimates of the number of
12 persons residing in the development area and the number of families
13 and individuals to be displaced; a survey of their income and
14 racial composition; a statistical description of the housing supply
15 in the community, including the number of private and public units
16 in existence or under construction, the annual rate of turnover of
17 the various types of housing, and the range of rents and sale
18 prices; an estimate of the total demand for housing in the
19 community; and the estimated capacity of private and public housing
20 available to displaced families and individuals.

21 (10) A local administrative agency ~~shall~~**must** be designated to
22 provide information concerning private and public housing available
23 to displaced families and individuals and to advise and assist in
24 their relocation.

25 (11) Before the determination of a blighted area and a
26 determination that there is a feasible method for relocation of
27 families and individuals who will be displaced from the area, and
28 before adoption of a development plan, the local legislative body
29 shall hold a public hearing, which hearing ~~shall~~**must** comply with

1 all of the following:

2 (a) ~~Notice~~**Before January 1, 2022, notice** of the time and
3 place of the hearing ~~shall~~**must** be given by publication in a
4 newspaper of general circulation not less than 30 days before the
5 date set for the hearing. **Beginning January 1, 2022, not less than**
6 **30 days before the date set for the hearing, public notice of the**
7 **time and place of the hearing must be posted as set forth in the**
8 **local government public notice act.** Notice of the hearing ~~shall~~
9 **must** be distributed in the blighted area at least 25 days before
10 the hearing. Notice of the hearing ~~shall~~**must** be mailed at least 25
11 days before the hearing to the last known owner of each parcel of
12 land in the blighted area at the last known address of that owner
13 as shown by the records of the assessor. The notice ~~shall~~**must**
14 contain a description of the development area. For purposes of this
15 notice, it ~~shall be~~**is** sufficient to describe the boundaries of the
16 development area by its location in relation to highways, streets,
17 streams, or otherwise. The notice ~~shall~~**must** further contain a
18 statement that maps, plats, and a particular description of the
19 development plan, including the method of relocating families and
20 individuals who will be displaced from the area, are available for
21 public inspection at a place to be designated in the notice, and
22 that all aspects of the development plan will be open for
23 discussion at the public hearing.

24 (b) At the time set for hearing, the local legislative body
25 shall provide an opportunity for all persons interested to be heard
26 and shall receive and consider communications in writing with
27 reference to the development plan. The hearing ~~shall~~**must** provide
28 the fullest opportunity for expression of opinion, for argument on
29 the merits of the development plan, and for introduction of

1 documentary evidence pertinent to the development plan.

2 (c) The local legislative body shall make and preserve a
3 record of the public hearing, including specific findings of fact
4 with respect to its determination of the blighted area and its
5 determination that there is a feasible method for relocation of
6 families and individuals who will be displaced from the area, all
7 data presented at the public hearing, and all other data which the
8 legislative body considered in making its determinations. If no
9 individuals reside in the development area, the legislative body is
10 not required to determine a feasible method for relocating
11 residents.

12 (12) Within 10 days after the completion of the public hearing
13 as provided in subsection (11), the citizens' district council for
14 the district within which the proposed development area is located
15 shall notify the local legislative body in writing of its approval
16 or disapproval of the development plan. If the citizens' district
17 council approves the plan or fails to notify the local legislative
18 body of its approval or disapproval of the plan, the local
19 legislative body is free to act on the plan. If the citizens'
20 district council disapproves the plan and so notifies in writing
21 the local legislative body, the local legislative body shall not
22 adopt the plan for at least 30 days after receipt of the notice and
23 during that period shall consult with the citizens' district
24 council concerning its objections.

25 Sec. 10. On and after the date ~~when~~ a plan has been approved
26 for the rehabilitation of an area by the local legislative body, ~~no~~
27 **a permit shall must not** be issued for work or work done in the area
28 ~~which that~~ is not in accordance with the plan officially adopted
29 and made effective by the local legislative body. ~~± Provided,~~

1 ~~however, That~~ **However**, the local legislative body shall provide by
 2 ordinance that the zoning board of appeals, if the municipality has
 3 ~~such a~~ **zoning board of appeals**, or if not, then a board of appeals
 4 created for the purpose, ~~shall have~~ **has** the power on appeal filed
 5 with it by the owner of real property in the area to approve a
 6 minor deviation from the plan for the area in any case in which
 7 ~~such the~~ board finds, upon the evidence presented to it, that the
 8 application of the plan results in unnecessary hardship or
 9 practical difficulties and a minor deviation from the development
 10 plan is required by considerations of justice and equity. Before
 11 taking any such action, the board shall hold a public hearing
 12 ~~thereon,~~ **on the action. Before January 1, 2022**, at least 10 days'
 13 notice of the time and place of ~~which shall be given~~ **the hearing**
 14 **must be provided by the board** by ~~public publishing~~ notice in a
 15 newspaper published or circulated generally in the municipality.
 16 ~~and by notice~~ **Beginning January 1, 2022, public notice of the time**
 17 **and place of the hearing must be posted by the board as set forth**
 18 **in the local government public notice act. In addition, at least 10**
 19 **days' notice of the time and place of the hearing must be provided**
 20 to all property owners within 200 feet of the property in question,
 21 ~~such the~~ notice to be by mail addressed to the respective owners at
 22 the address given in the last assessment roll.

23 Enacting section 1. This amendatory act does not take effect
 24 unless Senate Bill No. ____ or House Bill No. 6440 (request no.
 25 02449'19) of the 100th Legislature is enacted into law.