

HOUSE BILL No. 6355

July 23, 2008, Introduced by Reps. Meltzer, Hildenbrand, Agema, Moss, Shaffer, Hune, Marleau, Hoogendyk, Horn, Casperson, Steil, LaJoy, Pastor, Booher, Sheen, Caul, Palmer, Moore, Opsommer, Gaffney, Caswell, Stahl, Rick Jones, Pearce, Pavlov, Moolenaar, Nitz, Amos, Hansen, Ward, Rocca, Knollenberg, Proos, Elsenheimer, Schuitmaker, Acciavatti, Meekhof, Nofs, Stakoe, Green, Ball, David Law, Palsrok, Walker, Garfield, DeRoche, Huizenga, Clemente, Calley, Sheltroun and Wenke and referred to the Committee on Commerce.

A bill to amend 1996 PA 376, entitled
"Michigan renaissance zone act,"
by amending sections 3 and 8a (MCL 125.2683 and 125.2688a), section
3 as amended by 2008 PA 117 and section 8a as amended by 2008 PA
116.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. As used in this act:

2 (a) "Agricultural processing facility" means 1 or more
3 facilities or operations that transform, package, sort, or grade
4 livestock or livestock products, agricultural commodities, or
5 plants or plant products, excluding forest products, into goods
6 that are used for intermediate or final consumption including goods
7 for nonfood use, and surrounding property.

1 (b) "Board" means the state administrative board created in
2 1921 PA 2, MCL 17.1 to 17.3.

3 (c) "Development plan" means a written plan that addresses the
4 criteria in section 7 and includes all of the following:

5 (i) A map of the proposed renaissance zone that indicates the
6 geographic boundaries, the total area, and the present use and
7 conditions generally of the land and structures within those
8 boundaries.

9 (ii) Evidence of community support and commitment from
10 residential and business interests.

11 (iii) A description of the methods proposed to increase economic
12 opportunity and expansion, facilitate infrastructure improvement,
13 and identify job training opportunities.

14 (iv) Current social, economic, and demographic characteristics
15 of the proposed renaissance zone and anticipated improvements in
16 education, health, human services, public safety, and employment if
17 the renaissance zone is created.

18 (v) Any other information required by the board.

19 (d) "Elected county executive" means the elected county
20 executive in a county organized under 1966 PA 293, MCL 45.501 to
21 45.521, or 1973 PA 139, MCL 45.551 to 45.573.

22 (e) "Forest products processing facility" means 1 or more
23 facilities or operations that transform, package, sort, recycle, or
24 grade forest or paper products into goods that are used for
25 intermediate or final use or consumption or for the creation of
26 biomass or alternative fuels through the utilization of forest
27 products or forest residue, and surrounding property. Forest

1 products processing facility does not include an existing facility
2 or operation that is located in this state that relocates to a
3 renaissance zone for a forest products processing facility. Forest
4 products processing facility does not include a facility or
5 operation that engages primarily in retail sales.

6 (f) "Local governmental unit" means a county, city, village,
7 or township.

8 (G) **"MEDICAL RESEARCH FACILITY" MEANS 1 OR MORE MEDICAL**
9 **FACILITIES THAT ENGAGE IN RESEARCH AND DEVELOPMENT OF INDUCED**
10 **PLURIPOTENT STEM CELL RESEARCH AS DEFINED IN SECTION 254 OF THE**
11 **INCOME TAX ACT OF 1967, 1967 PA 281, MCL 206.254.**

12 (H) ~~(g)~~—"Person" means an individual, partnership,
13 corporation, association, limited liability company, governmental
14 entity, or other legal entity.

15 (I) ~~(h)~~—"Qualified local governmental unit" means either of
16 the following:

17 (i) A county.

18 (ii) A city, village, or township that contains an eligible
19 distressed area as defined in section 11 of the state housing
20 development authority act of 1966, 1966 PA 346, MCL 125.1411.

21 (J) ~~(i)~~—"Recovery zone" means a tool and die renaissance
22 recovery zone created in section 8d.

23 (K) ~~(j)~~—"Renaissance zone" means a geographic area designated
24 under this act.

25 (L) ~~(k)~~—"Renewable energy facility" means a system that creates
26 energy from a process using agricultural crops or processed
27 products from agricultural crops; residues from agricultural

1 products, forest products, paper products industries, and food
2 production and processing; trees and grasses grown specifically to
3 be used as energy crops; and gaseous fuels produced from solid
4 biomass, animal wastes, or landfills.

5 (M) ~~(I)~~—"Residential rental property" means that term as
6 defined in section 7ff of the general property tax act, 1893 PA
7 206, MCL 211.7ff.

8 (N) ~~(m)~~—"Review board" means the renaissance zone review board
9 created in section 5.

10 (O) ~~(n)~~—"Rural area" means an area that lies outside of the
11 boundaries of an urban area.

12 (P) ~~(o)~~—"Urban area" means an urbanized area as determined by
13 the economics and statistics administration, United States bureau
14 of the census according to the 1990 census.

15 Sec. 8a. (1) Except as provided in subsections (2), (3), and
16 (4), the board shall not designate more than 9 additional
17 renaissance zones within this state under this section. Not more
18 than 6 of the renaissance zones shall be located in urban areas and
19 not more than 5 of the renaissance zones shall be located in rural
20 areas. For purposes of determining whether a renaissance zone is
21 located in an urban area or rural area under this section, if any
22 part of a renaissance zone is located within an urban area, the
23 entire renaissance zone shall be considered to be located in an
24 urban area.

25 (2) The board of the Michigan strategic fund described in
26 section 4 of the Michigan strategic fund act, 1984 PA 270, MCL
27 125.2004, may designate not more than ~~17~~18 additional renaissance

1 zones within this state in 1 or more cities, villages, or townships
2 if that city, village, or township or combination of cities,
3 villages, or townships consents to the creation of a renaissance
4 zone within their boundaries. The board of the Michigan strategic
5 fund may designate not more than 1 of the ~~17-18~~ additional
6 renaissance zones described in this subsection as an alternative
7 energy zone. An alternative energy zone shall promote and increase
8 the research, development, testing, and manufacturing of
9 alternative energy technology, alternative energy systems, and
10 alternative energy vehicles, as those terms are defined in the
11 Michigan next energy authority act, 2002 PA 593, MCL 207.821 to
12 207.827. An alternative energy zone shall have a duration of
13 renaissance zone status for a period not to exceed 20 years as
14 determined by the board of the Michigan strategic fund. The board
15 of the Michigan strategic fund may designate not more than 8 of the
16 additional ~~17-18~~ renaissance zones described in this subsection as
17 a redevelopment renaissance zone. A redevelopment renaissance zone
18 shall promote the redevelopment of existing industrial facilities
19 or the development of property for industrial purposes. The board
20 of the Michigan strategic fund may designate not more than 1 of the
21 ~~17-18~~ additional renaissance zones described in this subsection as
22 a pharmaceutical recovery renaissance zone. A pharmaceutical
23 recovery renaissance zone shall promote the development or
24 redevelopment of existing underutilized facilities currently
25 occupied or formerly occupied by a pharmaceutical company. Before
26 designating a renaissance zone under this subsection, the board of
27 the Michigan strategic fund may enter into a development agreement

1 with the city, township, or village in which the renaissance zone
2 will be located and the owner or developer of the facility or
3 property located in the renaissance zone. The development agreement
4 for a redevelopment renaissance zone described only in subsection
5 (6)(b)(vi) or (vii) may provide for the payment of 1 or more of the
6 taxes described in section 9. **THE BOARD OF THE MICHIGAN STRATEGIC**
7 **FUND MAY DESIGNATE NOT MORE THAN 1 OF THE 18 ADDITIONAL RENAISSANCE**
8 **ZONES DESCRIBED IN THIS SUBSECTION AS A RENAISSANCE ZONE FOR**
9 **MEDICAL RESEARCH FACILITIES.**

10 (3) In addition to the not more than 9 additional renaissance
11 zones described in subsection (1), the board may designate
12 additional renaissance zones within this state in 1 or more
13 qualified local governmental units if that qualified local
14 governmental unit or units contain a military installation that was
15 operated by the United States department of defense and was closed
16 in 1977 or after 1990.

17 (4) Land owned by a county or the qualified local governmental
18 unit or units adjacent to a zone as described in subsection (3) may
19 be included in this zone.

20 (5) Notwithstanding any other provision of this act, property
21 located in the alternative energy zone that is classified as
22 commercial real property under section 34c of the general property
23 tax act, 1893 PA 206, MCL 211.34c, and that the authority, with the
24 concurrence of the assessor of the local tax collecting unit,
25 determines is not used to directly promote and increase the
26 research, development, testing, and manufacturing of alternative
27 energy technology, alternative energy systems, and alternative

1 energy vehicles as those terms are defined in the Michigan next
2 energy authority act, 2002 PA 593, MCL 207.821 to 207.827, is not
3 eligible for any exemption, deduction, or credit under section 9.

4 (6) As used in this section:

5 (a) "Pharmaceutical recovery renaissance zone" means a
6 renaissance zone that includes a geographic area that is located in
7 1 or both of the following:

8 (i) In a city with a population of more than 70,000 and less
9 than 85,000 and in a county with a population of more than 235,000
10 and less than 250,000.

11 (ii) In a city with a population of more than 42,000 and less
12 than 55,000 and in a county with a population of more than 235,000
13 and less than 250,000.

14 (b) "Redevelopment renaissance zone" means a renaissance zone
15 that meets 1 of the following:

16 (i) All of the following:

17 (A) Is located in a city with a population of more than 7,500
18 and less than 8,500 and is located in a county with a population of
19 more than 60,000 and less than 70,000.

20 (B) Contains only all or a portion of an industrial site of
21 200 or more acres.

22 (ii) All of the following:

23 (A) Is located in a city with a population of more than 13,000
24 and less than 14,000 and is located in a county with a population
25 of more than 1,000,000 and less than 1,300,000.

26 (B) Contains only all or a portion of an industrial site of
27 300 or more contiguous acres.

1 (iii) All of the following:

2 (A) Is located in a township with a population of more than
3 5,500 and is located in a county with a population of less than
4 24,000.

5 (B) Contains only all or a portion of an industrial site of
6 more than 850 acres and has railroad access.

7 (iv) All of the following:

8 (A) Is located in a city with a population of more than 40,000
9 and less than 44,000 and is located in a county with a population
10 of more than 81,000 and less than 87,000.

11 (B) Contains only all or a portion of an industrial site of
12 more than 475 acres.

13 (v) All of the following:

14 (A) Is located in a city with a population of more than 21,000
15 and less than 26,000 and is located in a county with a population
16 of more than 573,000 and less than 625,000.

17 (B) Contains only all or a portion of an industrial site of
18 less than 45 acres in size.

19 (vi) All of the following:

20 (A) Is located in a city with a population of more than
21 190,000 and less than 250,000 and is located in a county with a
22 population of more than 573,000 and less than 625,000.

23 (B) Contains only all or a portion of an industrial site of
24 more than 14 acres and less than 16 acres in size.

25 (C) Is approved by the board of the Michigan strategic fund on
26 or before April 1, 2007.

27 (vii) All of the following:

1 (A) Is located in a city with a population of more than 35,500
2 and less than 36,800 and is located in a county with a population
3 of more than 157,000 and less than 162,000.

4 (B) Contains only all or a portion of an industrial site
5 comprised of 1 or more adjacent parcels totaling 5 or more acres.

6 (C) Is approved by the board of the Michigan strategic fund on
7 or before April 1, 2007.

8 (viii) All of the following:

9 (A) Is located in a city with a population of more than 40,000
10 and less than 44,000 and is located in a county with a population
11 of more than 81,000 and less than 87,000.

12 (B) Contains only all or a portion of an industrial site
13 composed of 1 or more adjacent parcels totaling 100 or more acres.

14 (C) Is approved by the board of the Michigan strategic fund on
15 or before April 1, 2008.