

**SUBSTITUTE FOR
HOUSE BILL NO. 4723**

A bill to amend 1996 PA 376, entitled
"Michigan renaissance zone act,"
by amending section 3 (MCL 125.2683), as amended by 2008 PA 217,
and by adding section 8g.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. As used in this act:

2 (a) "Agricultural processing facility" means 1 or more
3 facilities or operations that transform, package, sort, or grade
4 livestock or livestock products, agricultural commodities, or
5 plants or plant products, excluding forest products, into goods
6 that are used for intermediate or final consumption including goods
7 for nonfood use, and surrounding property.

8 (b) "Board" means the state administrative board created in
9 1921 PA 2, MCL 17.1 to 17.3.

1 (C) "BORDER CROSSING FACILITY" MEANS A BUSINESS THAT IS 1 OR
2 MORE OF THE FOLLOWING AS DETERMINED BY THE BOARD OF THE MICHIGAN
3 STRATEGIC FUND:

4 (i) THAT WAS LOCATED IN A QUALIFIED BORDER LOCAL GOVERNMENTAL
5 UNIT AS DEFINED IN SECTION 8G AND WAS DISPLACED OR OTHERWISE
6 NEGATIVELY AFFECTED BY THE DEVELOPMENT OF THE INTERNATIONAL BORDER
7 CROSSING AND IS UNABLE TO RECOVER FROM THE DISPLACEMENT OR NEGATIVE
8 EFFECT WITHOUT THE ESTABLISHMENT OF A RENAISSANCE ZONE.

9 (ii) THAT IS ASSOCIATED WITH INTERNATIONAL TRADE, SHIPPING, OR
10 FREIGHT HAULING, INCLUDING, BUT NOT LIMITED TO, ALL OF THE
11 FOLLOWING:

12 (A) CUSTOMS BROKERS.

13 (B) DISTRIBUTION CENTERS.

14 (C) TRUCK SUPPLY AND REPAIR.

15 (D) ~~(e)~~—"Development plan" means a written plan that addresses
16 the criteria in section 7 and includes all of the following:

17 (i) A map of the proposed renaissance zone that indicates the
18 geographic boundaries, the total area, and the present use and
19 conditions generally of the land and structures within those
20 boundaries.

21 (ii) Evidence of community support and commitment from
22 residential and business interests.

23 (iii) A description of the methods proposed to increase economic
24 opportunity and expansion, facilitate infrastructure improvement,
25 and identify job training opportunities.

26 (iv) Current social, economic, and demographic characteristics
27 of the proposed renaissance zone and anticipated improvements in

1 education, health, human services, public safety, and employment if
2 the renaissance zone is created.

3 (v) Any other information required by the board.

4 (E) ~~(d)~~—"Elected county executive" means the elected county
5 executive in a county organized under 1966 PA 293, MCL 45.501 to
6 45.521, or 1973 PA 139, MCL 45.551 to 45.573.

7 (F) ~~(e)~~—"Forest products processing facility" means 1 or more
8 facilities or operations that transform, package, sort, recycle, or
9 grade forest or paper products into goods that are used for
10 intermediate or final use or consumption or for the creation of
11 biomass or alternative fuels through the utilization of forest
12 products or forest residue, and surrounding property. Forest
13 products processing facility does not include an existing facility
14 or operation that is located in this state that relocates to a
15 renaissance zone for a forest products processing facility. Forest
16 products processing facility does not include a facility or
17 operation that engages primarily in retail sales.

18 (G) ~~(f)~~—"Local governmental unit" means a county, city,
19 village, or township.

20 (H) ~~(g)~~—"Person" means an individual, partnership,
21 corporation, association, limited liability company, governmental
22 entity, or other legal entity.

23 (I) ~~(h)~~—"Qualified local governmental unit" means either of
24 the following:

25 (i) A county.

26 (ii) A city, village, or township that contains an eligible
27 distressed area as defined in section 11 of the state housing

1 development authority act of 1966, 1966 PA 346, MCL 125.1411.

2 (J) ~~(i)~~—"Recovery zone" means a tool and die renaissance
3 recovery zone created in section 8d.

4 (K) ~~(j)~~—"Renaissance zone" means a geographic area designated
5 under this act.

6 (I) ~~(k)~~—"Renewable energy facility" means a facility that
7 creates energy directly or fuel from the wind, the sun, trees,
8 grasses, biosolids, algae, agricultural commodities, processed
9 products from agricultural commodities, or residues from
10 agricultural processes, wood or forest processes, food production
11 and processing, or the paper products industry. Renewable energy
12 facility also includes a facility that creates energy or fuels from
13 solid biomass, animal wastes, or landfill gases. Renewable energy
14 facility also includes a facility that focuses on research,
15 development, or manufacturing of systems or components of systems
16 used to create energy or fuel from the items described in this
17 subdivision.

18 (M) ~~(l)~~—"Residential rental property" means that term as
19 defined in section 7ff of the general property tax act, 1893 PA
20 206, MCL 211.7ff.

21 (N) ~~(m)~~—"Review board" means the renaissance zone review board
22 created in section 5.

23 (O) ~~(n)~~—"Rural area" means an area that lies outside of the
24 boundaries of an urban area.

25 (P) ~~(o)~~—"Urban area" means an urbanized area as determined by
26 the economics and statistics administration, United States bureau
27 of the census according to the 1990 census.

1 SEC. 8G. (1) THE BOARD OF THE MICHIGAN STRATEGIC FUND DEFINED
2 IN SECTION 4 OF THE MICHIGAN STRATEGIC FUND ACT, 1984 PA 270, MCL
3 125.2004, MAY DESIGNATE UP TO 25 ADDITIONAL RENAISSANCE ZONES FOR
4 BORDER CROSSING FACILITIES WITHIN THIS STATE IN QUALIFIED BORDER
5 LOCAL GOVERNMENTAL UNITS IF THAT CITY OR TOWNSHIP OR COMBINATION OF
6 CITIES OR TOWNSHIPS CONSENTS TO THE CREATION OF A RENAISSANCE ZONE
7 FOR A BORDER CROSSING FACILITY WITHIN THEIR BOUNDARIES. A
8 RENAISSANCE ZONE FOR A BORDER CROSSING FACILITY SHALL HAVE A
9 DURATION OF RENAISSANCE ZONE STATUS FOR A PERIOD OF 15 YEARS.

10 (2) EACH RENAISSANCE ZONE DESIGNATED FOR A BORDER CROSSING
11 FACILITY UNDER THIS SECTION SHALL BE 1 CONTINUOUS DISTINCT
12 GEOGRAPHIC AREA.

13 (3) THE BOARD MAY REVOKE THE DESIGNATION OF ALL OR A PORTION
14 OF A RENAISSANCE ZONE FOR A BORDER CROSSING FACILITY IF THE BOARD
15 DETERMINES THAT THE BORDER CROSSING FACILITY DOES 1 OR MORE OF THE
16 FOLLOWING IN A RENAISSANCE ZONE DESIGNATED UNDER THIS SECTION:

17 (A) FAILS TO COMMENCE OPERATION.

18 (B) CEASES OPERATION.

19 (C) FAILS TO COMMENCE CONSTRUCTION OR RENOVATION WITHIN 1 YEAR
20 FROM THE DATE THE RENAISSANCE ZONE FOR THE BORDER CROSSING FACILITY
21 IS DESIGNATED.

22 (4) THE BOARD SHALL CONSIDER ALL OF THE FOLLOWING WHEN
23 DESIGNATING A RENAISSANCE ZONE FOR A BORDER CROSSING FACILITY:

24 (A) THE ECONOMIC IMPACT ON LOCAL SUPPLIERS WHO SUPPLY RAW
25 MATERIALS, GOODS, AND SERVICES TO THE BORDER CROSSING FACILITY.

26 (B) THE CREATION OF JOBS RELATIVE TO THE EMPLOYMENT BASE OF
27 THE COMMUNITY RATHER THAN THE STATIC NUMBER OF JOBS CREATED.

1 (C) THE VIABILITY OF THE PROJECT.

2 (D) THE ECONOMIC IMPACT ON THE COMMUNITY IN WHICH THE BORDER
3 CROSSING FACILITY IS LOCATED.

4 (5) THE BOARD SHALL REQUIRE A DEVELOPMENT AGREEMENT BETWEEN
5 THE MICHIGAN STRATEGIC FUND AND THE BORDER CROSSING FACILITY.

6 (6) AS USED IN THIS SECTION:

7 (A) "DEVELOPMENT AGREEMENT" MEANS A WRITTEN AGREEMENT BETWEEN
8 THE MICHIGAN STRATEGIC FUND AND THE BORDER CROSSING FACILITY THAT
9 INCLUDES, BUT IS NOT LIMITED TO, ALL OF THE FOLLOWING:

10 (i) A REQUIREMENT THAT THE BORDER CROSSING FACILITY COMPLY WITH
11 ALL STATE AND LOCAL LAWS.

12 (ii) A REQUIREMENT THAT THE BORDER CROSSING FACILITY REPORT
13 ANNUALLY TO THE MICHIGAN STRATEGIC FUND ON ALL OF THE FOLLOWING:

14 (A) THE AMOUNT OF CAPITAL INVESTMENT MADE AT THE FACILITY.

15 (B) THE NUMBER OF INDIVIDUALS EMPLOYED AT THE FACILITY AT THE
16 BEGINNING AND END OF THE REPORTING PERIOD AS WELL AS THE NUMBER OF
17 INDIVIDUALS TRANSFERRED TO THE FACILITY FROM ANOTHER FACILITY OWNED
18 BY THE BORDER CROSSING FACILITY.

19 (C) THE PERCENTAGE OF RAW MATERIALS PURCHASED IN THIS STATE.

20 (iii) ANY OTHER CONDITIONS OR REQUIREMENTS REASONABLY REQUIRED
21 BY THE MICHIGAN STRATEGIC FUND.

22 (B) "QUALIFIED BORDER LOCAL GOVERNMENTAL UNIT" MEANS 1 OF THE
23 FOLLOWING:

24 (i) A CITY WITH A POPULATION OF MORE THAN 30,000 AND LESS THEN
25 36,000 THAT CONTAINS AN INTERNATIONAL BORDER CROSSING.

26 (ii) A TOWNSHIP THAT ADJOINS A CITY WITH A POPULATION OF MORE
27 THAN 30,000 AND LESS THAN 36,000 THAT CONTAINS AN INTERNATIONAL

1 BORDER CROSSING.