

**HOUSE SUBSTITUTE FOR
SENATE BILL NO. 1221**

A bill to amend 1996 PA 376, entitled
"Michigan renaissance zone act,"
by amending section 4 (MCL 125.2684), as amended by 2014 PA 27.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. (1) One or more qualified local governmental units may
2 apply to the review board to designate the qualified local
3 governmental unit or units as a renaissance zone if all of the
4 following criteria are met:

5 (a) The geographic area of the proposed renaissance zone is
6 located within the boundaries of the qualified local governmental
7 unit or units that apply.

8 (b) The application includes a development plan.

9 (c) The proposed renaissance zone is not more than 5,000 acres



1 in size.

2 (d) The renaissance zone does not contain more than 10
3 distinct geographic areas. Except as otherwise provided in this
4 subdivision, the minimum size of a distinct geographic area is not
5 less than 5 acres. A qualified local governmental unit or units may
6 designate not more than 8 distinct geographic areas in each
7 renaissance zone to have no minimum size requirement.

8 (e) The application includes the proposed duration of
9 renaissance zone status, not to exceed 15 years, except as
10 otherwise provided in this section.

11 (f) If the qualified local governmental unit has an elected
12 county executive, the county executive's written approval of the
13 application.

14 (g) If the qualified local governmental unit is a city, that
15 city's mayor's written approval of the application.

16 (2) A qualified local governmental unit may submit not more
17 than 1 application to the review board for designation as a
18 renaissance zone. A resolution provided by a city, village, or
19 township under section 7(2) does not constitute an application of a
20 city, village, or township for a renaissance zone under this act.

21 (3) For a distinct geographic area described in subsection
22 (1)(d), a village may include publicly owned land within the
23 boundaries of any distinct geographic area.

24 (4) Beginning December 1, 2006 through December 31, 2011, a
25 qualified local governmental unit or units in which a renaissance
26 zone was designated under section 8 or 8a(1) or (3) may designate
27 additional distinct geographic areas not to exceed a total of 10
28 distinct geographic areas upon application to and approval by the
29 board of the Michigan strategic fund if the distinct geographic



1 area is located in an eligible distressed area as defined in
2 section 11 of the state housing development authority act of 1966,
3 1966 PA 346, MCL 125.1411, or is contiguous to an eligible
4 distressed area, and if the additional distinct geographic area
5 will increase capital investment or job creation. The duration of
6 renaissance zone status for the additional distinct geographic
7 areas shall not exceed 15 years.

8 (5) Through December 31, 2002, if a qualified local
9 governmental unit or units designate additional distinct geographic
10 areas in a renaissance zone under subsection (4), the qualified
11 local governmental unit or units may extend the duration of the
12 renaissance zone status of 1 or more distinct geographic areas in
13 that renaissance zone until 2017 upon application to and approval
14 by the board.

15 (6) Through December 31, 2002, a qualified local governmental
16 unit or units in which a renaissance zone was designated under
17 section 8 or 8a may, upon application to and approval by the board,
18 seek to extend the duration of renaissance zone status until 2017.
19 Upon application, the board may extend the duration of renaissance
20 zone status.

21 (7) Through December 31, 2011, a qualified local governmental
22 unit or units in which a renaissance zone was designated under
23 section 8 or 8a(1) or (3) may, upon application to and approval by
24 the board of the Michigan strategic fund, seek to extend the
25 duration of renaissance zone status for 1 or more portions of the
26 renaissance zone if that zone or portion of a zone is in existence
27 as of March 15, 2008, if the extension will increase capital
28 investment or job creation, and the county in which the portion or
29 portions of the renaissance zone are located consents to extend the



1 duration of renaissance zone status. The board of the Michigan
2 strategic fund may extend renaissance zone status for 1 or more
3 portions of the renaissance zone under this subsection for a period
4 of time not to exceed 15 years from the date of the application to
5 the board of the Michigan strategic fund under this subsection.
6 However, beginning on April 29, 2008, if the board of the Michigan
7 strategic fund extends the duration of 1 or more portions of a
8 renaissance zone under this subsection, the board of the Michigan
9 strategic fund may revoke that extension if the board determines
10 that increased capital investment or job creation will not begin
11 within 1 year of the granting of the extension or otherwise
12 violates the terms of the written development agreement between the
13 owner of the real property and the board of the Michigan strategic
14 fund. Only the qualified local governmental unit that is requesting
15 the extension of time may submit the application. If the board of
16 the Michigan strategic fund extends the duration of 1 or more
17 portions of a renaissance zone **under this subsection**, the board of
18 the Michigan strategic fund shall enter into a written development
19 agreement with the owner of all real property located within the
20 boundaries of the portions of the renaissance zone whose duration
21 has been extended. The written development agreement shall include,
22 but is not limited to, all of the following:

- 23 (a) The duration of the extension.
- 24 (b) The conditions under which the extension is granted.
- 25 (c) The amount of capital investment.
- 26 (d) The number of jobs to be created.
- 27 (e) Any other conditions or requirements reasonably required
- 28 by the board of the Michigan strategic fund.
- 29 (8) If a qualified local governmental unit in which a



1 renaissance zone was designated under section 8 received approval
2 by the Michigan strategic fund to extend the duration of
3 renaissance zone status under subsection (7) for a period of 7
4 years and that renaissance zone is located in a county with a
5 population of more than 190,000 and less than 240,000 according to
6 the most recent decennial census, that qualified local governmental
7 unit may resubmit an application to the Michigan strategic fund
8 before June 30, 2014 to extend the duration of renaissance zone
9 status for an additional 8 years, not to exceed 15 years' total
10 extension. The Michigan strategic fund may grant the extension if
11 the extension shall increase capital investment or job creation in
12 this state and the owner and project developer are in compliance
13 with the written agreement described in subsection (7).

14 **(9) For a renaissance zone designated under section 8a(2),**
15 **existing on November 30, 2022, and located in a county with a**
16 **population of more than 1,100,000 and less than 1,300,000 according**
17 **to the most recent federal decennial census, the board of the**
18 **Michigan strategic fund may, upon application and only with the**
19 **consent of the qualified local governmental unit in which the**
20 **renaissance zone is located, extend the duration of the renaissance**
21 **zone status for the renaissance zone described under this**
22 **subsection. For the purpose of this subsection, "only with the**
23 **consent of the qualified local governmental unit" requires that the**
24 **application for an extension include both the mayor of the city's**
25 **written approval of the application for the extension and a**
26 **resolution approved by a majority of the members of the qualified**
27 **local governmental unit's city council approving the application**
28 **for the extension. The consent by the qualified local governmental**
29 **unit for the application for an extension may be conditioned upon a**



1 newly negotiated development agreement between the qualified local
2 governmental unit and 1 or more owners of all real property located
3 within the boundaries of the renaissance zone. The zone status may
4 be extended for a period not to exceed an additional 10 years from
5 the expiration of the existing renaissance zone period, if the
6 board determines the extension will increase capital investment or
7 job creation in this state, or both. Only the qualified local
8 governmental unit in which the renaissance zone is located or an
9 owner of all real property located within the boundaries of the
10 renaissance zone may submit the application. If the board of the
11 Michigan strategic fund extends the duration of the renaissance
12 zone under this subsection, the board of the Michigan strategic
13 fund shall enter into a written development agreement with the
14 owner of all real property located within the boundaries of the
15 renaissance zone. The written development agreement may include,
16 but is not limited to, the following:

- 17 (a) The duration of the extension.
- 18 (b) The conditions under which the extension is granted.
- 19 (c) The amount of capital investment.
- 20 (d) The number of jobs to be created.
- 21 (e) Any other conditions or requirements reasonably required
- 22 by the board of the Michigan strategic fund.