

SENATE BILL No. 901

November 29, 2005, Introduced by Senator BROWN and referred to the Committee on Commerce and Labor.

A bill to amend 1992 PA 147, entitled
"Neighborhood enterprise zone act,"
by amending section 2 (MCL 207.772), as amended by 2004 PA 396.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. As used in this act:

2 (a) "Commission" means the state tax commission created by
3 1927 PA 360, MCL 209.101 to 209.107.

4 (b) "Condominium unit" means that portion of a structure
5 intended for separate ownership, intended for residential use, and
6 established pursuant to the condominium act, 1978 PA 59, MCL
7 559.101 to 559.276. Condominium units within a qualified historic
8 building may be held under common ownership.

9 (c) "Developer" means a person who is the owner of a new

1 facility at the time of construction or of a rehabilitated facility
2 at the time of rehabilitation for which a neighborhood enterprise
3 zone certificate is applied for or issued.

4 (d) "Local governmental unit" means a qualified local
5 governmental unit as that term is defined under section 2 of the
6 obsolete property rehabilitation act, 2000 PA 146, MCL 125.2782, **OR**
7 **A COUNTY SEAT.**

8 (e) "New facility" means a new structure or a portion of a new
9 structure that has as its primary purpose residential housing
10 consisting of 1 or 2 units, 1 of which is or will be occupied by an
11 owner as his or her principal residence. New facility includes a
12 model home or a model condominium unit. New facility includes a new
13 individual condominium unit, in a structure with 1 or more
14 condominium units, that has as its primary purpose residential
15 housing and that is or will be occupied by an owner as his or her
16 principal residence. New facility does not include apartments.

17 (f) "Neighborhood enterprise zone certificate" or
18 "certificate" means a certificate issued pursuant to sections 4, 5,
19 and 6.

20 (g) "Owner" means the record title holder of, or the vendee of
21 the original land contract pertaining to, a new facility or a
22 rehabilitated facility for which a neighborhood enterprise zone
23 certificate is applied for or issued.

24 (h) "Qualified historic building" means a property within a
25 neighborhood enterprise zone that has been designated a historic
26 resource as defined under section 266 of the income tax act of
27 1967, 1967 PA 281, MCL 206.266.

1 (i) "Rehabilitated facility" means an existing structure or a
2 portion of an existing structure with a current true cash value of
3 \$80,000.00 or less per unit that has or will have as its primary
4 purpose residential housing, consisting of 1 to 8 units, the owner
5 of which proposes improvements that if done by a licensed
6 contractor would cost in excess of \$5,000.00 per owner-occupied
7 unit or 50% of the true cash value, whichever is less, or \$7,500.00
8 per nonowner-occupied unit or 50% of the true cash value, whichever
9 is less, or the owner proposes improvements that would be done by
10 the owner and not a licensed contractor and the cost of the
11 materials would be in excess of \$3,000.00 per owner-occupied unit
12 or \$4,500.00 per nonowner-occupied unit and will bring the
13 structure into conformance with minimum local building code
14 standards for occupancy or improve the livability of the units
15 while meeting minimum local building code standards. Rehabilitated
16 facility also includes an individual condominium unit, in a
17 structure with 1 or more condominium units that has as its primary
18 purpose residential housing, the owner of which proposes the above
19 described improvements. Rehabilitated facility also includes
20 existing or proposed condominium units in a qualified historic
21 building with 1 or more existing or proposed condominium units.
22 Rehabilitated facility does not include a facility rehabilitated
23 with the proceeds of an insurance policy for property or casualty
24 loss. A qualified historic building may contain multiple
25 rehabilitated facilities.