

SENATE BILL No. 117

February 1, 2005, Introduced by Senator SWITALSKI and referred to the Committee on Economic Development, Small Business and Regulatory Reform.

A bill to amend 1992 PA 147, entitled
"Neighborhood enterprise zone act,"
by amending section 2 (MCL 207.772), as amended by 2004 PA 396.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. As used in this act:

2 (a) "Commission" means the state tax commission created by
3 1927 PA 360, MCL 209.101 to 209.107.

4 (b) "Condominium unit" means that portion of a structure
5 intended for separate ownership, intended for residential use, and
6 established pursuant to the condominium act, 1978 PA 59, MCL
7 559.101 to 559.276. Condominium units within a qualified historic
8 building may be held under common ownership.

9 (c) "Developer" means a person who is the owner of a new
10 facility at the time of construction or of a rehabilitated facility

1 at the time of rehabilitation for which a neighborhood enterprise
2 zone certificate is applied for or issued.

3 (d) "Local governmental unit" means a qualified local
4 governmental unit as that term is defined under section 2 of the
5 obsolete property rehabilitation act, 2000 PA 146, MCL 125.2782, **OR**
6 **A CITY ADJOINING A QUALIFIED LOCAL GOVERNMENTAL UNIT AS THAT TERM**
7 **IS DEFINED UNDER SECTION 2 OF THE OBSOLETE PROPERTY REHABILITATION**
8 **ACT, 2000 PA 146, MCL 125.2782.**

9 (e) "New facility" means a new structure or a portion of a new
10 structure that has as its primary purpose residential housing
11 consisting of 1 or 2 units, 1 of which is or will be occupied by an
12 owner as his or her principal residence. New facility includes a
13 model home or a model condominium unit. New facility includes a new
14 individual condominium unit, in a structure with 1 or more
15 condominium units, that has as its primary purpose residential
16 housing and that is or will be occupied by an owner as his or her
17 principal residence. New facility does not include apartments.

18 (f) "Neighborhood enterprise zone certificate" or
19 "certificate" means a certificate issued pursuant to sections 4, 5,
20 and 6.

21 (g) "Owner" means the record title holder of, or the vendee of
22 the original land contract pertaining to, a new facility or a
23 rehabilitated facility for which a neighborhood enterprise zone
24 certificate is applied for or issued.

25 (h) "Qualified historic building" means a property within a
26 neighborhood enterprise zone that has been designated a historic
27 resource as defined under section 266 of the income tax act of

1 1967, 1967 PA 281, MCL 206.266.

2 (i) "Rehabilitated facility" means an existing structure or a
3 portion of an existing structure with a current true cash value of
4 \$80,000.00 or less per unit that has or will have as its primary
5 purpose residential housing, consisting of 1 to 8 units, the owner
6 of which proposes improvements that if done by a licensed
7 contractor would cost in excess of \$5,000.00 per owner-occupied
8 unit or 50% of the true cash value, whichever is less, or \$7,500.00
9 per nonowner-occupied unit or 50% of the true cash value, whichever
10 is less, or the owner proposes improvements that would be done by
11 the owner and not a licensed contractor and the cost of the
12 materials would be in excess of \$3,000.00 per owner-occupied unit
13 or \$4,500.00 per nonowner-occupied unit and will bring the
14 structure into conformance with minimum local building code
15 standards for occupancy or improve the livability of the units
16 while meeting minimum local building code standards. Rehabilitated
17 facility also includes an individual condominium unit, in a
18 structure with 1 or more condominium units that has as its primary
19 purpose residential housing, the owner of which proposes the above
20 described improvements. Rehabilitated facility also includes
21 existing or proposed condominium units in a qualified historic
22 building with 1 or more existing or proposed condominium units.
23 Rehabilitated facility does not include a facility rehabilitated
24 with the proceeds of an insurance policy for property or casualty
25 loss. A qualified historic building may contain multiple
26 rehabilitated facilities.