

**SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5942**

A bill to amend 1996 PA 376, entitled
"Michigan renaissance zone act,"
by amending sections 4, 8a, and 11 (MCL 125.2684, 125.2688a, and
125.2691), section 4 as amended by 2002 PA 477 and section 8a as
amended by 2006 PA 116.

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.

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(b) The application includes a development plan.

(c) The proposed renaissance zone is not more than 5,000 acres in size.

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

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

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

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

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

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

(4) ~~<<Through December 31, 2002,~~ BEGINNING DECEMBER 1, 2006 THROUGH DECEMBER 31, 2011,>> a qualified local governmental unit or units in which a renaissance zone was designated under

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1 section 8 or ~~<<8a 8A(1) OR (3)>>~~ may designate additional distinct
geographic areas

2 not to exceed a total of 10 distinct geographic areas upon

3 application to and approval by the board ~~<<OF THE MICHIGAN STRATEGIC FUND
IF THE DISTINCT GEOGRAPHIC AREA IS LOCATED IN AN ELIGIBLE DISTRESSED AREA
AS DEFINED IN SECTION 11 OF THE STATE HOUSING DEVELOPMENT AUTHORITY ACT
OF 1966, 1966 PA 346, MCL 125.1411, OR IS CONTIGUOUS TO AN ELIGIBLE
DISTRESSED AREA, AND IF THE ADDITIONAL DISTINCT GEOGRAPHIC AREA WILL
INCREASE CAPITAL INVESTMENT AND JOB CREATION>>~~. The duration of

4 renaissance zone status for the additional distinct geographic

5 areas shall not exceed 15 years. ~~except as provided in subsection~~

6 ~~(5).~~

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

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

20 (7) **THROUGH DECEMBER 31, 2011, A QUALIFIED LOCAL GOVERNMENTAL**
21 **UNIT OR UNITS IN WHICH A RENAISSANCE ZONE WAS DESIGNATED UNDER**
22 **SECTION 8 OR 8A(1) OR (3) THAT HAS NOT EXPERIENCED SIGNIFICANT**
23 **DEVELOPMENT MAY, UPON APPLICATION TO AND APPROVAL BY THE BOARD OF**
24 **THE MICHIGAN STRATEGIC FUND, SEEK TO EXTEND THE DURATION OF**
25 **RENAISSANCE ZONE STATUS FOR 1 OR MORE PORTIONS OF THE RENAISSANCE**
26 **ZONE. THE BOARD OF THE MICHIGAN STRATEGIC FUND MAY EXTEND**
27 **RENAISSANCE ZONE STATUS FOR 1 OR MORE PORTIONS OF THE RENAISSANCE**

1 ZONE UNDER THIS SUBSECTION FOR A PERIOD OF TIME NOT TO EXCEED 15
2 YEARS FROM THE DATE OF THE APPLICATION TO THE BOARD OF THE MICHIGAN
3 STRATEGIC FUND UNDER THIS SUBSECTION.

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

14 (2) The board of the Michigan strategic fund described in
15 section 4 of the Michigan strategic fund act, 1984 PA 270, MCL
16 125.2004, may designate not more than 10 additional renaissance
17 zones within this state in 1 or more cities, villages, or townships
18 if that city, village, or township or combination of cities,
19 villages, or townships consents to the creation of a renaissance
20 zone within their boundaries. The board of the Michigan strategic
21 fund may designate not more than 1 of the 10 additional renaissance
22 zones described in this subsection as an alternative energy zone.
23 An alternative energy zone shall promote and increase the research,
24 development, and manufacturing of alternative energy technology as
25 that term is defined in the Michigan next energy authority act. An
26 alternative energy zone shall have a duration of renaissance zone
27 status for a period not to exceed 20 years as determined by the

1 board of the Michigan strategic fund. Not later than April 16,
2 2004, the board of the Michigan strategic fund may designate not
3 more than 1 of the 10 additional renaissance zones described in
4 this subsection as a pharmaceutical renaissance zone. A
5 pharmaceutical renaissance zone shall promote and increase the
6 research, development, and manufacturing of pharmaceutical products
7 of an eligible pharmaceutical company. The board of the Michigan
8 strategic fund may designate not more than 5 of the additional 10
9 renaissance zones described in this subsection as a redevelopment
10 renaissance zone. A redevelopment renaissance zone shall promote
11 the redevelopment of existing industrial facilities. Before
12 designating a renaissance zone under this subsection, the board of
13 the Michigan strategic fund may enter into a development agreement
14 with the city, township, or village in which the renaissance zone
15 will be located.

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

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

26 (5) Notwithstanding any other provision of this act, property
27 located in the alternative energy zone that is classified as

1 commercial real property under section 34c of the general property
2 tax act, 1893 PA 206, MCL 211.34c, and that the authority, with the
3 concurrence of the assessor of the local tax collecting unit,
4 determines is not used to directly promote and increase the
5 research, development, and manufacturing of alternative energy
6 technology is not eligible for any exemption, deduction, or credit
7 under section 9.

8 (6) As used in this section:

9 (a) "Eligible pharmaceutical company" means a company that
10 meets all of the following criteria:

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

13 (ii) Has not less than ~~8,500~~ 8,499 employees located in this
14 state, all of whom are located within a 100-mile radius of each
15 other.

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

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

21 (i) All of the following:

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

25 (B) Contains an industrial site of 200 or more acres.

26 (ii) All of the following:

27 (A) Is located in a city with a population of more than 13,000

1 and less than 14,000 and is located in a county with a population
2 of more than 1,000,000 and less than 1,300,000.

3 (B) Contains an industrial site of 300 or more contiguous
4 acres.

5 (iii) All of the following:

6 (A) Is located in a township with a population of more than
7 5,500 and is located in a county with a population of less than
8 24,000.

9 (B) Contains an industrial site of more than 850 acres and has
10 railroad access.

11 (iv) All of the following:

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

15 (B) Contains an industrial site of more than 475 acres.

16 (v) All of the following:

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

20 (B) Contains an industrial site of less than 45 acres in size.

21 Sec. 11. The form of the application for a renaissance zone
22 designation shall be as specified by the Michigan ~~jobs commission~~
23 **STRATEGIC FUND**. After the form of the application is specified by
24 the Michigan ~~jobs commission~~ **STRATEGIC FUND**, the Michigan ~~jobs~~
25 ~~commission~~ **STRATEGIC FUND** shall file a copy of the application
26 with each house of the legislature. The board may request any
27 information from an applicant, in addition to that contained in an

- 1 application, as may be needed to permit the board to discharge its
- 2 responsibilities under this act.