

**SUBSTITUTE FOR
SENATE BILL NO. 1122**

A bill to amend 1996 PA 376, entitled
"Michigan renaissance zone act,"
by amending section 8a (MCL 125.2688a), as amended by 2006 PA 476.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

11 (2) The board of the Michigan strategic fund described in

1 section 4 of the Michigan strategic fund act, 1984 PA 270, MCL
2 125.2004, may designate not more than ~~13-18~~ additional renaissance
3 zones within this state in 1 or more cities, villages, or townships
4 if that city, village, or township or combination of cities,
5 villages, or townships consents to the creation of a renaissance
6 zone within their boundaries. The board of the Michigan strategic
7 fund may designate not more than ~~1-6~~ of the ~~13-18~~ additional
8 renaissance zones described in this subsection as an alternative
9 energy zone. An alternative energy zone shall promote and increase
10 the research, development, testing, and manufacturing of
11 alternative energy technology, alternative energy systems, and
12 alternative energy vehicles, as those terms are defined in the
13 Michigan next energy authority act, 2002 PA 593, MCL 207.821 to
14 207.827. An alternative energy zone shall have a duration of
15 renaissance zone status for a period not to exceed 20 years as
16 determined by the board of the Michigan strategic fund. **NOT FEWER**
17 **THAN 5 OF THE ALTERNATIVE ENERGY ZONES SHALL FOCUS PRIMARILY ON THE**
18 **PRODUCTION OF CELLUOSIC BIOFUELS.** Not later than April 16, 2004,
19 the board of the Michigan strategic fund may designate not more
20 than 1 of the ~~13-18~~ additional renaissance zones described in this
21 subsection as a pharmaceutical renaissance zone. A pharmaceutical
22 renaissance zone shall promote and increase the research,
23 development, and manufacturing of pharmaceutical products of an
24 eligible pharmaceutical company. The board of the Michigan
25 strategic fund may designate not more than 8 of the additional ~~13~~
26 **18** renaissance zones described in this subsection as a
27 redevelopment renaissance zone. A redevelopment renaissance zone

1 shall promote the redevelopment of existing industrial facilities
2 or the development of property for industrial purposes. Before
3 designating a renaissance zone under this subsection, the board of
4 the Michigan strategic fund may enter into a development agreement
5 with the city, township, or village in which the renaissance zone
6 will be located and the owner or developer of the facility or
7 property located in the renaissance zone. The development agreement
8 for a redevelopment renaissance zone described only in subsection
9 (6)(b)(vi) or (vii) may provide for the payment of 1 or more of the
10 taxes described in section 9.

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

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

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

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

5 (6) As used in this section:

6 (a) "Eligible pharmaceutical company" means a company that
7 meets all of the following criteria:

8 (i) Is engaged primarily in manufacturing, research and
9 development, and sale of pharmaceuticals.

10 (ii) Has not less than 8,499 employees located in this state,
11 all of whom are located within a 100-mile radius of each other.

12 (iii) Of the total number of employees located in this state,
13 has not less than 4,800 engaged primarily in research and
14 development of pharmaceuticals.

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

17 (i) All of the following:

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

21 (B) Contains only all or a portion of an industrial site of
22 200 or more acres.

23 (ii) All of the following:

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

27 (B) Contains only all or a portion of an industrial site of

1 300 or more contiguous acres.

2 (iii) All of the following:

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

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

8 (iv) 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 of
13 more than 475 acres.

14 (v) All of the following:

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

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

20 (vi) All of the following:

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

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

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

1 (vii) All of the following:

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

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

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

9 (viii) All of the following:

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

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

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