

SENATE BILL No. 1206

May 13, 2004, Introduced by Senators VAN WOERKOM and ALLEN and referred to the Committee on Commerce and Labor.

A bill to amend 1992 PA 147, entitled "Neighborhood enterprise zone act," by amending sections 3 and 12 (MCL 207.773 and 207.782), as amended by 2001 PA 217.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) The governing body of a local governmental unit
2 by resolution may designate 1 or more neighborhood enterprise
3 zones within that local governmental unit. A neighborhood
4 enterprise zone shall contain not less than 10 platted parcels of
5 land. All the land within a neighborhood enterprise zone shall
6 also be compact and contiguous.

7 (2) The total acreage of the neighborhood enterprise zones
8 designated under this act shall not exceed 15% of the total
9 acreage contained within the boundaries of the local governmental
10 unit.

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1 (3) Not less than 60 days before the passage of a resolution
2 designating a neighborhood enterprise zone or the repeal or
3 amendment of a resolution under subsection (5), the clerk of the
4 local governmental unit shall give written notice to the assessor
5 and to the governing body of each taxing unit that levies ad
6 valorem property taxes in the proposed neighborhood enterprise
7 zone. Before acting upon the resolution, the governing body of
8 the local governmental unit shall make a finding that a proposed
9 neighborhood enterprise zone is consistent with the master plan
10 of the local governmental unit and the neighborhood preservation
11 and economic development goals of the local governmental unit.
12 The governing body before acting upon the resolution shall also
13 adopt a statement of the local governmental unit's goals,
14 objectives, and policies relative to the maintenance,
15 preservation, improvement, and development of housing for all
16 persons regardless of income level living within the proposed
17 neighborhood enterprise zone, ~~— Additionally, before acting~~
18 ~~upon the resolution~~ **and** the governing body ~~shall~~ **may** pass a
19 housing inspection ordinance. ~~that at a minimum requires that~~
20 ~~before~~ **Before** the sale of a unit in a new or rehabilitated
21 facility for which a neighborhood enterprise zone certificate is
22 in effect, an inspection ~~is~~ **shall be** made of the unit to
23 determine compliance with any local construction or safety codes
24 and that a sale may not be finalized until there is compliance
25 with those local construction or safety codes. The governing
26 body shall hold a public hearing not later than 45 days after the
27 date the notice is sent but before acting upon the resolution.

1 (4) Upon receipt of a notice under subsection (3), the
2 assessor shall determine and furnish to the governing body of the
3 local governmental unit the amount of the true cash value of the
4 property located within the proposed neighborhood enterprise zone
5 and any other information considered necessary by the governing
6 body.

7 (5) A resolution designating a neighborhood enterprise zone,
8 other than a zone designated under subsection (2), may be
9 repealed or amended not sooner than 3 years after the date of
10 adoption or of the most recent amendment of the resolution by the
11 governing body of the local governmental unit. The repeal or
12 amendment of the resolution shall take effect 6 months after
13 adoption. However, an action taken under this subsection does
14 not invalidate a certificate that is issued or in effect and a
15 facility for which a certificate is issued or in effect shall
16 continue to be included in the total acreage limitations under
17 this section until the certificate is expired or revoked.

18 (6) Upon passage, amendment, or repeal of a resolution under
19 this section, the clerk of the local governmental unit shall
20 notify the commission of the action taken.

21 Sec. 12. (1) Unless earlier revoked as provided in section
22 11, a neighborhood enterprise zone certificate shall remain in
23 effect ~~until~~ **for up to** 12 years from the effective date of the
24 certificate **as determined by the governing body of the local**
25 **governmental unit.** If the new facility or rehabilitated facility
26 is sold or transferred to another owner who otherwise complies
27 with this act and, for a new facility, uses the new facility as a

1 principal residence, the certificate shall remain in effect.

2 (2) If a rehabilitated facility was sold before December 29,
3 1994 and a certificate was in effect for that facility at the
4 time of the sale, and the new owner of the rehabilitated facility
5 otherwise complies with this act, the certificate shall be
6 reinstated and remain in effect for the remainder of the original
7 ~~12-year~~ period **described in subsection (1)**, unless earlier
8 revoked under section 11.