This will be considered a workshop session. No formal decisions will be made. The purpose of this workshop format is to focus on problem definition and desired outcomes. Each commissioner will have an opportunity to share their perspective and thoughts on problems and possible solutions and engage the Planning Board for input. Citizens will have an opportunity to make public comment at the end of the workshop meeting.

I. CALL TO ORDER AND PLEDGE OF ALLEGIANCE
   Pierre Boutros, Mayor

II. ROLL CALL
   Alexandria Bingham, City Clerk Designee

III. ITEMS FOR DISCUSSION
   A. Master Plan Draft Review Process
   B. Lot Combination Review Process
   C. Economic Stimulus Program

IV. PUBLIC COMMENT

V. ADJOURN

NOTICE: Individuals requiring accommodations, such as mobility, visual, hearing, interpreter or other assistance, for effective participation in this meeting should contact the City Clerk's Office at (248) 530-1880 (voice), or (248) 644-5115 (TDD) at least one day in advance to request mobility, visual, hearing or other assistance.

Las personas que requieren alojamiento, tales como servicios de interpretación, la participación efectiva en esta reunión deben ponerse en contacto con la Oficina del Secretario Municipal al (248) 530-1880 por lo menos el día antes de la reunión pública. (Title VI of the Civil Rights Act of 1964).
DATE:       June 10, 2020
TO:         Joseph A. Valentine, City Manager
FROM:       Jana Ecker, Planning Director
SUBJECT:    Joint Meeting Discussion

1) Master Plan Draft Review Process

Background:
The updating and implementation of master plans and subarea plans are important aspects of maintaining and improving the standard of excellence that is expected in Birmingham. Accordingly, the City Commission hired DPZ to lead a team to complete a comprehensive master plan update for the City of Birmingham.

Issue:
The Planning Board was in the process of presenting the first draft of the Master Plan to the public, and soliciting public comment during the first several months of the year. The Planning Board’s review of the draft plan was paused due to the arrival of the COVID-19 pandemic and the health and safety restrictions imposed as a result. During this time, the Planning Board has been working with the DPZ team to revise the review process both to allow options to accommodate ongoing social distancing guidelines, and to better enhance the public review process to enable clear direction for the consulting team to move to a second draft. The Planning Board has incorporated into this process a review of the underlying themes on which the draft Master Plan is based, as well as a review of the key concepts to support these themes. Please find attached a revised process and timeline recommended by the Planning Board to complete the review of the first draft of the Master Plan, and to move through to adoption of the final draft of the Master Plan. The Planning Board is seeking an endorsement of the revised process and timeline to adoption of the Master Plan by the City Commission, as well as input from the City Commission on the underlying themes on which the Master Plan is based.

Discussion:
Does the updated Master Plan review process, with the identified themes, meet the goals and intent of the City Commission?

If the use of virtual meetings are extended, does the City Commission wish the Planning Board to commence the review process while using virtual public meetings or wait for the ability to conduct in person meetings?
2) Lot Combination Review Process

**Background:**
In 2016, the City Commission directed the Planning Board to formalize the lot consolidation process, using a process similar to the review of lot splits. The intent expressed by the City Commission at that time was to provide specific standards for approval, while maintaining the opportunity for the City Commission to exercise discretion in the review process. Accordingly, the City Commission adopted amendments to Chapter 102, Subdivisions, of the City Code to establish standards for the maximum lot width and lot area of combined parcels, to require an analysis of the character and existing rhythm and development pattern of the neighborhood, and to provide standards for approval, while maintaining some room for discretion based on individual circumstances.

**Issue:**
Over the course of the past two reviews of lot combination applications, the City Commission has expressed a desire for clarification of the standards approved in 2016. Specifically, the need for possible clarification of Chapter 102, section 83(6).

**Discussion:**
What other issues or factors would be helpful in the lot combination review process?

3) Economic Stimulus Program

**Background:**
The COVID-19 pandemic has had a tremendous impact on all of our lives, and has certainly impacted the economy of the City and will continue to do so over the next several years.

**Issue:**
The City Commission may wish to consider the use of economic incentives to encourage and promote investment within the City by attracting destination uses that would then attract other businesses and stimulate further investment in the surrounding area. The City could establish parameters for the type of development it wishes to attract through a stimulus program, such as:

- Only property located in a zoning classification that permits commercial/mixed use development would qualify;
- Only developments that contain a minimum of 50,000 sq. ft. of commercial and/or mixed uses would qualify;
- Only developments that include a destination use that is open to the public and meets any other criteria designated by the City Commission would qualify;
- Only developments that provide an economic impact analysis that demonstrates a positive economic impact on the City through established criteria would qualify; and
- Only developments that are approved by the City Commission.

For projects and property that the City Commission finds qualified under the specified parameters, the City may consider offering a range of economic incentives, including but not limited to:

- If property is located within the Parking Assessment District boundary, a limited number of parking permits at public parking facilities;
• Providing a liquor license for use on the property; and/or

• If property is located within a Commercial Rehabilitation District and has received a Commercial Rehabilitation Exemption under P.A. 210, a tax abatement for the new investment from local taxes for a period of up to 10 years.

**Discussion:**
Should the City review the need to establish an Economic Stimulus Program offering economic benefits to stimulate investment in the City?
<table>
<thead>
<tr>
<th>Meeting Dates</th>
<th>Areas of Review</th>
</tr>
</thead>
<tbody>
<tr>
<td>Web Survey # 3 – November 2019</td>
<td>Questions on major areas of recommendation in the first draft of Master Plan</td>
</tr>
<tr>
<td>January 8, 2020</td>
<td>Master Plan Premises The Future City (Vision)</td>
</tr>
<tr>
<td>February 12, 2020</td>
<td>Neighborhood Components</td>
</tr>
<tr>
<td>March 11, 2020</td>
<td>Neighborhood Plans</td>
</tr>
<tr>
<td>April 8, 2020</td>
<td>Mixed Use Districts Maple &amp; Woodward Market North</td>
</tr>
<tr>
<td>May 13, 2020</td>
<td>Haynes Square South Woodward Gateway Rail District</td>
</tr>
</tbody>
</table>
The Birmingham Plan
Review and Adoption Process Proposals

Below are proposals to effectively continue the review process of the 1st and subsequent drafts of The Birmingham Plan: A Citywide Master Plan for 2040. The below proposals were developed through considerable review and collaboration with City Administration and representatives of the Planning Board and are presented to the Planning Board and City Commission for input and consensus on maintaining momentum on the preparation and adoption of Birmingham’s Master Plan. The proposals are organized into the following topics, details about which are found on the following pages:

A. Summary schedule.
B. Terminology.
C. Summary of reworked approach.
D. Master Plan themes.
E. Draft 1 review process.
F. Draft 2 review process.
G. Draft 3 review process.

A. SUMMARY SCHEDULE

<table>
<thead>
<tr>
<th>MASTER PLAN REVIEW AND ADOPTION, 2020 - 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Action</strong></td>
</tr>
<tr>
<td><strong>1st Draft Review:</strong></td>
</tr>
<tr>
<td>• Affirm and continue process for completing review of 1st draft</td>
</tr>
<tr>
<td>• Prepare neighborhood packets for additional public input on neighborhood proposals</td>
</tr>
<tr>
<td>• Focus on themes and key objectives</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Prepare 2nd Draft:</strong></td>
</tr>
<tr>
<td>• Consultant team prepare revisions to draft Master Plan</td>
</tr>
<tr>
<td><strong>Option - Conduct Additional Public Engagement:</strong></td>
</tr>
<tr>
<td>• Interactive draft 2 website</td>
</tr>
<tr>
<td>• Neighborhood meetings</td>
</tr>
<tr>
<td>• Report</td>
</tr>
<tr>
<td><strong>2nd Draft Review:</strong></td>
</tr>
<tr>
<td>• Focus on outstanding strategic issues concerning themes and key objectives</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>
### Action

<table>
<thead>
<tr>
<th>Prepare 3rd (final) Draft:</th>
<th>Meeting(s) / Time Period</th>
<th>Outcome(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Consultant team prepare revisions to draft Master Plan</td>
<td>• 1 month</td>
<td>• 3rd (final) Draft Master Plan</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3rd Draft Review:</th>
<th>1. PB Public Hearing 2. CC Public Hearing</th>
<th>Adopted Master Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>• After required minimum 63-day review period, consider final draft Master Plan for adoption</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### B. TERMINOLOGY

**Themes:** Broad and overarching goals of the Master Plan, themes are common to multiple key objectives and subsequently many recommendations. Key to the plan’s purpose, themes should receive special attention by the City Commission and Planning Board.

**Key Objectives:** Each section of the Master Plan focuses on a limited number of key objectives, which are further supported by detailed recommendations. Subsets of themes, these objectives will be the main subject of the Planning Board’s draft 1 review.

### C. SUMMARY OF REWORKED APPROACH

1. **MODIFY PLANNING BOARD MEETING FOCUS**

   The Planning Board should consider modifications to the review process for the Master Plan. To date the process has not resulted in the momentum needed to review, modify, and move forward the plan in a timely manner. To present, significant public input has been collected which needs to be reflected in a plan revision, validated by regular repetition of common public sentiment.

   Concerning meetings, the Planning Board meeting structure should be modified to provide time for board discussion and clear direction to the consultants in addition to focused public comment. During the meetings, the Planning Board should focus attention and discussion on the high-level Themes and Key Objectives of the plan, with specific details and implementation primarily a concern of the second draft. These proposed adjustments are detailed below.

2. **CITY COMMISSION AND FUTURE PUBLIC INPUT**

   To help focus the Planning Board’s evaluation, the City Commission should be consulted to affirm or provide nuance to each of the plan’s Themes. Ongoing public input should be received through the process, however, much of the Commission-approved input budget should be allocated towards review of the second draft, with near-term input aimed at supporting Planning Board review during its meetings.

### D. MASTER PLAN THEMES

The following themes permeate the Master Plan, establishing the purpose for key objectives and specific recommendations. These themes form a foundation upon which the Master Plan operates. City Commission should affirm the Master Plan’s themes, the support or opposition of which will direct the Planning Board’s review of plan details and specific recommendations to the consultants.

1. **Reinforce neighborhood identity.** Neighborhoods [or planning districts] are organizational touchstones for the community, helping to orient and relate households, institutions, amenities like parks and schools, and businesses.
2. **Encourage neighborhood social systems.** Residents new and old have reported disappointment in a lack of new relationships with neighbors, a national and local issue alike. While planning cannot direct societal change, traditional structures of neighborhoods, once existing in Birmingham, can be re-established or encouraged through land-use and investment in streets and parks.

3. **Retain diversity of age and family structure in neighborhoods.** Birmingham's population is well distributed in terms of age and family structure. This contributes to school stability and support for neighborhood institutions and businesses, all of which benefit from diverse population segments.

4. **Expand the range of housing options across the City.** Focused on increased lifestyle choice and attainability, expanding housing options has been requested by current seniors, young families, and singles in the community. While the location and extent of new housing is a neighborhood-level Master Plan discussion, the goal of more housing options is the theme throughout the plan.

5. **More closely regulate housing to retain neighborhood scale and intensity.** Most redevelopment within neighborhoods has been identified as out of scale - too large. While individual expression in housing style should be allowed, the scale and intensity of new housing should better match that of existing homes.

6. **Gracefully absorb projected population growth.** The City is growing; how that growth is accommodated is a key decision for the City’s future. Should little or no new housing be provided, housing costs will surely increase. Should unrestricted housing be allowed everywhere, the character of neighborhoods will likely suffer. A balanced approach is recommended, accommodating most new growth in mixed-use districts and the remainder along major streets. However, the amount of new growth to absorb is a question for the community at large.

7. **Provide equal access to civic amenities and quality infrastructure across the City.** Residents in each area of Birmingham should have safe and convenient access to parks, schools, services; walking, biking, and driving routes; well-maintained streets, sewers, and stormwater systems.

8. **Encourage multi-modal movement throughout the City, especially in the form of walking and biking.** Prioritize street improvements, aside from issues of unimproved streets, to establish safe and convenient walking and biking routes throughout the City. Generally this includes implementing the multi-modal plan with minor adjustments.

9. **Reinforce or establish unique identities for Birmingham's mixed-use districts.** Active mixed-use areas are generally limited in successful size between ¼ and ½ mile in length. Downtown exceeds this size, with north Old Woodward expressing a different character and south Old Woodward underperforming. Establishing identities for each area is intended to provide residents and visitors with unique experiences to increase the success of each district and the City overall.

10. **Promote private development in underperforming mixed-use districts through public investment.** Zoning allowances in the Triangle and Rail Districts, as well as the South Woodward Gateway, have not resulted in the growth anticipated. Lack of public parking and pedestrian-friendly streets are significant impediments in most places. Zoning and the character of streets and alleys are contributors in others. To boost private investment, and subsequent increased tax revenue, the City should invest in public infrastructure.
11. **Actively support sustainable development practices and operation of businesses.**
Birmingham’s natural resources and beauty are assets to all residents. The City should protect these assets, especially the Rouge River watershed, through sustainable development practices on the part of the City, residents, businesses, and developers.

**E. DRAFT 1 REVIEW PROCESS**

Schedule for Draft 1 review process should be modified as follows:

- **June 10th PB Study Session**
  - Review updated process.

- **June 15th Joint CC / PB Meeting**
  - Review process with City Commission.
  - Raise Master Plan themes as potential areas for short-term Commission guidance.

- **June Interim Work**
  - Consultant team establish and confirm Key Objectives for review of each Master Plan section.

- **July Neighborhood Packets**
  - The consultants will prepare a neighborhood packet, consolidating Master Plan recommendations related to neighborhoods.
  - Additional public input from residents on the Neighborhood Packets will be taken during Planning Board meetings (below)

- **Planning Board Meetings, July and beyond**
  - Month 1 (proposed July) - review Themes following City Commission guidance.
  - Months 2 through 4 - review Key Objectives of the Master Plan in the order of section review already established, considering prior guidance and discussion of Themes:
    - Month 2 (proposed August) - Mixed Use Districts, Maple & Woodward, Market North
    - Month 3 (proposed September) - Haynes Square, South Woodward Gateway, Rail
    - Month 4 (proposed October) - Neighborhood Plans (incorporating additional public input during the meeting, and from neighborhood associations provided in writing to the Planning Board)

- **Conclude Draft 1 Review**
  - Based on Planning Board direction during above-listed meetings, the Consultant Team will prepare a summary report describing proposed modifications to Themes and Key Objectives for consideration and direction by City Commission (proposed November)

**Planning Board review meeting structure should be modified as follows:**

- **Meeting Focus**
  - Limited Key Objectives (5 or 6) in the subject section will be summarized and discussed, and Draft 2 direction will be provided to the consultants.

- **Pre-meeting materials related to subject sections** (to be included in the board packet):
  - Consultants will provide a summary of public input related to the Key Objectives.
  - Consultants will provide a summary Key Objectives.
  - Planning Board members will individually provide initial comments concerning Key Objectives.
Meeting Process
- Consultants will briefly summarize the Key Objectives, 10 minutes.
- The Planning Board will welcome public comment on Key Objectives, approximately 30 minutes or so.
- The Planning Board will discuss recommendations concerning the Key Objectives.
- The Planning Board will provide the consultants with direction concerning Master Plan Draft 2.

F. DRAFT 2 REVIEW PROCESS

The Draft 2 Review process includes the following proposals concerning public input and review of the draft by Planning Board and City Commission.

1. Public input will be evaluated concerning future opportunities for public gathering:
   - Currently-Approved Additional Public Input
     The City Commission approved an additional $28,600 for 2 days of round table discussions, a drop-in clinic, and 2 surveys. The following options are presented as an alternative, anticipated at a similar cost, though Draft 1 review may proceed without a decision on whether the below input will be conducted.
   - Timing of Additional Public Input
     Should the below additional public input be requested by the City, the consultant team will facilitate the input before reviewing the 2nd draft with Planning Board of City Commission; results from input would be summarized for consideration by Planning Board during its review of the 2nd draft of the Master Plan. The consultant team would conduct the below public engagement over a two month timeframe so as not to lose momentum.
     - Interactive Draft 2 Plan Review Website
       - TheBirminghamplan.com will be expanded to include more focused tools to evaluate Draft 2. Some tools include: map-based input on neighborhood plans, drop-in-clinic-like presentation of Key Objectives through graphics and video, and surveys limited in focus to specific topic areas.
     - Neighborhood Meetings
       - Online, or in person if possible, round table meetings for each of the 5 City sub-districts.
     - Report
       - Summary of input received: poll results, common themes of individual input, and summaries of neighborhood meetings.
       - The consultants will prepare a neighborhood packet, consolidating Master Plan recommendations related to neighborhoods.
       - Additional public input from residents will be requested concerning neighborhood packet content, facilitated by neighborhood groups and through City’s established communication channels; short videos and surveys will be promoted

2. Planning Board Review of Draft 2
   Following the above-proposed procedure for reviewing materials at the Planning Board level, the following four meetings are proposed concerning Draft 2 of the Master Plan.
   - Month 1 (after submittal of Draft 2 + report on additional public engagement) - Review results of additional public engagement
   - Month 2 - Review Themes and Neighborhoods
   - Month 3 - Review all other content
   - Month 4 - Final discussion concerning Draft 2; recommend that City Commission distribute Master Plan per requirements of Michigan Planning Enabling Act
3. **City Commission and Planning Board Joint Meeting Concerning Draft 2**  
   Following Planning Board recommendation that City Commission distribute the draft plan, one joint meeting between City Commission and Planning Board is proposed to discuss the Themes and Key Objectives, as revised and influenced by Planning Board deliberation and significant public input. City Commission would vote to distribute the draft Master Plan per the requirements of the Michigan Planning Enabling Act, which governs the process.

**G. DRAFT 3 (FINAL) REVIEW PROCESS**

The Draft 3 review process includes the following activities.

1. **Planning Board Public Hearing**  
The consultant team will present the final draft Master Plan, including the revisions made to Draft 2 consistent with City Commission, Planning Board, and public direction on the final outstanding strategic issues related to Themes and Key Objectives. During this Planning Board meeting, a duly noticed Public Hearing consistent with the Michigan Planning Enabling Act will be conducted and, if prepared to do so, the Planning Board may adopt the plan by Resolution.

2. **City Commission Public Hearing**  
The consultant team will present the final draft Master Plan, as adopted by Planning Board, including the revisions made to Draft 2 consistent with City Commission, Planning Board, and public direction on the final outstanding strategic issues related to Themes and Key Objectives. During this City Commission meeting, a Public Hearing consistent with the Michigan Planning Enabling Act is not required, though the City may wish to conduct a Public Hearing subject to its own rules and procedures. If prepared to do so, the City Commission may adopt the plan by Resolution.
CITY OF BIRMINGHAM

ORDINANCE NO. __________

AN ORDINANCE TO AMEND CHAPTER 102, SUBDIVISIONS, OF THE CODE OF THE CITY OF BIRMINGHAM, TO ADD A NEW ARTICLE V, COMBINATION OF LAND PARCELS, TO CREATE REGULATIONS GOVERNING THE APPROVAL OF RESIDENTIAL LOT COMBINATIONS IN THE CITY OF BIRMINGHAM.

THE CITY OF BIRMINGHAM ORDAINS:

Chapter 102, Subdivisions, is hereby amended to add the following Article V, Combination of Land Parcels:

ARTICLE V. - COMBINATION OF LAND PARCELS

Sec. 102-80. - Approval required.

It shall be unlawful for any person to combine any platted or unplatted parcel or tract of land, except in accordance with the provisions of this chapter, unless the combination is approved by the city commission. No building or occupancy permits shall be issued by the building department for the use of any lot or parcel of land which has resulted from a combination, without the approval required by this article.

Sec. 102-81 – Hearing

The city commission shall hold a public hearing at which the proposed combination is considered, notice of which hearing shall be given 15 days prior to the hearing to the owner of land located within 300 feet of lots formed or changed by the combination as the owners of such land appear upon the tax assessment rolls of the city.

Sec. 102-82. - Required submissions.

An applicant for a combination of platted or unplatted land shall submit an application on forms provided by the city planning department and shall also provide each of the following:

(1) A plan or drawing drawn to scale by a registered engineer or surveyor showing the land to be combined, including dimensions, and also adjoining property for at least 500 feet in all directions so as to adequately portray the relationship of the property to be combined and adjoining properties, including
the original plat configuration. All existing buildings and structures shall be located on the plan or drawing, as well as the proposed building envelope, with front, side and rear setbacks clearly marked thereon.

(2) Such additional information as may be required by the city planning department to enable the city to make a determination.

Sec. 102-83. - Standards for approval.

An unplatted or platted parcel or tract of land shall not be combined with another parcel unless the city commission finds that all of the following conditions have been met:

(1) The combination will result in lots or parcels of land consistent with the character of the area where the property is located, chapter 126 of this Code for the zone district in which the property is located, and all applicable master land use plans.
(2) All residential lots formed as a result of a combination shall be a maximum width of no more than twice the average lot width of all lots in the same zone district within 300 feet on the same street.
(3) All residential lots formed as a result of a combination shall be a maximum area of no more than twice the average lot area of all lots in the same zone district within 300 feet on the same street.
(4) The combination will result in building envelopes on the combined parcels that will allow for the placement of buildings and structures in a manner consistent with the existing rhythm and pattern of development within 500 feet in all directions in the same zone district.
(5) Any due or unpaid taxes or special assessments upon the property have been paid in full.

(6) The combination will not adversely affect the interest of the public or the abutting property owners. In making this determination, the city commission shall consider, but not be limited to the following:

a. The location of proposed buildings or structures, the location and nature of vehicular ingress or egress so that the use or appropriate development of adjacent land or buildings will not be hindered, nor the value thereof impaired.

b. The effect of the proposed combination upon any floodplain areas, wetlands and other natural features and the ability of the applicant to develop a buildable site on the resulting parcel without unreasonable disturbance of such natural features.

c. The location, size, density and site layout of any proposed structures or buildings as they may impact an adequate supply of light and air to adjacent properties and the capacity of essential public facilities such as
police and fire protection, drainage structures, municipal sanitary sewer and water, and refuse disposal.

Sec. 102-84 – Conditions of Approval

The city commission may impose conditions on the approval of an application for lot consolidation, including but not limited to, the location and placement of the building envelope, and a determination of the front and rear property lines. If either of these are imposed as a condition of approval, they must be illustrated and recorded with the City and/or County as part of the lot combination process.

Ordained this ___ day of, ________2016 to become effective upon publication.

______________________________
Rackeline J. Hoff, Mayor

______________________________
Laura Pierce, City Clerk
Public Act 210 of 2005 encourages the rehabilitation of commercial property by abating the property taxes generated from new investment for a period up to 10 years. As defined, commercial property is a qualified facility that includes a building or group of contiguous buildings of commercial property that is 15 years or older, of which the primary purpose is the operation of a commercial business enterprise or multifamily residential use. A qualified facility may also include vacant property or other commercial property which, within the immediately preceding 15 years, was commercial property. Types of commercial business enterprises include office, engineering, research and development, warehousing, parts distribution, retail sales, and other commercial activities. Multifamily residential is housing that consists of five or more units. Commercial properties allocated new market tax credits are also considered a qualified facility.

Qualified retail food establishments are considered a qualified facility for purposes of granting the tax abatement. These establishments include a retail supermarket, grocery store, produce market, or delicatessen that offer unprocessed USDA-inspected meat and poultry products or meat products that carry the USDA organic seal, fresh fruits and vegetables, and dairy products for sale to the public. The qualified retail food establishment must be located in a “core community” as defined in the Obsolete Property Rehabilitation Act (PA 146 of 2000) or in an area designated as rural as defined by the United States Census Bureau and is located in an underserved area.

Commercial property does not include property that is to be used as a professional sports stadium or a casino. Land and personal property are not eligible for abatement under this act.

**Who is eligible?**

“Qualified local government units” mean any city, village or township.

**What is rehabilitation?**

Rehabilitation is defined as changes to qualified facilities that are required to restore or modify the property, together with all appurtenances, to an economically efficient condition. The new investment in the rehabbed property must result in improvements aggregating to more than 10 percent of the true cash value of the property at commencement of the rehabilitation of the qualified facility. Rehabilitation includes the following: improvement of floor loads, correction of deficient or excessive height, new or improved fixed building equipment including heating, ventilation, and lighting, reducing multistory facilities to one or two stories, improved structural support including foundations, improved roof structure and cover, floor replacement, improved wall placement, improved exterior and interior appearance of buildings, and other physical changes required to restore or change the property to an economically efficient condition.

Rehabilitation also includes new construction on vacant property from which a previous structure has been demolished and if the new construction is an economic benefit to the local community as determined by the qualified local governmental unit.

Rehabilitation for a qualified retail food establishment also includes new construction.

**What is the process?**

Before the Commercial Rehabilitation Exemption Certificate (i.e. property tax abatement) can be granted to the commercial property owner, the city, village or township by resolution of its legislative body, must establish a Commercial Rehabilitation District. The establishment of the district may be initiated by the local government unit or by owners of property comprising 50 percent of all taxable value of the property in the proposed district. The district must be at least three acres in size unless it is located in a downtown area.
or business area or contains a qualified retail food establishment.

The city, village or township must hold a hearing to establish a Commercial Rehabilitation District. Notification of the hearing must be given to the county board of commissioners and all real property owners in the proposed district.

After the hearing is held and the local unit of government determines the district meets the requirements of the act, a copy of the resolution adopting the district shall be provided to the county where the district is established. Within 28 days, the county may accept or reject the establishment of the district. In a county with a county executive, the executive can write a letter rejecting the establishment of the district. In all other counties, the county board of commissioners can pass a resolution rejecting the establishment of the district.

Once the district is established, the property owners may file an application with the local clerk for a Commercial Rehabilitation Exemption Certificate. Applications are available from the Michigan Department of Treasury. The local clerk shall provide written notification to the assessor of the local unit of government and each taxing jurisdiction that levies ad valorem property taxes of the application hearing. The city, village or township has 60 days after receipt of the application to either approve or disapprove the application. If denied, a reason must be given in the resolution. The assessor and applicant shall be sent a copy of the unapproved resolution by certified mail. If approved, the application and resolution must be sent to the State Tax Commission, which will certify or deny the application within 60 days. A resolution is not effective unless approved by the State Tax Commission.

COMMERCIAL REHABILITATION EXEMPTION CERTIFICATE

Upon approval by the State Tax Commission, a Commercial Rehabilitation Certificate is issued. The property owner must pay a Commercial Rehabilitation Tax rather than the normal property tax. The certificate must be issued for a period of at least one year, but cannot exceed 10 years. Certificates initially issued for less than 10 years may be extended, but shall not exceed 10 years. The criteria for extensions must be included in the resolution approving the abatement.

The Commercial Rehabilitation Tax freezes the taxable value of the building and exempts the new investment from local taxes. The school operating tax and the State Education Tax (SET) are still levied on the new investment. Land and personal property cannot be abated under this act.

DISCUSSION

In addition to the Commercial Rehabilitation Act (PA 210 of 2005), several other property tax abatements are available for the rehabilitation of commercial property in Michigan, including the Commercial Redevelopment Act (PA 255 of 1978) and the Obsolete Property Rehabilitation Act (PA 146 of 2000). Each act has unique eligibility requirements, processes, and lengths and terms of the abatement. Please refer to the Michigan Economic Development Corporation (MEDC) Fact Sheet for more information on each program and consult the authorizing statute to determine the best fit for your project needs.

CONTACT INFORMATION

For more information on the Commercial Rehabilitation Act, please contact the CATeam Specialist assigned to your territory. For more general information, contact the MEDC Customer Contact Center at 517.373.9808.

SUPPORTING STATUTES

PA 210 of 2005—Commercial Rehabilitation Act
COMMERCIAL REHABILITATION ACT
Act 210 of 2005

AN ACT to provide for the establishment of commercial 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 qualified 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 governmental officials; and to provide penalties.


The People of the State of Michigan enact:

207.841 Short title.
Sec. 1. This act shall be known and may be cited as the "commercial rehabilitation act".


207.842 Definitions.
Sec. 2. As used in this act:
(a) "Commercial property" means land improvements classified by law for general ad valorem tax purposes as real property including real property assessable as personal property pursuant to sections 8(d) and 14(6) of the general property tax act, 1893 PA 206, MCL 211.8 and 211.14, the primary purpose and use of which is the operation of a commercial business enterprise or multifamily residential use. Commercial property shall also include facilities related to a commercial business enterprise under the same ownership at that location, including, but not limited to, office, engineering, research and development, warehousing, parts distribution, retail sales, and other commercial activities. Commercial property also includes a building or group of contiguous buildings previously used for industrial purposes that will be converted to the operation of a commercial business enterprise. Commercial property does not include any of the following:

(i) Land.
(ii) Property of a public utility.
(b) "Commercial rehabilitation district" or "district" means an area not less than 3 acres in size of a qualified local governmental unit established as provided in section 3. However, if the commercial rehabilitation district is located in a downtown or business area or contains a qualified retail food establishment, as determined by the legislative body of the qualified local governmental unit, the district may be less than 3 acres in size.
(c) "Commercial rehabilitation exemption certificate" or "certificate" means the certificate issued under section 6.
(d) "Commercial rehabilitation tax" means the specific tax levied under this act.
(e) "Commission" means the state tax commission created by 1927 PA 360, MCL 209.101 to 209.107.
(f) "Department" means the department of treasury.
(g) "Multifamily residential use" means multifamily housing consisting of 5 or more units.
(h) "Qualified facility" means a qualified retail food establishment or a building or group of contiguous buildings of commercial property that is 15 years old or older or has been allocated for a new markets tax credit under section 45D of the internal revenue code, 26 USC 45D. Qualified facility also includes a building or a group of contiguous buildings, a portion of a building or group of contiguous buildings previously used for commercial or industrial purposes, obsolete industrial property, and vacant property which, within the immediately preceding 15 years, was commercial property as defined in subdivision (a). Qualified facility shall also include vacant property located in a city with a population of more than 500,000 according to the most recent federal decennial census and from which a previous structure has been demolished and on which commercial property is or will be newly constructed provided an application for a certificate has been filed with that city before July 1, 2010. A qualified facility also includes a hotel or motel that has additional meeting or convention space that is attached to a convention and trade center that is over 250,000 square feet in size and that is located in a county with a population of more than 1,100,000 and less than 1,600,000 as of the most recent decennial census. A qualified facility does not include property that is to be used as a professional sports stadium. A qualified facility does not include property that is to be used as a casino. As used in this subdivision, "casino" means a casino or a parking lot, hotel, motel, or retail store owned or operated by a casino, an affiliate, or an affiliated company, regulated by this state pursuant to the Michigan gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.

(i) "Qualified local governmental unit" means a city, village, or township.
(j) "Qualified retail food establishment" means property that meets all of the following:

(i) The property will be used primarily as a retail supermarket, grocery store, produce market, or delicatessen that offers unprocessed USDA-inspected meat and poultry products or meat products that carry the USDA organic seal, fresh fruits and vegetables, and dairy products for sale to the public.

(ii) The property meets 1 of the following:

(A) Is located in a qualified local governmental unit that is also located in a qualified local governmental unit as defined in section 2 of the obsolete property rehabilitation act, 2000 PA 146, MCL 125.2782, and is located in an underserved area.

(B) Is located in a qualified local governmental unit that is designated as rural as defined by the United States census bureau and is located in an underserved area.

(iii) The property was used as residential, commercial, or industrial property as allowed and conducted under the applicable zoning ordinance for the immediately preceding 30 years.

(k) "Rehabilitation" means changes to a qualified facility that are required to restore or modify the property, together with all appurtenances, to an economically efficient condition. Rehabilitation includes major renovation and modification including, but not necessarily limited to, the improvement of floor loads, correction of deficient or excessive height, new or improved fixed building equipment, including heating, ventilation, and lighting, reducing multistory facilities to 1 or 2 stories, improved structural support including foundations, improved roof structure and cover, floor replacement, improved wall placement, improved exterior and interior appearance of buildings, and other physical changes required to restore or change the property to an economically efficient condition. Rehabilitation for a qualified retail food establishment also includes new construction. Rehabilitation also includes new construction of a qualified facility that is a hotel or motel that has additional meeting or convention space that is attached to a convention and trade center that is over 250,000 square feet in size that is located in a county with a population of more than 1,100,000 and less than 1,600,000 as of the most recent decennial census, if that new construction is an economic benefit to the local community as determined by the qualified local governmental unit. Rehabilitation also includes new construction on vacant property from which a previous structure has been demolished and if the new construction is an economic benefit to the local community as determined by the qualified local governmental unit. Rehabilitation shall not include improvements aggregating less than 10% of the true cash value of the property at commencement of the rehabilitation of the qualified facility.

(l) "Taxable value" means the value determined under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

(m) "Underserved area" means an area determined by the Michigan department of agriculture that contains a low or moderate income census tract and a below average supermarket density, an area that has a supermarket customer base with more than 50% living in a low income census tract, or an area that has demonstrated significant access limitations due to travel distance.


207.843 Commercial rehabilitation district; establishment by qualified rehabilitation district; adoption of resolution; notice and opportunity for hearing; findings and determination; rejection.

Sec. 3. (1) A qualified local governmental unit, by resolution of its legislative body, may establish 1 or more qualified rehabilitation districts that may consist of 1 or more parcels or tracts of land or a portion of a parcel or tract of land, if at the time the resolution is adopted, the parcel or tract of land or portion of a parcel or tract of land within the district is a qualified facility.

(2) The legislative body of a qualified local governmental unit may establish a commercial rehabilitation district on its own initiative or upon a written request filed by the owner or owners of property comprising at least 50% of all taxable value of the property located within a proposed commercial rehabilitation district. The written request must be filed with the clerk of the qualified local governmental unit.

(3) Before adopting a resolution establishing a commercial rehabilitation district, the legislative body shall give written notice by certified mail to the county in which the proposed district is to be located and the owners of all real property within the proposed commercial rehabilitation district and shall afford an opportunity for a hearing on the establishment of the commercial rehabilitation district at which any of those owners and any other resident or taxpayer of the qualified local governmental unit may appear and be heard. The legislative body shall give public notice of the hearing not less than 10 days or more than 30 days before the date of the hearing.

(4) The legislative body of the qualified local governmental unit, in its resolution establishing a
commercial rehabilitation district, shall set forth a finding and determination that the district meets the requirements set forth in subsection (1) and shall provide a copy of the resolution by certified mail to the county in which the district is located.

(5) Within 28 days after receiving a copy of the resolution establishing a commercial rehabilitation district, the county may reject the establishment of the district by 1 of the following methods:

(a) If the county has an elected county executive, by written notification to the qualified local governmental unit.

(b) If the county does not have an elected county executive, by a resolution of the county board of commissioners provided to the qualified local governmental unit.


### 207.844 Commercial rehabilitation exemption certificate; filing application by owner of qualified facility; notice and hearing.

Sec. 4. (1) If a commercial rehabilitation district is established under section 3, the owner of a qualified facility may file an application for a commercial rehabilitation exemption certificate with the clerk of the qualified local governmental unit that established the commercial rehabilitation district. The application shall be filed in the manner and form prescribed by the commission. The application shall contain or be accompanied by a general description of the qualified facility, a general description of the proposed use of the qualified facility, the general nature and extent of the rehabilitation to be undertaken, a descriptive list of the fixed building equipment that will be a part of the qualified facility, a time schedule for undertaking and completing the rehabilitation of the qualified facility, a statement of the economic advantages expected from the exemption, including the number of jobs to be retained or created as a result of rehabilitating the qualified facility, including expected construction employment, and information relating to the requirements in section 8.

(2) Upon receipt of an application for a commercial rehabilitation exemption certificate, the clerk of the qualified local governmental unit shall notify in writing the assessor of the local tax collecting unit in which the qualified facility is located, and the legislative body of each taxing unit that levies ad valorem property taxes in the qualified local governmental unit in which the qualified facility is located. Before acting upon the application, the legislative body of the qualified local governmental unit shall hold a public hearing on the application and give public notice to the applicant, the assessor, a representative of the affected taxing units, and the general public. The hearing on each application shall be held separately from the hearing on the establishment of the commercial rehabilitation district.


### 207.845 Commercial rehabilitation exemption certificate; approval or disapproval of application.

Sec. 5. The legislative body of the qualified local governmental unit, not more than 60 days after receipt of the application by the clerk, shall by resolution either approve or disapprove the application for a commercial rehabilitation exemption certificate in accordance with section 8 and the other provisions of this act. The clerk shall retain the original of the application and resolution. If approved, the clerk shall forward a copy of the application and resolution to the commission. If disapproved, the reasons shall be set forth in writing in the resolution, and the clerk shall send, by certified mail, a copy of the resolution to the applicant and to the assessor. A resolution is not effective unless approved by the commission as provided in section 6.


### 207.846 Commercial rehabilitation exemption certificate; issuance; form; contents; effective date; maintenance of record and copies.

Sec. 6. (1) Not more than 60 days after receipt of a copy of the application and resolution adopted under section 5, the commission shall approve or disapprove the resolution.

(2) Following approval of the application by the legislative body of the qualified local governmental unit and the commission, the commission shall issue to the applicant a commercial rehabilitation exemption certificate in the form the commission determines, which shall contain all of the following:

(a) A legal description of the real property on which the qualified facility is located.

(b) A statement that unless revoked as provided in this act the certificate shall remain in force for the period stated in the certificate.

(c) A statement of the taxable value of the qualified facility, separately stated for real and personal property, for the tax year immediately preceding the effective date of the certificate after deducting the taxable value of the land and personal property other than personal property assessed pursuant to sections 8(d)
and 14(6) of the general property tax act, 1893 PA 206, MCL 211.8 and 211.14.

(d) A statement of the period of time authorized by the legislative body of the qualified local governmental unit within which the rehabilitation shall be completed.

(e) If the period of time authorized by the legislative body of the qualified local governmental unit pursuant to subdivision (b) is less than 10 years, the exemption certificate shall contain the factors, criteria, and objectives, as determined by the resolution of the qualified local governmental unit, necessary for extending the period of time, if any.

(3) The effective date of the certificate is the December 31 immediately following the date of issuance of the certificate.

(4) The commission shall file with the clerk of the qualified local governmental unit a copy of the commercial rehabilitation exemption certificate, and the commission shall maintain a record of all certificates filed. The commission shall also send, by certified mail, a copy of the commercial rehabilitation exemption certificate to the applicant and the assessor of the local tax collecting unit in which the qualified facility is located.


207.847 Exemption of qualified facility from tax; duration of force and effect of certificate; commencement; date of issuance; extension.

Sec. 7. (1) A qualified facility for which a commercial rehabilitation exemption certificate is in effect, but not the land on which the rehabilitated facility is located, or personal property other than personal property assessed pursuant to sections 8(d) and 14(6) of the general property tax act, 1893 PA 206, MCL 211.8 and 211.14, for the period on and after the effective date of the certificate and continuing so long as the commercial rehabilitation exemption certificate is in force, is exempt from ad valorem property taxes collected under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157.

(2) Unless earlier revoked as provided in section 12, a commercial rehabilitation exemption certificate shall remain in force and effect for a period to be determined by the legislative body of the qualified local governmental unit. The certificate may be issued for a period of at least 1 year, but not to exceed 10 years. If the number of years determined is less than 10, the certificate may be subject to review by the legislative body of the qualified local governmental unit and the certificate may be extended. The total amount of time determined for the certificate including any extensions shall not exceed 10 years after the completion of the qualified facility. The certificate shall commence with its effective date and end on the December 31 immediately following the last day of the number of years determined. The date of issuance of a certificate of occupancy, if required by appropriate authority, shall be the date of completion of the qualified facility.

(3) If the number of years determined by the legislative body of the qualified local governmental unit for the period a certificate remains in force is less than 10 years, the review of the certificate for the purpose of determining an extension shall be based upon factors, criteria, and objectives that shall be placed in writing, determined and approved at the time the certificate is approved by resolution of the legislative body of the qualified local governmental unit and sent, by certified mail, to the applicant, the assessor of the local tax collecting unit in which the qualified facility is located, and the commission.


207.848 Separate finding; contents; compliance; requirements; applicability.

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 a commercial rehabilitation exemption certificate unless the applicant complies with all of the following requirements:

(a) Except as otherwise provided in this subdivision or subsection (3), the commencement of the rehabilitation of the qualified facility does not occur earlier than 6 months before the applicant files the application for the commercial rehabilitation exemption certificate. However, through December 31, 2009, for a qualified facility that is a qualified retail food establishment, the commencement of the rehabilitation does not occur earlier than 42 months before the applicant files the application for the commercial rehabilitation exemption certificate.
(b) The application relates to a rehabilitation program that when completed constitutes a qualified facility within the meaning of this act and that shall be situated within a commercial rehabilitation district established in a qualified local governmental unit eligible under this act.

(c) Completion of the qualified 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 qualified facility is situated.

(d) The applicant states, in writing, that the rehabilitation of the qualified facility, excluding qualified retail food establishments through December 31, 2009, 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 qualified facility.

(3) The provisions of subsection (2)(a) and (d) and the provision contained in section 4(1) that provides that the district must be established before an application is filed do not apply to the rehabilitation of a qualified facility located in a commercial rehabilitation district established by the legislative body of the qualified local governmental unit in 2011 for construction or rehabilitation that was commenced in August 2010 and for which an application for a commercial rehabilitation exemption certificate was filed in June 2010.


207.849 Determining value of each qualified facility.

Sec. 9. The assessor of each qualified local governmental unit in which there is a qualified facility with respect to which 1 or more commercial rehabilitation exemption certificates have been issued and are in force shall determine annually as of December 31 the value and taxable value, both for real and personal property, of each qualified facility separately, having the benefit of a certificate and upon receipt of notice of the filing of an application for the issuance of a certificate, shall determine and furnish to the local legislative body the value and the taxable value of the property to which the application pertains and other information as may be necessary to permit the local legislative body to make the determinations required by section 8(2).


207.850 Commercial rehabilitation tax; determination of amount; payment; exemption; qualified retail food establishment; certificate issued before December 31, 2009.

Sec. 10. (1) There is levied upon every owner of a qualified facility to which a commercial rehabilitation exemption certificate is issued a specific tax to be known as the commercial rehabilitation tax.

(2) Except as otherwise provided in subsection (8), the amount of the commercial rehabilitation tax, in each year, shall be determined by adding the results of both of the following calculations:

(a) Multiplying the total mills levied as ad valorem taxes for that year by all taxing units within which the qualified facility is located by the taxable value of the real and personal property of the qualified facility on the December 31 immediately preceding the effective date of the commercial rehabilitation exemption certificate after deducting the taxable value of the land and of personal property other than personal property assessed pursuant to sections 8(d) and 14(6) of the general property tax act, 1893 PA 206, MCL 211.8 and 211.14, for the tax year immediately preceding the effective date of the commercial rehabilitation exemption certificate.

(b) Multiplying the mills levied for school operating purposes for that year under the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, and the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, by the taxable value of the real and personal property of the qualified facility, after deducting all of the following:

(i) The taxable value of the land and of the personal property other than personal property assessed pursuant to sections 8(d) and 14(6) of the general property tax act, 1893 PA 206, MCL 211.8 and 211.14.

(ii) The taxable value used to calculate the tax under subdivision (a).

(3) The commercial rehabilitation tax is an annual tax, payable at the same times, in the same installments, and to the same officer or officers as taxes imposed under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155, are payable. Except as otherwise provided in this section, the officer or officers shall disburse the commercial rehabilitation tax payments received by the officer or officers each year to and among this state, cities, school districts, counties, and authorities, at the same times and in the same proportions as required by law for the disbursement of taxes collected under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

(4) For intermediate school districts receiving state aid under sections 56, 62, and 81 of the state school aid
act of 1979, 1979 PA 94, MCL 388.1656, 388.1662, and 388.1681, of the amount of commercial rehabilitation tax that would otherwise be disbursed to an intermediate school district, all or a portion, to be determined on the basis of the tax rates being utilized to compute the amount of state aid, shall be paid to the state treasury to the credit of the state school aid fund established by section 11 of article IX of the state constitution of 1963.

(5) The amount of commercial rehabilitation tax described in subsections (2)(a) and (8)(a) that would otherwise be disbursed to a local school district for school operating purposes, and all of the amount described in subsections (2)(b) and (8)(b), shall be paid instead to the state treasury and credited to the state school aid fund established by section 11 of article IX of the state constitution of 1963.

(6) The officer or officers shall send a copy of the amount of disbursement made to each unit under this section to the commission on a form provided by the commission.

(7) A qualified facility located in a renaissance zone under the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696, is exempt from the commercial rehabilitation tax levied under this act to the extent and for the duration provided pursuant to the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696, except for that portion of the commercial rehabilitation tax attributable to a special assessment or a tax described in section 7ff(2) of the general property tax act, 1893 PA 206, MCL 211.7ff. The commercial rehabilitation tax calculated under this subsection shall be disbursed proportionately to the taxing unit or units that levied the special assessment or the tax described in section 7ff(2) of the general property tax act, 1893 PA 206, MCL 211.7ff.

(8) The amount of the commercial rehabilitation tax, in each year, for a qualified retail food establishment that was issued a certificate on or before December 31, 2009, shall be determined by adding the results of both of the following calculations:

(a) Multiplying the total mills levied as ad valorem taxes for that year by all taxing units within which the qualified facility is located by the taxable value of the real and personal property of the qualified facility on the December 31 immediately preceding the rehabilitation after deducting the taxable valuation of the land and of personal property other than personal property assessed pursuant to sections 8(d) and 14(6) of the general property tax act, 1893 PA 206, MCL 211.8 and 211.14, for the tax year immediately preceding the rehabilitation.

(b) Multiplying the mills levied for school operating purposes for that year under the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, and the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, by the taxable value of the real and personal property of the qualified retail food establishment, after deducting all of the following:

(i) The taxable value of the land and of the personal property other than personal property assessed pursuant to sections 8(d) and 14(6) of the general property tax act, 1893 PA 206, MCL 211.8 and 211.14.

(ii) The taxable value used to calculate the tax under subdivision (a).


207.851 Lien.

Sec. 11. The amount of the tax applicable to real property, until paid, is a lien upon the real property to which the certificate is applicable. Proceedings upon the lien as provided by law for the foreclosure in the circuit court of mortgage liens upon real property may commence only upon the filing by the appropriate collecting officer of a certificate of nonpayment of the commercial rehabilitation tax applicable to real property, together with an affidavit of proof of service of the certificate of nonpayment upon the owner of the qualified facility by certified mail, with the register of deeds of the county in which the qualified facility is situated.


207.852 Commercial rehabilitation exemption certificate; revocation.

Sec. 12. The legislative body of the qualified local governmental unit may, by resolution, revoke the commercial rehabilitation exemption certificate of a facility if it finds that the completion of rehabilitation of the qualified facility has not occurred within the time authorized by the legislative body in the exemption certificate or a duly authorized extension of that time, or that the holder of the commercial rehabilitation exemption certificate has not proceeded in good faith with the operation of the qualified facility in a manner consistent with the purposes of this act and in the absence of circumstances that are beyond the control of the holder of the exemption certificate.


207.853 Transfer and assignment of certificate.
Sec. 13. A commercial rehabilitation exemption certificate may be transferred and assigned by the holder of the certificate to a new owner of the qualified facility if the qualified local governmental unit approves the transfer after application by the new owner.


207.854 Status report by local government.

Sec. 14. Not later than October 15 each year, each qualified local governmental unit granting a commercial rehabilitation exemption shall report to the commission on the status of each exemption. The report must include the current value of the property to which the exemption pertains, the value on which the commercial rehabilitation tax is based, and a current estimate of the number of jobs retained or created by the exemption.


207.855 Report to legislature.

Sec. 15. (1) The department annually shall prepare and submit to the committees of the house of representatives and senate responsible for tax policy and economic development issues a report on the utilization of commercial rehabilitation districts, based on the information filed with the commission.

(2) After this act has been in effect for 3 years, the department shall prepare and submit to the committees of the house of representatives and senate responsible for tax policy and economic development issues an economic analysis of the costs and benefits of this act in the 3 qualified local governmental units in which it has been most heavily utilized.


207.856 Exemption not granted after December 31, 2020.

Sec. 16. A new exemption shall not be granted under this act after December 31, 2020, but an exemption then in effect shall continue until the expiration of the exemption certificate.