

SENATE BILL No. 976

December 6, 2007, Introduced by Senators GILBERT, ALLEN, SANBORN, KUIPERS, RICHARDVILLE, BIRKHOLZ, HUNTER, STAMAS, BROWN, HARDIMAN, KAHN, CLARK-COLEMAN, CLARKE, BARCIA, PAPPAGEORGE, JACOBS, ANDERSON, THOMAS and SCOTT and referred to the Committee on Commerce and Tourism.

A bill to amend 1992 PA 147, entitled "Neighborhood enterprise zone act," by amending section 2 (MCL 207.772), as amended by 2006 PA 661.

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

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

4 (d) "Facility" means a homestead facility, a new facility, or
5 a rehabilitated facility.

6 (e) "Homestead facility" means an existing structure,
7 purchased by or transferred to an owner after December 31, 1996,
8 that has as its primary purpose residential housing consisting of 1
9 or 2 units, 1 of which is occupied by an owner as his or her
10 principal residence and that is located within a subdivision
11 platted pursuant to state law before January 1, 1968.

12 (f) "Local governmental unit" means a qualified local
13 governmental unit as that term is defined under section 2 of the
14 obsolete property rehabilitation act, 2000 PA 146, MCL 125.2782, or
15 a county seat.

16 (g) "New facility" means ~~a~~ **1 OR BOTH OF THE FOLLOWING:**

17 **(i)** A new structure or a portion of a new structure that has as
18 its primary purpose residential housing consisting of 1 or 2 units,
19 1 of which is or will be occupied by an owner as his or her
20 principal residence. New facility includes a model home or a model
21 condominium unit. New facility includes a new individual
22 condominium unit, in a structure with 1 or more condominium units,
23 that has as its primary purpose residential housing and that is or
24 will be occupied by an owner as his or her principal residence. ~~New~~
25 **EXCEPT AS PROVIDED IN SUBPARAGRAPH (ii), NEW** facility does not
26 include apartments.

27 **(ii) A NEW STRUCTURE OR A PORTION OF A NEW STRUCTURE THAT MEETS**

1 ALL OF THE FOLLOWING:

2 (A) IS RENTED OR LEASED OR IS AVAILABLE FOR RENT OR LEASE.

3 (B) IS A MIXED USE BUILDING OR LOCATED IN A MIXED USE BUILDING
4 THAT CONTAINS RETAIL BUSINESS SPACE ON THE STREET LEVEL FLOOR.

5 (h) "Neighborhood enterprise zone certificate" or
6 "certificate" means a certificate issued pursuant to sections 4, 5,
7 and 6.

8 (i) "Owner" means the record title holder of, or the vendee of
9 the original land contract pertaining to, a new facility, a
10 homestead facility, or a rehabilitated facility for which a
11 neighborhood enterprise zone certificate is applied for or issued.

12 (j) "Qualified historic building" means a property within a
13 neighborhood enterprise zone that has been designated a historic
14 resource as defined under section 266 of the income tax act of
15 1967, 1967 PA 281, MCL 206.266.

16 (k) "Rehabilitated facility" means an existing structure or a
17 portion of an existing structure with a current true cash value of
18 \$80,000.00 or less per unit that has or will have as its primary
19 purpose residential housing, consisting of 1 to 8 units, the owner
20 of which proposes improvements that if done by a licensed
21 contractor would cost in excess of \$5,000.00 per owner-occupied
22 unit or 50% of the true cash value, whichever is less, or \$7,500.00
23 per nonowner-occupied unit or 50% of the true cash value, whichever
24 is less, or the owner proposes improvements that would be done by
25 the owner and not a licensed contractor and the cost of the
26 materials would be in excess of \$3,000.00 per owner-occupied unit
27 or \$4,500.00 per nonowner-occupied unit and will bring the

1 structure into conformance with minimum local building code
2 standards for occupancy or improve the livability of the units
3 while meeting minimum local building code standards. Rehabilitated
4 facility also includes an individual condominium unit, in a
5 structure with 1 or more condominium units that has as its primary
6 purpose residential housing, the owner of which proposes the above
7 described improvements. Rehabilitated facility also includes
8 existing or proposed condominium units in a qualified historic
9 building with 1 or more existing or proposed condominium units.
10 Rehabilitated facility does not include a facility rehabilitated
11 with the proceeds of an insurance policy for property or casualty
12 loss. A qualified historic building may contain multiple
13 rehabilitated facilities.