



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

House Bill 4551 (as reported without amendment)
Sponsor: Representative Kevin Elsenheimer
House Committee: Commerce
Senate Committee: Commerce and Labor

Date Completed: 6-2-05

RATIONALE

In February 2003, Governor Jennifer Granholm issued Executive Order 2003-4, creating the bipartisan Michigan Land Use Leadership Council, which was co-chaired by former Governor William Milliken and former Attorney General Frank Kelley. The order charged the Council with studying and identifying the trends, causes, and consequences of urban sprawl and making recommendations to the Governor and the Legislature regarding policies designed to mitigate the negative effects of land use patterns on Michigan's environment and economy.

Chapter 4 of the Council's final report includes recommendations for urban revitalization. The report urges the State to adopt policies that consider the use or reuse of existing facilities or plan new construction in areas with existing infrastructure, rather than developing greenfield sites or locations that require the construction of new infrastructure. Since many established commercial locations include existing structures or tightly bordered parcels of property that allow limited new construction, it has been suggested that rehabilitation projects and new construction in those areas could benefit if adjacent structures were allowed to share an elevator.

CONTENT

The bill would amend the Single State Construction Code Act to specify that it would not prohibit the sharing of an elevator between two buildings as long as the buildings were in compliance with the Act, the State Construction Code, and the

following statutes and rules promulgated under them:

- The Fire Prevention Code (MCL 29.1-29.34).
- Public Act 333 of 1976, which provides for the licensure of elevator journeymen and the regulation of elevators and elevator journeymen (MCL 338.2151-338.2160).
- Public Act 227 of 1967, which regulates the inspection, construction, installation, alteration, maintenance, repair, and operation of elevators and the licensure of elevator contractors (MCL 408.801-408.824).
- Any other act or rules regulating elevators in buildings.

Proposed MCL 125.1513e

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

In its report, the Land Use Leadership Council recognized the contribution of vibrant downtowns to the economic health of regions; the value of encouraging retail businesses and other service providers to stay or locate within urban communities; the need to realize the value of vacant, abandoned, and/or underused property in older cities; and the unique character of a community's historical, cultural, artistic, and architectural assets and the need to preserve them.

As Michigan cities' downtowns are revitalized, there might be a need for a shared elevator between buildings to facilitate mixed-use development, such as apartments or condominium units on the upper floors of buildings that house retail establishments at the street level. Indeed, according to the April 2004 edition of *Main Street News*, property owners in Ypsilanti were cooperating on a shared-elevator approach to developing housing units on the upper floors of their storefront buildings. In addition, developers in Sault Ste. Marie, Traverse City, and Petoskey reportedly have indicated that they might want to use a shared elevator arrangement in redeveloping parts of those cities' downtown areas. Without express statutory authority, however, some developers apparently are reluctant to design and build shared elevators in rehabilitation projects or new structures in areas of dense development. None of the laws that regulate construction codes or elevator maintenance provide that authority. By specifying that the Single State Construction Code Act would not prohibit shared elevators if they complied with construction, safety, and maintenance regulations that apply to all elevators, the bill would enable developers to use shared elevators without compromising safety or structural integrity. This could help developers meet accessibility requirements and save money at the same time.

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

The bill would have no fiscal impact on State or local government.

Fiscal Analyst: Maria Tyszkiewicz

H0506\s4551a

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.