

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 1148

A bill to amend 1996 PA 376, entitled
"Michigan renaissance zone act,"
by amending section 8a (MCL 125.2688a), as amended by 2006 PA 440.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

1 (2) The board of the Michigan strategic fund described in
2 section 4 of the Michigan strategic fund act, 1984 PA 270, MCL
3 125.2004, may designate not more than ~~10~~ 13 additional
4 renaissance zones within this state in 1 or more cities, villages,
5 or townships if that city, village, or township or combination of
6 cities, villages, or townships consents to the creation of a
7 renaissance zone within their boundaries. The board of the Michigan
8 strategic fund may designate not more than 1 of the ~~10~~ 13
9 additional renaissance zones described in this subsection as an
10 alternative energy zone. An alternative energy zone shall promote
11 and increase the research, development, **TESTING**, and manufacturing
12 of alternative energy technology, **ALTERNATIVE ENERGY SYSTEMS, AND**
13 **ALTERNATIVE ENERGY VEHICLES**, as ~~that term is~~ **THOSE TERMS ARE**
14 defined in the Michigan next energy authority act, **2002 PA 593, MCL**
15 **207.821 TO 207.827**. An alternative energy zone shall have a
16 duration of renaissance zone status for a period not to exceed 20
17 years as determined by the board of the Michigan strategic fund.
18 Not later than April 16, 2004, the board of the Michigan strategic
19 fund may designate not more than 1 of the ~~10~~ 13 additional
20 renaissance zones described in this subsection as a pharmaceutical
21 renaissance zone. A pharmaceutical renaissance zone shall promote
22 and increase the research, development, and manufacturing of
23 pharmaceutical products of an eligible pharmaceutical company. The
24 board of the Michigan strategic fund may designate not more than ~~5~~
25 8 of the additional ~~10~~ 13 renaissance zones described in this
26 subsection as a redevelopment renaissance zone. A redevelopment
27 renaissance zone shall promote the redevelopment of existing

1 industrial facilities **OR THE DEVELOPMENT OF PROPERTY FOR INDUSTRIAL**
2 **PURPOSES.** Before designating a renaissance zone under this
3 subsection, the board of the Michigan strategic fund may enter into
4 a development agreement with the city, township, or village in
5 which the renaissance zone will be located **AND THE OWNER OR**
6 **DEVELOPER OF THE FACILITY OR PROPERTY LOCATED IN THE RENAISSANCE**
7 **ZONE. THE DEVELOPMENT AGREEMENT FOR A REDEVELOPMENT RENAISSANCE**
8 **ZONE DESCRIBED ONLY IN SUBSECTION (6) (B) (vi) OR (vii) MAY PROVIDE FOR**
9 **THE PAYMENT OF 1 OR MORE OF THE TAXES DESCRIBED IN SECTION 9.**

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) "Eligible pharmaceutical company" means a company that
6 meets all of the following criteria:

7 (i) Is engaged primarily in manufacturing, research and
8 development, and sale of pharmaceuticals.

9 (ii) Has not less than 8,499 employees located in this state,
10 all of whom are located within a 100-mile radius of each other.

11 (iii) Of the total number of employees located in this state,
12 has not less than 4,800 engaged primarily in research and
13 development of pharmaceuticals.

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.