

**SUBSTITUTE FOR
SENATE BILL NO. 553**

A bill to amend 1996 PA 376, entitled
"Michigan renaissance zone act,"
by amending section 4 (MCL 125.2684), as amended by 2008 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.

8 (b) The application includes a development plan.

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

11 (d) The renaissance zone does not contain more than 10

1 distinct geographic areas. Except as otherwise provided in this
2 subdivision, the minimum size of a distinct geographic area is not
3 less than 5 acres. A qualified local governmental unit or units may
4 designate not more than 8 distinct geographic areas in each
5 renaissance zone to have no minimum size requirement.

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

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

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

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

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

22 (4) Beginning December 1, 2006 through December 31, 2011, a
23 qualified local governmental unit or units in which a renaissance
24 zone was designated under section 8 or 8a(1) or (3) may designate
25 additional distinct geographic areas not to exceed a total of 10
26 distinct geographic areas upon application to and approval by the
27 board of the Michigan strategic fund if the distinct geographic

1 area is located in an eligible distressed area as defined in
2 section 11 of the state housing development authority act of 1966,
3 1966 PA 346, MCL 125.1411, or is contiguous to an eligible
4 distressed area, and if the additional distinct geographic area
5 will increase capital investment or job creation. The duration of
6 renaissance zone status for the additional distinct geographic
7 areas shall not exceed 15 years.

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

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

21 (7) Through December 31, 2011, a qualified local governmental
22 unit or units in which a renaissance zone was designated under
23 section 8 or 8a(1) or (3) may, upon application to and approval by
24 the board of the Michigan strategic fund, seek to extend the
25 duration of renaissance zone status for 1 or more portions of the
26 renaissance zone if that zone or portion of a zone is in existence
27 as of March 15, 2008, if the extension will increase capital

1 investment or job creation, and the county in which the portion or
2 portions of the renaissance zone are located consents to extend the
3 duration of renaissance zone status. The board of the Michigan
4 strategic fund may extend renaissance zone status for 1 or more
5 portions of the renaissance zone under this subsection for a period
6 of time not to exceed 15 years from the date of the application to
7 the board of the Michigan strategic fund under this subsection.

8 However, beginning on ~~the effective date of the amendatory act that~~
9 ~~added this sentence,~~ **APRIL 29, 2008**, if the board of the Michigan

10 strategic fund extends the duration of 1 or more portions of a
11 renaissance zone under this subsection, the board of the Michigan
12 strategic fund may revoke that extension if the board determines
13 that increased capital investment or job creation will not begin
14 within 1 year of the granting of the extension or otherwise
15 violates the terms of the written development agreement between the
16 owner of the real property and the board of the Michigan strategic
17 fund. Only the qualified local governmental unit that is requesting
18 the extension of time may submit the application. If the board of
19 the Michigan strategic fund extends the duration of 1 or more
20 portions of a renaissance zone, the board of the Michigan strategic
21 fund shall enter into a written development agreement with the
22 owner of all real property located within the boundaries of the
23 portions of the renaissance zone whose duration has been extended.
24 The written development agreement shall include, but is not limited
25 to, all of the following:

26 (a) The duration of the extension.

27 (b) The conditions under which the extension is granted.

1 (c) The amount of capital investment.

2 (d) The number of jobs to be created.

3 (e) Any other conditions or requirements reasonably required
4 by the board of the Michigan strategic fund.

5 (8) IF A QUALIFIED LOCAL GOVERNMENTAL UNIT IN WHICH A
6 RENAISSANCE ZONE WAS DESIGNATED UNDER SECTION 8 RECEIVED APPROVAL
7 BY THE MICHIGAN STRATEGIC FUND TO EXTEND THE DURATION OF
8 RENAISSANCE ZONE STATUS UNDER SUBSECTION (7) FOR A PERIOD OF 7
9 YEARS AND THAT RENAISSANCE ZONE IS LOCATED IN A COUNTY WITH A
10 POPULATION OF MORE THAN 190,000 AND LESS THAN 240,000 ACCORDING TO
11 THE MOST RECENT DECENNIAL CENSUS, THAT QUALIFIED LOCAL GOVERNMENTAL
12 UNIT MAY RESUBMIT AN APPLICATION TO THE MICHIGAN STRATEGIC FUND
13 BEFORE JUNE 30, 2014 TO EXTEND THE DURATION OF RENAISSANCE ZONE
14 STATUS FOR AN ADDITIONAL 8 YEARS, NOT TO EXCEED 15 YEARS' TOTAL
15 EXTENSION. THE MICHIGAN STRATEGIC FUND MAY GRANT THE EXTENSION IF
16 THE EXTENSION SHALL INCREASE CAPITAL INVESTMENT OR JOB CREATION IN
17 THIS STATE AND THE OWNER AND PROJECT DEVELOPER ARE IN COMPLIANCE
18 WITH THE WRITTEN AGREEMENT DESCRIBED IN SUBSECTION (7).