

SENATE BILL No. 1080

January 21, 2010, Introduced by Senators ALLEN, BASHAM, HUNTER, PAPPAGEORGE, JANSEN, CLARKE and HARDIMAN and referred to the Committee on Commerce and Tourism.

A bill to amend 1996 PA 376, entitled
"Michigan renaissance zone act,"
by amending sections 3 and 10 (MCL 125.2683 and 125.2690), section
3 as amended by 2008 PA 217 and section 10 as amended by 2008 PA
242, 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.

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

3 (c) "Development plan" means a written plan that addresses the
4 criteria in section 7 and includes all of the following:

5 (i) A map of the proposed renaissance zone that indicates the
6 geographic boundaries, the total area, and the present use and
7 conditions generally of the land and structures within those
8 boundaries.

9 (ii) Evidence of community support and commitment from
10 residential and business interests.

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

14 (iv) Current social, economic, and demographic characteristics
15 of the proposed renaissance zone and anticipated improvements in
16 education, health, human services, public safety, and employment if
17 the renaissance zone is created.

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

19 (d) "Elected county executive" means the elected county
20 executive in a county organized under 1966 PA 293, MCL 45.501 to
21 45.521, or 1973 PA 139, MCL 45.551 to 45.573.

22 **(E) "ELIGIBLE NEXT MICHIGAN BUSINESS" MEANS THAT TERM AS**
23 **DEFINED IN SECTION 3 OF THE MICHIGAN ECONOMIC GROWTH AUTHORITY ACT,**
24 **1995 PA 24, MCL 207.803.**

25 **(F) ~~(e)~~**"Forest products processing facility" means 1 or more
26 facilities or operations that transform, package, sort, recycle, or
27 grade forest or paper products into goods that are used for

1 intermediate or final use or consumption or for the creation of
2 biomass or alternative fuels through the utilization of forest
3 products or forest residue, and surrounding property. Forest
4 products processing facility does not include an existing facility
5 or operation that is located in this state that relocates to a
6 renaissance zone for a forest products processing facility. Forest
7 products processing facility does not include a facility or
8 operation that engages primarily in retail sales.

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

11 (H) "NEXT MICHIGAN DEVELOPMENT CORPORATION" MEANS THAT TERM AS
12 DEFINED IN SECTION 3 OF THE NEXT MICHIGAN DEVELOPMENT ACT.

13 (I) "NEXT MICHIGAN DEVELOPMENT DISTRICT" MEANS THAT TERM AS
14 DEFINED IN SECTION 3 OF THE NEXT MICHIGAN DEVELOPMENT ACT.

15 (J) "NEXT MICHIGAN RENAISSANCE ZONE" MEANS A RENAISSANCE ZONE
16 CREATED UNDER SECTION 8G.

17 (K) ~~(g)~~—"Person" means an individual, partnership,
18 corporation, association, limited liability company, governmental
19 entity, or other legal entity.

20 (L) "QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS" MEANS AN
21 ELIGIBLE NEXT MICHIGAN BUSINESS THAT HAS BEEN CERTIFIED IN
22 ACCORDANCE WITH SECTION 8G.

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

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

6 (P) ~~(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 (Q) ~~(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 (R) ~~(m)~~—"Review board" means the renaissance zone review board
22 created in section 5.

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

25 (T) ~~(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
2 DESCRIBED IN SECTION 4 OF THE MICHIGAN STRATEGIC FUND ACT, 1984 PA
3 270, MCL 125.2004, UPON THE APPLICATION OF A NEXT MICHIGAN
4 DEVELOPMENT CORPORATION, MAY DESIGNATE NEXT MICHIGAN RENAISSANCE
5 ZONES FOR ELIGIBLE NEXT MICHIGAN BUSINESSES WITHIN THE BOUNDARIES
6 OF A NEXT MICHIGAN DEVELOPMENT DISTRICT. THE NUMBER OF NEXT
7 MICHIGAN RENAISSANCE ZONES TO BE DESIGNATED FOR A NEXT MICHIGAN
8 DEVELOPMENT DISTRICT THAT DOES NOT INCLUDE AN ELIGIBLE URBAN ENTITY
9 AS DEFINED IN THE NEXT MICHIGAN DEVELOPMENT ACT SHALL EQUAL THE
10 CUMULATIVE NUMBER OF INITIAL OR SUBSEQUENT LOCAL GOVERNMENTAL UNIT
11 PARTIES TO THE NEXT MICHIGAN DEVELOPMENT CORPORATION INTERLOCAL
12 AGREEMENT, PLUS 1 ADDITIONAL NEXT MICHIGAN RENAISSANCE ZONE FOR
13 EACH COUNTY PARTY TO THE INTERLOCAL AGREEMENT, BUT SHALL NOT EXCEED
14 12 FOR EACH NEXT MICHIGAN DEVELOPMENT DISTRICT. THE NUMBER OF NEXT
15 MICHIGAN RENAISSANCE ZONES TO BE DESIGNATED FOR A NEXT MICHIGAN
16 DEVELOPMENT DISTRICT THAT INCLUDES AN ELIGIBLE URBAN ENTITY AS
17 DEFINED IN THE NEXT MICHIGAN DEVELOPMENT ACT SHALL NOT EXCEED 12 AS
18 DETERMINED BY THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND. THE
19 NUMBER SHALL NOT BE REDUCED ON ACCOUNT OF A REDUCTION IN THE NUMBER
20 OF LOCAL GOVERNMENT UNIT PARTIES TO THE INTERLOCAL AGREEMENT FROM
21 TIME TO TIME. THE NEXT MICHIGAN DEVELOPMENT CORPORATION SHALL MAKE
22 RECOMMENDATIONS TO THE BOARD OF THE MICHIGAN STRATEGIC FUND AS TO
23 WHICH AREAS SHALL BE DESIGNATED AS NEXT MICHIGAN RENAISSANCE ZONES
24 FOR ELIGIBLE NEXT MICHIGAN BUSINESSES UNDER THIS ACT. THE AGGREGATE
25 TERRITORY OF ALL NEXT MICHIGAN RENAISSANCE ZONES DESIGNATED FOR A
26 NEXT MICHIGAN DEVELOPMENT CORPORATION SHALL NOT EXCEED THE LESSER
27 OF 200 ACRES TIMES THE NUMBER OF NEXT MICHIGAN RENAISSANCE ZONES

1 DESIGNATED FOR A NEXT MICHIGAN DEVELOPMENT CORPORATION OR 2,000
2 ACRES. A NEXT MICHIGAN RENAISSANCE ZONE SHALL HAVE A DURATION OF
3 RENAISSANCE ZONE STATUS FOR A PERIOD OF NOT LESS THAN 5 YEARS AND
4 NOT MORE THAN 10 YEARS AS DETERMINED BY THE BOARD OF THE MICHIGAN
5 STRATEGIC FUND. EXCEPT AS OTHERWISE PROVIDED IN THIS ACT, IF THE
6 BOARD OF THE MICHIGAN STRATEGIC FUND DETERMINES THAT THE DURATION
7 OF RENAISSANCE ZONE STATUS FOR A NEXT MICHIGAN RENAISSANCE ZONE IS
8 LESS THAN 10 YEARS, THEN THE PRESIDENT OF THE MICHIGAN STRATEGIC
9 FUND, WITH THE CONSENT OF THE NEXT MICHIGAN DEVELOPMENT CORPORATION
10 AND WITH THE CONSENT OF THE CITY, VILLAGE, OR TOWNSHIP IN WHICH THE
11 NEXT MICHIGAN RENAISSANCE ZONE IS LOCATED, MAY EXTEND THE DURATION
12 OF RENAISSANCE ZONE STATUS FOR THE NEXT MICHIGAN RENAISSANCE ZONE
13 FOR 1 OR MORE PERIODS THAT WHEN COMBINED DO NOT EXCEED 10 YEARS.

14 (2) THE NEXT MICHIGAN DEVELOPMENT CORPORATION SHALL MAKE
15 RECOMMENDATIONS TO THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND TO
16 CERTIFY AN ELIGIBLE NEXT MICHIGAN BUSINESS AS A QUALIFIED ELIGIBLE
17 NEXT MICHIGAN BUSINESS ENTITLED TO THE EXEMPTIONS, DEDUCTIONS, OR
18 CREDITS AS PROVIDED IN SECTION 9. UPON THE RECOMMENDATION OF A NEXT
19 MICHIGAN DEVELOPMENT CORPORATION, THE MICHIGAN STRATEGIC FUND MAY
20 DETERMINE WHETHER AN ELIGIBLE NEXT MICHIGAN BUSINESS SHOULD RECEIVE
21 THE BENEFITS OF A RENAISSANCE ZONE AND CERTIFY THAT ELIGIBLE NEXT
22 MICHIGAN BUSINESS AS A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS
23 UNDER THIS ACT. THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND SHALL
24 CERTIFY OR DENY THE APPLICATION TO CERTIFY AN ELIGIBLE NEXT
25 MICHIGAN BUSINESS AS A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS
26 WITHIN 30 DAYS OF RECEIPT OF THE APPLICATION. IF THE PRESIDENT OF
27 THE MICHIGAN STRATEGIC FUND FAILS TO CERTIFY OR DENY THE

1 APPLICATION FOR CERTIFICATION WITHIN 30 DAYS OF RECEIPT OF THE
2 APPLICATION, THE APPLICATION FOR CERTIFICATION IS CONSIDERED
3 APPROVED. IF THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND DENIES
4 THE APPLICATION FOR CERTIFICATION WITHIN 30 DAYS OF RECEIPT OF THE
5 APPLICATION, THE APPLICANT MAY APPEAL THAT DENIAL TO THE BOARD OF
6 THE MICHIGAN STRATEGIC FUND. UPON APPEAL TO THE BOARD OF THE
7 MICHIGAN STRATEGIC FUND, IF THE BOARD OF THE MICHIGAN STRATEGIC
8 FUND FAILS TO CERTIFY OR DENY THE APPLICATION FOR CERTIFICATION
9 WITHIN 40 DAYS OF RECEIPT OF THE APPEAL, THE APPLICATION FOR
10 CERTIFICATION IS CONSIDERED GRANTED BY THE BOARD. THE PRESIDENT OF
11 THE MICHIGAN STRATEGIC FUND SHALL NOTIFY THE NEXT MICHIGAN
12 DEVELOPMENT CORPORATION THAT IT HAS CERTIFIED A QUALIFIED ELIGIBLE
13 NEXT MICHIGAN BUSINESS IN A NEXT MICHIGAN DEVELOPMENT DISTRICT. THE
14 NEXT MICHIGAN DEVELOPMENT CORPORATION SHALL DEVELOP AN APPLICATION
15 PROCESS FOR ELIGIBLE NEXT MICHIGAN BUSINESSES, WHICH PROCESS SHALL
16 BE APPROVED BY THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND. A NEXT
17 MICHIGAN DEVELOPMENT CORPORATION SHALL NOT RECOMMEND AND THE BOARD
18 OF THE MICHIGAN STRATEGIC FUND SHALL NOT CERTIFY AN ELIGIBLE NEXT
19 MICHIGAN BUSINESS AS A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS
20 UNLESS THAT ELIGIBLE NEXT MICHIGAN BUSINESS OPENS A NEW LOCATION IN
21 THIS STATE, LOCATES IN THIS STATE, OR IS AN EXISTING BUSINESS
22 LOCATED IN THIS STATE THAT WILL MATERIALLY EXPAND ITS BUSINESS IN
23 THIS STATE AS DETERMINED BY THE PRESIDENT OF THE MICHIGAN STRATEGIC
24 FUND. HOWEVER, THE BOARD OF THE MICHIGAN STRATEGIC FUND SHALL NOT
25 CERTIFY AN ELIGIBLE NEXT MICHIGAN BUSINESS AS A QUALIFIED ELIGIBLE
26 NEXT MICHIGAN BUSINESS IF THE PRINCIPAL ECONOMIC EFFECT OF THE
27 EXPANSION OR LOCATION OF THE ELIGIBLE NEXT MICHIGAN BUSINESS INTO A

1 NEXT MICHIGAN DEVELOPMENT DISTRICT IS THE TRANSFER OF EMPLOYMENT
2 FROM 1 OR MORE CITIES, VILLAGES, OR TOWNSHIPS IN THIS STATE TO THE
3 NEXT MICHIGAN DEVELOPMENT DISTRICT.

4 (3) UPON REQUEST OF THE NEXT MICHIGAN DEVELOPMENT CORPORATION,
5 THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND MAY MODIFY AN EXISTING
6 NEXT MICHIGAN RENAISSANCE ZONE TO ADD ADDITIONAL PROPERTY UNDER THE
7 SAME TERMS AND CONDITIONS AS THE EXISTING NEXT MICHIGAN RENAISSANCE
8 ZONE IF ALL OF THE FOLLOWING ARE MET:

9 (A) THE ADDITIONAL REAL PROPERTY IS LOCATED WITHIN THE
10 BOUNDARIES OF THE NEXT MICHIGAN DEVELOPMENT DISTRICT AND WILL BE
11 OWNED OR OPERATED BY A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS
12 ONCE IT IS BROUGHT INTO OPERATION AS DETERMINED BY THE BOARD OF THE
13 MICHIGAN STRATEGIC FUND.

14 (B) THE NEXT MICHIGAN DEVELOPMENT CORPORATION AND THE CITY,
15 VILLAGE, OR TOWNSHIP IN WHICH THE QUALIFIED ELIGIBLE NEXT MICHIGAN
16 BUSINESS IS LOCATED CONSENT TO THE MODIFICATION.

17 (C) THE AGGREGATE TERRITORY LIMITATIONS PROVIDED IN SUBSECTION
18 (1) WILL NOT BE EXCEEDED.

19 (4) A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS IN A NEXT
20 MICHIGAN RENAISSANCE ZONE SHALL BE GRANTED RENAISSANCE ZONE STATUS
21 FOR A PERIOD OF UP TO 10 YEARS.

22 (5) THE NEXT MICHIGAN DEVELOPMENT CORPORATION OR THE PRESIDENT
23 OF THE MICHIGAN STRATEGIC FUND MAY REVOKE THE DESIGNATION OF ALL OR
24 A PORTION OF A NEXT MICHIGAN RENAISSANCE ZONE OR THE CERTIFICATION
25 OF A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS IF THE NEXT MICHIGAN
26 DEVELOPMENT CORPORATION OR THE PRESIDENT OF THE MICHIGAN STRATEGIC
27 FUND DETERMINES 1 OR MORE OF THE FOLLOWING:

1 (A) THE QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS PROPOSED IN
2 THE APPLICATION FAILS, OR A PREPONDERANCE OF BUSINESSES PROPOSED IN
3 THE APPLICATION FAIL, TO COMMENCE OPERATION WITHIN 2 YEARS FROM THE
4 DATE OF THE CERTIFICATION AS A QUALIFIED ELIGIBLE NEXT MICHIGAN
5 BUSINESS.

6 (B) THE QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS PROPOSED IN
7 THE APPLICATION TO COMMENCE OPERATION WITHIN THE NEXT MICHIGAN
8 RENAISSANCE ZONE CEASES OPERATION, PROVIDED THAT DESIGNATION SHALL
9 NOT BE REVOKED IF THE QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS HAS
10 ASSIGNED ITS RIGHTS TO A SUCCESSOR ENTITY ENGAGED IN A QUALIFIED
11 ELIGIBLE NEXT MICHIGAN BUSINESS.

12 (C) THE QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS PROPOSED IN
13 THE APPLICATION TO COMMENCE OPERATION WITHIN THE NEXT MICHIGAN
14 RENAISSANCE ZONE FAILS TO COMMENCE CONSTRUCTION OR RENOVATION
15 WITHIN 1 YEAR FROM THE DATE OF THE CERTIFICATION AS A QUALIFIED
16 ELIGIBLE NEXT MICHIGAN BUSINESS.

17 (D) THE QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS FAILS TO
18 MEET JOBS AND INVESTMENT CRITERIA SET FORTH IN THE APPLICATION AND
19 APPROVED AS A CONDITION BY THE PRESIDENT OR THE BOARD OF THE
20 MICHIGAN STRATEGIC FUND.

21 (E) THE LOCAL GOVERNMENTAL UNIT IN WHICH THE QUALIFIED
22 ELIGIBLE NEXT MICHIGAN BUSINESS IS LOCATED WITHDRAWS FROM THE NEXT
23 MICHIGAN DEVELOPMENT CORPORATION INTERLOCAL AGREEMENT, PROVIDED
24 THAT THE TAX INCENTIVES PREVIOUSLY GRANTED TO THE QUALIFIED
25 ELIGIBLE NEXT MICHIGAN BUSINESS SHALL REMAIN IN FULL FORCE AND
26 EFFECT FOR THE STATED TERM OF THE TAX INCENTIVES SO LONG AS THE
27 QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS SATISFIES ALL OF THE

1 CONDITIONS UPON WHICH THE TAX INCENTIVES WERE GRANTED.

2 (6) IF THE NEXT MICHIGAN DEVELOPMENT CORPORATION REVOKES THE
3 DESIGNATION OF ALL OR A PORTION OF A NEXT MICHIGAN RENAISSANCE ZONE
4 OR THE CERTIFICATION OF A QUALIFIED ELIGIBLE NEXT MICHIGAN
5 BUSINESS, A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS AFFECTED MAY
6 APPEAL THAT REVOCATION TO THE PRESIDENT OF THE MICHIGAN STRATEGIC
7 FUND AS DETERMINED BY THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND.
8 IF THE DESIGNATION OF ALL OR A PORTION OF A NEXT MICHIGAN
9 RENAISSANCE ZONE OR THE CERTIFICATION OF A QUALIFIED ELIGIBLE NEXT
10 MICHIGAN BUSINESS IS REVOKED, THE DESIGNATION MAY SUBSEQUENTLY BE
11 RESTORED BY THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND TO THE
12 SAME SITE AND IN RESPECT OF A QUALIFIED ELIGIBLE NEXT MICHIGAN
13 BUSINESS, BUT THE DURATION OF THE RESTORED DESIGNATION SHALL NOT
14 EXCEED THE TERM OF THE ORIGINAL DESIGNATION. IF THE DESIGNATION OF
15 A NEXT MICHIGAN RENAISSANCE ZONE IS REVOKED AND NOT RESTORED, THE
16 NEXT MICHIGAN RENAISSANCE ZONE DESIGNATION MAY BE TRANSFERRED BY
17 THE NEXT MICHIGAN DEVELOPMENT CORPORATION TO OTHER PROPERTY WITHIN
18 THE NEXT MICHIGAN DEVELOPMENT DISTRICT. THE DURATION OF SUCH
19 TRANSFERRED ZONE SHALL BE FOR THE FULL TERM INITIALLY DETERMINED
20 FOR THAT NEXT MICHIGAN RENAISSANCE ZONE.

21 (7) UPON REQUEST OF THE NEXT MICHIGAN DEVELOPMENT CORPORATION,
22 THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND MAY EXTEND THE
23 DURATION OF RENAISSANCE ZONE STATUS FOR 1 OR MORE PORTIONS OF A
24 NEXT MICHIGAN RENAISSANCE ZONE IF THE EXTENSION WILL INCREASE
25 CAPITAL INVESTMENT OR JOB CREATION, AND THE NEXT MICHIGAN
26 DEVELOPMENT CORPORATION AND THE CITY, VILLAGE, OR TOWNSHIP IN WHICH
27 THAT PORTION OF THE NEXT MICHIGAN RENAISSANCE ZONE IS LOCATED

1 CONSENTS TO EXTEND THE DURATION OF RENAISSANCE ZONE STATUS. THE
2 PRESIDENT OF THE MICHIGAN STRATEGIC FUND MAY EXTEND RENAISSANCE
3 ZONE STATUS FOR 1 OR MORE PORTIONS OF THE NEXT MICHIGAN RENAISSANCE
4 ZONE UNDER THIS SUBSECTION FOR A PERIOD OF TIME NOT TO EXCEED 5
5 ADDITIONAL YEARS AS DETERMINED BY THE PRESIDENT OF THE MICHIGAN
6 STRATEGIC FUND.

7 (8) BEFORE AN ELIGIBLE NEXT MICHIGAN BUSINESS IS CERTIFIED AS
8 A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS, THE PRESIDENT OF THE
9 MICHIGAN STRATEGIC FUND AND THE BOARD OF THE MICHIGAN STRATEGIC
10 FUND SHALL ENTER INTO A WRITTEN AGREEMENT WITH THE NEXT MICHIGAN
11 DEVELOPMENT CORPORATION AND A QUALIFIED ELIGIBLE NEXT MICHIGAN
12 BUSINESS IN RESPECT OF THE TERMS AND CONDITIONS OF GRANTING AND
13 RETAINING RENAISSANCE ZONE STATUS, CERTIFICATION AS A QUALIFIED
14 ELIGIBLE NEXT MICHIGAN BUSINESS, AND ANY OTHER RELATED MATTERS. THE
15 WRITTEN AGREEMENT ALSO SHALL CONTAIN A REMEDY PROVISION THAT
16 INCLUDES, BUT IS NOT LIMITED TO, ALL OF THE FOLLOWING:

17 (A) A REQUIREMENT THAT ALL OR A PORTION OF THE EXEMPTIONS,
18 DEDUCTIONS, OR CREDITS DESCRIBED IN SECTION 9 SHALL BE REVOKED
19 UNDER THE PROCEDURES SET FORTH IN THIS ACT IF THE QUALIFIED
20 ELIGIBLE NEXT MICHIGAN BUSINESS IS DETERMINED TO BE IN VIOLATION OF
21 THE PROVISIONS OF THIS ACT OR THE WRITTEN AGREEMENT OR RELOCATES
22 OUTSIDE THE NEXT MICHIGAN DEVELOPMENT DISTRICT FOR A PERIOD OF
23 YEARS AFTER RENAISSANCE ZONE STATUS EXPIRES AS SET FORTH IN THE
24 WRITTEN AGREEMENT.

25 (B) A REQUIREMENT THAT THE QUALIFIED ELIGIBLE NEXT MICHIGAN
26 BUSINESS MAY BE REQUIRED TO REPAY ALL OR A PORTION OF THE
27 EXEMPTIONS, DEDUCTIONS, OR CREDITS DESCRIBED IN SECTION 9 IF THE

1 QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS IS DETERMINED TO BE IN
2 VIOLATION OF THE PROVISIONS OF THIS ACT OR THE WRITTEN AGREEMENT OR
3 RELOCATES OUTSIDE THE NEXT MICHIGAN DEVELOPMENT DISTRICT FOR A
4 PERIOD OF YEARS AFTER RENAISSANCE ZONE STATUS EXPIRES AS SET FORTH
5 IN THE WRITTEN AGREEMENT.

6 (9) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, THE
7 COMMENCEMENT OF RENAISSANCE ZONE STATUS UNDER THIS SECTION SHALL
8 TAKE EFFECT ON JANUARY 1 IN THE YEAR FOLLOWING DESIGNATION.
9 HOWEVER, FOR PURPOSES OF THE TAXES EXEMPTED UNDER SECTION 9(2), THE
10 COMMENCEMENT OF RENAISSANCE ZONE STATUS UNDER THIS SECTION SHALL
11 TAKE EFFECT ON DECEMBER 31 IN THE YEAR IMMEDIATELY PRECEDING THE
12 YEAR IN WHICH THE COMMENCEMENT UNDER THIS SECTION TAKES EFFECT.
13 UNLESS OTHERWISE LIMITED AS PROVIDED IN THIS ACT, EACH QUALIFIED
14 NEXT MICHIGAN ELIGIBLE BUSINESS CERTIFIED UNDER THIS ACT SHALL BE
15 ENTITLED TO RENAISSANCE ZONE STATUS FOR NOT LESS THAN 10 YEARS.

16 Sec. 10. (1) An individual who is a resident of a renaissance
17 zone or a business that is located and conducts business activity
18 within a renaissance zone or a person that owns property located in
19 a renaissance zone is not eligible for the exemption, deduction, or
20 credit listed in section 9(1) or (2) for that taxable year if 1 or
21 more of the following apply:

22 (a) The resident, business, or property owner is delinquent on
23 December 31 of the prior tax year under 1 or more of the following:

24 (i) Former 1975 PA 228 or the Michigan business tax act, 2007
25 PA 36, MCL 208.1101 to 208.1601.

26 (ii) The income tax act of 1967, 1967 PA 281, MCL 206.1 to
27 206.532.

1 (iii) 1974 PA 198, MCL 207.551 to 207.572.

2 (iv) The commercial redevelopment act, 1978 PA 255, MCL 207.651
3 to 207.668.

4 (v) The enterprise zone act, 1985 PA 224, MCL 125.2101 to
5 125.2123.

6 (vi) 1953 PA 189, MCL 211.181 to 211.182.

7 (vii) The technology park development act, 1984 PA 385, MCL
8 207.701 to 207.718.

9 (viii) Part 511 of the natural resources and environmental
10 protection act, 1994 PA 451, MCL 324.51101 to 324.51120.

11 (ix) The neighborhood enterprise zone act, 1992 PA 147, MCL
12 207.771 to 207.786.

13 (x) The city utility users tax act, 1990 PA 100, MCL 141.1151
14 to 141.1177.

15 (b) The resident, business, or property owner is substantially
16 delinquent as defined in a written policy by the qualified local
17 governmental unit in which the renaissance zone is located on
18 December 31 of the prior tax year under 1 or both of the following:

19 (i) The city income tax act, 1964 PA 284, MCL 141.501 to
20 141.787.

21 (ii) Taxes, fees, and special assessments collected under the
22 general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

23 (c) For residential rental property in a renaissance zone, the
24 residential rental property is not in substantial compliance with
25 all applicable state and local zoning, building, and housing laws,
26 ordinances, or codes and, except as otherwise provided in this
27 subdivision, the residential rental property owner has not filed an

1 affidavit before December 31 in the immediately preceding tax year
2 with the local tax collecting unit in which the residential rental
3 property is located as required under section 7ff of the general
4 property tax act, 1893 PA 206, MCL 211.7ff. Beginning December 31,
5 2004, a residential rental property owner is not required to file
6 an affidavit if the qualified local governmental unit in which the
7 residential rental property is located determines that the
8 residential rental property is in substantial compliance with all
9 applicable state and local zoning, building, and housing laws,
10 ordinances, and codes on December 31 of the immediately preceding
11 tax year.

12 (2) An individual who is a resident of a renaissance zone is
13 eligible for an exemption, deduction, or credit under section 9(1)
14 and (2) until the department of treasury determines that the
15 aggregate state and local tax revenue forgone as a result of all
16 exemptions, deductions, or credits granted under this act to that
17 individual reaches \$10,000,000.00.

18 (3) A casino located and conducting business activity within a
19 renaissance zone is not eligible for the exemption, deduction, or
20 credit listed in section 9(1) or (2). Real property in a
21 renaissance zone on which a casino is operated, personal property
22 of a casino located in a renaissance zone, and all property
23 associated or affiliated with the operation of a casino is not
24 eligible for the exemption, deduction, or credit listed in section
25 9(1) or (2). As used in this subsection, "casino" means a casino or
26 a parking lot, hotel, motel, or retail store owned or operated by a
27 casino, an affiliate, or an affiliated company, regulated by this

1 state pursuant to the Michigan gaming control and revenue act, 1996
2 IL 1, MCL 432.201 to 432.226.

3 (4) For tax years beginning on or after January 1, 1997, an
4 individual who is a resident of a renaissance zone shall not be
5 denied the exemption under subsection (1) if the individual failed
6 to file a return on or before December 31 of the prior tax year
7 under subsection (1)(a)(ii) and that individual was entitled to a
8 refund under that act.

9 (5) A business that is located and conducts business activity
10 within a renaissance zone shall not be denied the exemption under
11 subsection (1) if the business failed to file a return on or before
12 December 31 of the prior tax year under subsection (1)(a)(i) and
13 that business had no tax liability under that act for the tax year
14 for which the return was not filed.

15 (6) IN A NEXT MICHIGAN RENAISSANCE ZONE, ONLY PROPERTY OWNED
16 OR LEASED BY A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS AND
17 BUSINESS ACTIVITY CONDUCTED IN A NEXT MICHIGAN RENAISSANCE ZONE BY
18 A QUALIFIED ELIGIBLE NEXT MICHIGAN BUSINESS ARE ELIGIBLE FOR THE
19 EXEMPTIONS, DEDUCTIONS, OR CREDITS DESCRIBED IN SECTION 9.