

COUNCIL COMMUNICATION

Council _____ moved that an ordinance introduced, January 26, 2009, entitled and reading as follows, be taken up and enacted:

AN ORDINANCE TO ADD SECTION 33.40 "NEIGHBORHOOD ENTERPRISE ZONES" TO CHAPTER 33, "TAXATION AND ASSESSMENT" OF TITLE III "ADMINISTRATION", OF THE SAGINAW CODE OF ORDINANCES, O-1.

The City of Saginaw Ordains:

Section 1. §33.40, "Neighborhood Enterprise Zones" is hereby added to Chapter 33, "Taxation and Assessment", of Title III, "Administration" of the City of Saginaw Code of Ordinances, O-1, and shall read as follows:

NEIGHBORHOOD ENTERPRISE ZONES

§ 33.40. PURPOSE.

The purpose of this chapter is to preserve Saginaw neighborhoods and to further the maintenance, preservation, improvement and development of housing for all persons regardless of income level; to provide that the City, by resolution, may designate one or more neighborhood enterprise zones pursuant to the Michigan Neighborhood Enterprise Zone Act, Act 147 of the Public Acts of 1992, as amended, being M.C.L.A. 207.771 et seq.; and to encourage, through ad valorem property tax benefits established by said Act, the construction of new structures that have as their primary purpose owner-occupied one or two unit residential housing and the rehabilitation of existing structures having as their primary purpose residential housing consisting of one to eight units, by bringing them into conformity with minimum Building and Housing Code standards and improving the livability of units.

COUNCIL COMMUNICATION

§33.41. DEFINITIONS.

As used in this chapter:

Certificate of approval means a certificate issued by the Chief Inspector, or his or her designee, of the Department of Economic Development of the City, attesting to the fact that a new or rehabilitated facility for which an enterprise zone certificate is in effect is in compliance with the construction and safety codes of the City.

Neighborhood enterprise zone means any zone designated by the City by resolution as a neighborhood enterprise zone pursuant to the requirements of the Michigan Neighborhood Enterprise Zone Act.

Neighborhood Enterprise Zone Act means Act 147 of the Public Acts of 1992, as amended, being M.C.L.A. 207.771 et seq.

Neighborhood enterprise zone certificate means a certificate as defined and issued pursuant to the Neighborhood Enterprise Zone Act.

New facility means a new structure that has as its primary purpose residential housing consisting of one or two units, one of which is or will be occupied by an owner as his or her principal residence. "New facility" includes a new individual condominium unit, in a structure with one or more condominium units, that has as its primary purpose residential housing and that is or will be occupied by an owner as his or her principal residence "New facility" does not include apartments.

Owner means the record title holder of, or the vendee of the original land contract pertaining to, a new facility or a rehabilitated facility for which a neighborhood enterprise zone certificate is applied for or issued.

COUNCIL COMMUNICATION

Rehabilitated facility means an existing structure with a current true cash value of \$80,000.00 or less per unit, that has or will have as its primary purpose residential housing consisting of one to eight units, the owner of which proposes improvements that, if done by a licensed contractor, would cost in excess of \$5,000.00 per owner-occupied unit or 50 percent of the true cash value, whichever is less; or in excess of \$7,500.00 per nonowner-occupied unit or 50 percent of the true cash value, whichever is less, or the owner proposes improvements that would be done by the owner and not a licensed contractor and the cost of the materials would be in excess of \$3,000.00 per owner-occupied unit, or \$4,500.00 per nonowner-occupied unit and will bring the structure into conformity with minimum Saginaw Housing Code standards for occupancy or improve the livability of the units while meeting minimum Saginaw Housing Code standards. "Rehabilitated facility" also includes an individual condominium unit, in a structure with one or more condominium units that has as its primary purpose residential housing, the owner of which proposes the above described improvements. "Rehabilitated facility" does not include a facility rehabilitated with the proceeds of an insurance policy for property or casualty loss.

§33.42 DESIGNATION OF ZONES.

The City, by Council resolution, may, upon City initiative or on petition of any person:

(a) Designate one or more neighborhood enterprise zones within a local governmental unit. A neighborhood enterprise zone, other than a neighborhood enterprise zone designated pursuant to subsection (b) hereof, shall contain not less

COUNCIL COMMUNICATION

than ten platted parcels of land. All the land within a neighborhood enterprise zone shall also be compact and contiguous.

(b) Designate one or more neighborhood enterprise zones limited to new facilities if each new facility in the zone is part of a development of ten or more units.

The total acreage of the neighborhood enterprise zones designated under this section shall not exceed fifteen percent of the total acreage contained within the boundaries of the local governmental unit.

(c) Not less than 60 days before the passage of a resolution designating a zone, the City Clerk shall give written notice to the assessor and to the governing body of each taxing unit that levies ad valorem property taxes in the proposed neighborhood enterprise zone.

(d) Before acting upon the resolution, the City Council shall make a finding that the proposed neighborhood enterprise zone is consistent with the master plan and the neighborhood preservation and economic development goals of the City, and adopt a statement of the City's goals, objectives, and policies relative to the maintenance, preservation, improvement and development of housing for all persons regardless of income level living within the proposed neighborhood enterprise zone.

(e) The City shall hold a public hearing on the application not later than 45 days after the date the notice is sent but before acting upon the resolution.

§33.43 APPLICATION FOR CERTIFICATE.

Once a neighborhood enterprise zone is established in the manner provided in Section 33.42 and the Neighborhood Enterprise Zone Act, any person who proposes to construct a new facility or to rehabilitate property located in a neighborhood enterprise

COUNCIL COMMUNICATION

zone, and who intends to seek the tax benefits provided in the Neighborhood Enterprise Zone Act, may file an application for a neighborhood enterprise zone certificate with the City Clerk. The application must be filed before a building permit is issued for the work proposed, or as otherwise provided by the City Council by resolution if the application is filed not later than 6 months following the date the building permit is issued, and shall be filed in the form and manner prescribed in said Act. The application for a certificate shall be subject to the requirements, approvals and conditions of the Neighborhood Enterprise Zone Act.

§33.44 INSPECTIONS.

(a) Before the sale of a new facility or a rehabilitated facility for which a neighborhood enterprise zone certificate is in effect, an inspection by the City shall be requested and made to determine compliance with all applicable Saginaw construction and safety codes.

(b) No sale of any new or rehabilitated facility for which a neighborhood enterprise zone certificate is in effect may be finalized until there is compliance with the applicable Saginaw construction and safety codes and a certificate of approval attesting to the fact is issued by the Chief Inspector or his or her designee.

§33.45 ISSUANCE OF CERTIFICATE OF APPROVAL.

(a) A certificate of approval shall be issued only after the new or rehabilitated facility has been inspected and meets the requirements of all the applicable Saginaw construction and safety codes. An inspection report shall be completed by the inspector after the inspection is completed. The report shall note all violations found in the facility.

COUNCIL COMMUNICATION

Before a certificate of approval is issued, all violations must be corrected and approved and the required inspection fee paid

(b) After issuance, a certificate of approval shall only be valid for one sale of a new or rehabilitated facility. A new inspection and certificate of approval shall be required each time a new or rehabilitated facility is sold.

§33.46 INSPECTION FEE.

The City shall charge a non-refundable inspection fee which shall be set by Council resolution and paid in advance of the certificate of approval inspection.

Section 2. That this Ordinance shall take effect on February 19, 2009.

Enacted: February 9, 2009.