

# HOUSE BILL No. 6349

July 23, 2008, Introduced by Reps. Proos, Hildenbrand, Hansen, Booher, Garfield, Acciavatti, Marleau, Palmer, Schuitmaker, Casperson, LaJoy, Elsenheimer, Horn, Meekhof, Stahl, Shaffer, Agema, Opsommer, Robertson, Walker, Caul, Nofs, Caswell, Nitz, Knollenberg and Moolenaar and referred to the Committee on Commerce.

A bill to amend 1996 PA 376, entitled  
"Michigan renaissance zone act,"  
by amending sections 3 and 8a (MCL 125.2683 and 125.2688a), section  
3 as amended by 2008 PA 117 and section 8a as amended by 2008 PA  
116.

## 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) "Forest products processing facility" means 1 or more  
23 facilities or operations that transform, package, sort, recycle, or  
24 grade forest or paper products into goods that are used for  
25 intermediate or final use or consumption or for the creation of  
26 biomass or alternative fuels through the utilization of forest  
27 products or forest residue, and surrounding property. Forest

1 products processing facility does not include an existing facility  
2 or operation that is located in this state that relocates to a  
3 renaissance zone for a forest products processing facility. Forest  
4 products processing facility does not include a facility or  
5 operation that engages primarily in retail sales.

6 (f) "Local governmental unit" means a county, city, village,  
7 or township.

8 (G) "OIL PRODUCTION AND TRANSMISSION FACILITY" MEANS A  
9 FACILITY THAT CONVERTS CRUDE OIL INTO COMMERCIAL PRODUCTS OR A  
10 FACILITY THAT DISTRIBUTES 1 OR MORE COMMERCIAL PRODUCTS MADE FROM  
11 CRUDE OIL.

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

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

17 (i) A county.

18 (ii) A city, village, or township that contains an eligible  
19 distressed area as defined in section 11 of the state housing  
20 development authority act of 1966, 1966 PA 346, MCL 125.1411.

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

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

25 (L) ~~(k)~~—"Renewable energy facility" means a system that creates  
26 energy from a process using agricultural crops or processed  
27 products from agricultural crops; residues from agricultural

1 products, forest products, paper products industries, and food  
2 production and processing; trees and grasses grown specifically to  
3 be used as energy crops; and gaseous fuels produced from solid  
4 biomass, animal wastes, or landfills.

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

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

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

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

15 Sec. 8a. (1) Except as provided in subsections (2), (3), and  
16 (4), the board shall not designate more than 9 additional  
17 renaissance zones within this state under this section. Not more  
18 than 6 of the renaissance zones shall be located in urban areas and  
19 not more than 5 of the renaissance zones shall be located in rural  
20 areas. For purposes of determining whether a renaissance zone is  
21 located in an urban area or rural area under this section, if any  
22 part of a renaissance zone is located within an urban area, the  
23 entire renaissance zone shall be considered to be located in an  
24 urban area.

25 (2) The board of the Michigan strategic fund described in  
26 section 4 of the Michigan strategic fund act, 1984 PA 270, MCL  
27 125.2004, may designate not more than ~~17~~18 additional renaissance

1 zones within this state in 1 or more cities, villages, or townships  
2 if that city, village, or township or combination of cities,  
3 villages, or townships consents to the creation of a renaissance  
4 zone within their boundaries. The board of the Michigan strategic  
5 fund may designate not more than 1 of the ~~17-18~~ additional  
6 renaissance zones described in this subsection as an alternative  
7 energy zone. An alternative energy zone shall promote and increase  
8 the research, development, testing, and manufacturing of  
9 alternative energy technology, alternative energy systems, and  
10 alternative energy vehicles, as those terms are defined in the  
11 Michigan next energy authority act, 2002 PA 593, MCL 207.821 to  
12 207.827. An alternative energy zone shall have a duration of  
13 renaissance zone status for a period not to exceed 20 years as  
14 determined by the board of the Michigan strategic fund. The board  
15 of the Michigan strategic fund may designate not more than 8 of the  
16 additional ~~17-18~~ renaissance zones described in this subsection as  
17 a redevelopment renaissance zone. A redevelopment renaissance zone  
18 shall promote the redevelopment of existing industrial facilities  
19 or the development of property for industrial purposes. The board  
20 of the Michigan strategic fund may designate not more than 1 of the  
21 ~~17-18~~ additional renaissance zones described in this subsection as  
22 a pharmaceutical recovery renaissance zone. A pharmaceutical  
23 recovery renaissance zone shall promote the development or  
24 redevelopment of existing underutilized facilities currently  
25 occupied or formerly occupied by a pharmaceutical company. Before  
26 designating a renaissance zone under this subsection, the board of  
27 the Michigan strategic fund may enter into a development agreement

1 with the city, township, or village in which the renaissance zone  
2 will be located and the owner or developer of the facility or  
3 property located in the renaissance zone. The development agreement  
4 for a redevelopment renaissance zone described only in subsection  
5 (6)(b)(vi) or (vii) may provide for the payment of 1 or more of the  
6 taxes described in section 9. **THE BOARD OF THE MICHIGAN STRATEGIC**  
7 **FUND MAY DESIGNATE NOT MORE THAN 1 OF THE 18 ADDITIONAL RENAISSANCE**  
8 **ZONES DESCRIBED IN THIS SUBSECTION AS A RENAISSANCE ZONE FOR OIL**  
9 **PRODUCTION AND TRANSMISSION FACILITIES.**

10 (3) In addition to the not more than 9 additional renaissance  
11 zones described in subsection (1), the board may designate  
12 additional renaissance zones within this state in 1 or more  
13 qualified local governmental units if that qualified local  
14 governmental unit or units contain a military installation that was  
15 operated by the United States department of defense and was closed  
16 in 1977 or after 1990.

17 (4) Land owned by a county or the qualified local governmental  
18 unit or units adjacent to a zone as described in subsection (3) may  
19 be included in this zone.

20 (5) Notwithstanding any other provision of this act, property  
21 located in the alternative energy zone that is classified as  
22 commercial real property under section 34c of the general property  
23 tax act, 1893 PA 206, MCL 211.34c, and that the authority, with the  
24 concurrence of the assessor of the local tax collecting unit,  
25 determines is not used to directly promote and increase the  
26 research, development, testing, and manufacturing of alternative  
27 energy technology, alternative energy systems, and alternative

1 energy vehicles as those terms are defined in the Michigan next  
2 energy authority act, 2002 PA 593, MCL 207.821 to 207.827, is not  
3 eligible for any exemption, deduction, or credit under section 9.

4 (6) As used in this section:

5 (a) "Pharmaceutical recovery renaissance zone" means a  
6 renaissance zone that includes a geographic area that is located in  
7 1 or both of the following:

8 (i) In a city with a population of more than 70,000 and less  
9 than 85,000 and in a county with a population of more than 235,000  
10 and less than 250,000.

11 (ii) In a city with a population of more than 42,000 and less  
12 than 55,000 and in a county with a population of more than 235,000  
13 and less than 250,000.

14 (b) "Redevelopment renaissance zone" means a renaissance zone  
15 that meets 1 of the following:

16 (i) All of the following:

17 (A) Is located in a city with a population of more than 7,500  
18 and less than 8,500 and is located in a county with a population of  
19 more than 60,000 and less than 70,000.

20 (B) Contains only all or a portion of an industrial site of  
21 200 or more acres.

22 (ii) All of the following:

23 (A) Is located in a city with a population of more than 13,000  
24 and less than 14,000 and is located in a county with a population  
25 of more than 1,000,000 and less than 1,300,000.

26 (B) Contains only all or a portion of an industrial site of  
27 300 or more contiguous acres.

1 (iii) All of the following:

2 (A) Is located in a township with a population of more than  
3 5,500 and is located in a county with a population of less than  
4 24,000.

5 (B) Contains only all or a portion of an industrial site of  
6 more than 850 acres and has railroad access.

7 (iv) All of the following:

8 (A) Is located in a city with a population of more than 40,000  
9 and less than 44,000 and is located in a county with a population  
10 of more than 81,000 and less than 87,000.

11 (B) Contains only all or a portion of an industrial site of  
12 more than 475 acres.

13 (v) All of the following:

14 (A) Is located in a city with a population of more than 21,000  
15 and less than 26,000 and is located in a county with a population  
16 of more than 573,000 and less than 625,000.

17 (B) Contains only all or a portion of an industrial site of  
18 less than 45 acres in size.

19 (vi) All of the following:

20 (A) Is located in a city with a population of more than  
21 190,000 and less than 250,000 and is located in a county with a  
22 population of more than 573,000 and less than 625,000.

23 (B) Contains only all or a portion of an industrial site of  
24 more than 14 acres and less than 16 acres in size.

25 (C) Is approved by the board of the Michigan strategic fund on  
26 or before April 1, 2007.

27 (vii) All of the following:



1 (A) Is located in a city with a population of more than 35,500  
2 and less than 36,800 and is located in a county with a population  
3 of more than 157,000 and less than 162,000.

4 (B) Contains only all or a portion of an industrial site  
5 comprised of 1 or more adjacent parcels totaling 5 or more acres.

6 (C) Is approved by the board of the Michigan strategic fund on  
7 or before April 1, 2007.

8 (viii) All of the following:

9 (A) Is located in a city with a population of more than 40,000  
10 and less than 44,000 and is located in a county with a population  
11 of more than 81,000 and less than 87,000.

12 (B) Contains only all or a portion of an industrial site  
13 composed of 1 or more adjacent parcels totaling 100 or more acres.

14 (C) Is approved by the board of the Michigan strategic fund on  
15 or before April 1, 2008.