



November 5, 2025

Senate Appropriations Committee
Harry T. Gast Appropriations Room
3rd Floor, Capitol Building
100 S. Capitol Avenue
Lansing, MI 48933

Subject: Opposition to Senate Bill 199

Dear Chairwoman Anthony and Members of the Senate Appropriations Committee, Founded in 1980, the Michigan Downtown Association (MDA) is a state-wide, non-profit organization with a membership of 225 communities, townships, counties, individuals, and businesses with a common goal: to strengthen Michigan's downtowns. The MDA encourages the development, redevelopment and continuing improvement of all Michigan communities and downtowns.

After 50 years of hard work and investment, downtowns across the state are stronger, more resilient, and more vibrant than ever. This would have never happened if it were not for the diligent downtown management and ongoing programs of Downtown Development Authorities (DDAs). While downtowns are on the rise in popularity, the work to strengthen all Michigan downtowns is never done. Across the state, DDA management teams today are striving to ensure the long-term prosperity of our historic downtowns and shopping districts as market conditions continue to evolve.

Since 1975, and with amendments made in 2018 with PA 57, the State of Michigan has enabled all DDAs to utilize Tax Increment Financing (TIF) to invest in infrastructure improvements, redevelopment of blighted areas, job creation, and events and promotions that make downtowns relevant, exciting and a key reason why people choose to live in a community. Downtown management is economic development and TIF is a tool that allows municipalities to direct funds to engage in specific, critical economic development activities without raising local property taxes.

With that in mind, the MDA has concerns about Senate Bill 199 in its current form. While we understand and respect the intent behind the legislation, we are concerned that several provisions create unintended consequences for other communities and DDAs across the state. Specifically, the bill would:

1. Amend a state law for an issue specific to one community. The MDA believes the concerns are best handled at a local level as changing a state law would have unintended



consequences to other communities and DDAs. It is not prudent to change a state law for a single community. Making a statutory change for one community could also set a precedent for additional, narrowly focused legislation in the future, leading to a patchwork of exceptions that complicate statewide economic development policy.

2. Change the definition of 'Board' to reduce its governing power. The MDA believes amending the definition of 'Board' in Recodified laws would have implications to other laws outlining the power of a Board and set an ill-advised precedent.
3. Section 301(r)(ix) lists specific obligations therefore placing constraints on future projects, development, finances, and population. The list of obligations does not account for potential changes in a community's future.

With a pulse on Michigan Downtowns, the MDA would be happy to discuss the importance of PA 57 of 2018 as written. Together, we can continue to strengthen Michigan downtowns, provide economic development, and create places in which people want to support, visit, and live.

Respectfully,

Christina Sheppard-Decius

Cristina Sheppard-Decius
Chairperson
Michigan Downtown Association