

**SUBSTITUTE FOR  
HOUSE BILL NO. 5096**

A bill to amend 1996 PA 376, entitled  
"Michigan renaissance zone act,"  
by amending sections 3, 4, 6, 8a, and 12 (MCL 125.2683, 125.2684,  
125.2686, 125.2688a, and 125.2692), sections 3 and 8a as amended by  
2010 PA 277, section 4 as amended by 2014 PA 27, section 6 as  
amended by 2016 PA 118, and section 12 as amended by 2010 PA 83.

**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



1 goods for nonfood use, and surrounding property.

2 (b) "Board" means the state administrative board created in  
3 1921 PA 2, MCL 17.1 to 17.3.

4 (c) **"Board of the Michigan strategic fund" means the board of**  
5 **directors of the Michigan strategic fund.**

6 (d) ~~(e)~~—"Border crossing facility" means a business that is 1  
7 or more of the following as determined by the board of the Michigan  
8 strategic fund:

9 (i) That was located in a qualified border local governmental  
10 unit as defined in section 8g and was displaced or otherwise  
11 negatively affected by the development of the international border  
12 crossing and is unable to recover from the displacement or negative  
13 effect without the establishment of a renaissance zone.

14 (ii) That is associated with international trade, shipping, or  
15 freight hauling, including, but not limited to, all of the  
16 following:

- 17 (A) Customs brokers.
- 18 (B) Distribution centers.
- 19 (C) Truck supply and repair.

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

22 (i) A map of the proposed renaissance zone that indicates the  
23 geographic boundaries, the total area, and the present use and  
24 conditions generally of the land and structures within those  
25 boundaries.

26 (ii) Evidence of community support and commitment from  
27 residential and business interests.

28 (iii) A description of the methods proposed to increase economic  
29 opportunity and expansion, facilitate infrastructure improvement,



1 and identify job training opportunities.

2 (iv) Current social, economic, and demographic characteristics  
3 of the proposed renaissance zone and anticipated improvements in  
4 education, health, human services, public safety, and employment if  
5 the renaissance zone is created.

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

7 (f) ~~(e)~~—"Elected county executive" means the elected county  
8 executive in a county organized under 1966 PA 293, MCL 45.501 to  
9 45.521, or 1973 PA 139, MCL 45.551 to 45.573.

10 (g) ~~(f)~~—"Eligible next Michigan business" means ~~a~~**any of the**  
11 **following:**

12 (i) **A** business engaged in the shipment of tangible personal  
13 property via multimodal commerce. ~~+~~~~a~~

14 (ii) **A** supply chain business providing a majority of its  
15 services to businesses engaged in the shipment of tangible personal  
16 property, including inventory, via multimodal commerce. ~~+~~~~a~~

17 (iii) **A** manufacturing or assembly facility receiving a majority  
18 of its production components via multimodal commerce. ~~+~~~~a~~

19 (iv) **A** manufacturing or assembly facility shipping a majority  
20 of products via multimodal commerce. ~~+~~~~or~~~~a~~

21 (v) **A** light manufacturing or assembly facility that packages,  
22 kits, labels, or customizes products and ships those products via  
23 multimodal commerce.

24 (h) ~~(g)~~—"Forest products processing facility" means 1 or more  
25 facilities or operations that transform, package, sort, recycle, or  
26 grade forest or paper products into goods that are used for  
27 intermediate or final use or consumption or for the creation of  
28 biomass or alternative fuels through the utilization of forest  
29 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 (i) ~~(h)~~—"Local governmental unit" means a county, city,  
 7 village, township, or, for taxes levied after 2009, any other  
 8 taxing jurisdiction that levies an ad valorem property tax.

9 (j) **"Michigan strategic fund" means the Michigan strategic**  
 10 **fund created under the Michigan strategic fund act, 1984 PA 270,**  
 11 **MCL 125.2001 to 125.2094.**

12 (k) ~~(i)~~—"Multimodal commerce" means the movement of products  
 13 or services via 2 or more of the following:

- 14 (i) Air.
- 15 (ii) Road.
- 16 (iii) Rail.
- 17 (iv) Water.

18 (l) ~~(j)~~—"Next Michigan development corporation" means that term  
 19 as defined in section 3 of the next Michigan development act, **2010**  
 20 **PA 275, MCL 125.2953.**

21 (m) ~~(k)~~—"Next Michigan development district" means that term  
 22 as defined in section 3 of the next Michigan development act, **2010**  
 23 **PA 275, MCL 125.2953.**

24 (n) ~~(l)~~—"Next Michigan renaissance zone" means a renaissance  
 25 zone created under section 8h.

26 (o) ~~(m)~~—"Person" means an individual, partnership,  
 27 corporation, association, limited liability company, governmental  
 28 entity, or other legal entity.

29 (p) ~~(n)~~—"Qualified eligible next Michigan business" means an



1 eligible next Michigan business that has been certified in  
2 accordance with section 8h.

3       **(q)** ~~(o)~~—"Qualified local governmental unit" means either of  
4 the following:

5       *(i)* A county.

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

9       **(r)** ~~(p)~~—"Recovery zone" means a tool and die renaissance  
10 recovery zone created in section 8d.

11       **(s)** ~~(q)~~—"Renaissance zone" means a geographic area designated  
12 under this act.

13       **(t)** ~~(r)~~—"Renewable energy facility" means a facility that  
14 creates energy, fuels, or chemicals directly from the wind, the  
15 sun, trees, grasses, biosolids, algae, agricultural commodities,  
16 processed products from agricultural commodities, or residues from  
17 agricultural processes, wood or forest processes, food production  
18 and processing, or the paper products industry. Renewable energy  
19 facility also includes a facility that creates energy, fuels, or  
20 chemicals from solid biomass, animal wastes, or landfill gases.  
21 Renewable energy facility also includes a facility that focuses on  
22 research, development, or manufacturing of systems or components of  
23 systems used to create energy, fuel, or chemicals from the items  
24 described in this subdivision. Renewable energy facility also  
25 includes a facility that focuses on research, development, or  
26 manufacturing of systems or components of systems that involve the  
27 conversion of chemical energy for advanced battery technology.

28       **(u)** ~~(s)~~—"Residential rental property" means that term as  
29 defined in section 7ff of the general property tax act, 1893 PA



1 206, MCL 211.7ff.

2 (v) ~~(t)~~ "Review board" means the renaissance zone review board  
3 created in section 5.

4 (w) ~~(u)~~ "Rural area" means an area that lies outside of the  
5 boundaries of an urban area.

6 (x) ~~(v)~~ "Urban area" means an urbanized area as determined by  
7 the ~~economics~~ **Economics** and ~~statistics~~ **Administration, Statistics**  
8 **Administration**, United States bureau ~~Bureau~~ of the ~~census~~ **Census**  
9 according to the 1990 census.

10 Sec. 4. (1) One or more qualified local governmental units may  
11 apply to the review board to designate the qualified local  
12 governmental unit or units as a renaissance zone if all of the  
13 following criteria are met:

14 (a) The geographic area of the proposed renaissance zone is  
15 located within the boundaries of the qualified local governmental  
16 unit or units that apply.

17 (b) The application includes a development plan.

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

20 (d) The renaissance zone does not contain more than 10  
21 distinct geographic areas **and, ~~Except~~ **except**** as otherwise  
22 provided in this subdivision, the minimum size of a distinct  
23 geographic area is not less than 5 acres. A qualified local  
24 governmental unit or units may designate not more than 8 distinct  
25 geographic areas in each renaissance zone to have no minimum size  
26 requirement.

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



1 (f) If the qualified local governmental unit has an elected  
2 county executive, the county ~~executive's written approval of~~  
3 **executive has approved** the application **in writing**.

4 (g) If the qualified local governmental unit is a city, that  
5 city's ~~mayer's written approval of~~ **mayor has approved** the  
6 application **in writing**.

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

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

15 (4) Beginning December 1, 2006 through December 31, 2011, a  
16 qualified local governmental unit or units in which a renaissance  
17 zone was designated under section 8 or 8a(1) or (3) may designate  
18 additional distinct geographic areas not to exceed a total of 10  
19 distinct geographic areas ~~upon~~ **on** application to and approval by  
20 the board of the Michigan strategic fund if the distinct geographic  
21 area is located in an eligible distressed area ~~as defined in~~  
22 ~~section 11 of the state housing development authority act of 1966,~~  
23 ~~1966 PA 346, MCL 125.1411,~~ or is contiguous to an eligible  
24 distressed area, and if the additional distinct geographic area  
25 will increase capital investment or job creation. The duration of  
26 renaissance zone status for the additional distinct geographic  
27 areas ~~shall~~ **must** not exceed 15 years. **As used in this subsection,**  
28 **"eligible distressed area" means that term as defined in section 11**  
29 **of the state housing development authority act of 1966, 1966 PA**



1 346, MCL 125.1411.

2 (5) Beginning October 1, 2023, any remaining renaissance zones  
 3 that have not been designated by September 30, 2023 that are  
 4 eligible under section 8e, 8f, or 8g may be designated by the board  
 5 of the Michigan strategic fund under section 8a(2). In designating  
 6 a renaissance zone described in this subsection, the board of the  
 7 Michigan strategic fund shall consider the same criteria that the  
 8 board would consider when designating a renaissance zone under  
 9 section 8e, 8f, or 8g, as applicable. The board of the Michigan  
 10 strategic fund may revoke the designation of all or a portion of a  
 11 renaissance zone described in this subsection for the same reasons  
 12 that the board may revoke the designation of all or a portion of a  
 13 renaissance zone under section 8e, 8f, or 8g, as applicable.

14 (6) ~~(5)~~ Through December 31, 2002, if a qualified local  
 15 governmental unit or units designate additional distinct geographic  
 16 areas in a renaissance zone under subsection (4), the qualified  
 17 local governmental unit or units may extend the duration of the  
 18 renaissance zone status of 1 or more distinct geographic areas in  
 19 that renaissance zone until 2017 ~~upon~~ **on** application to and  
 20 approval by the board.

21 (7) ~~(6)~~ Through December 31, 2002, **Beginning October 1, 2023,**  
 22 a qualified local governmental unit or units in which a renaissance  
 23 zone was designated under section 8 or ~~8a~~ **8a(2)** may, ~~upon~~ **on**  
 24 application to and approval by the board **of the Michigan strategic**  
 25 **fund,** seek to extend the duration of renaissance zone status. ~~until~~  
 26 2017. ~~Upon~~ **On** application, the board **of the Michigan strategic fund**  
 27 may extend the duration of renaissance zone status.

28 (8) ~~(7)~~ Through December 31, 2011, a qualified local  
 29 governmental unit or units in which a renaissance zone was





1 designated under section 8 or 8a(1) or (3) may, ~~upon~~**on** application  
2 to and approval by the board of the Michigan strategic fund, seek  
3 to extend the duration of renaissance zone status for 1 or more  
4 portions of the renaissance zone if that zone or portion of a zone  
5 is in existence as of March 15, 2008, if the extension will  
6 increase capital investment or job creation, and **if** the county in  
7 which the portion or portions of the renaissance zone are located  
8 consents to extend the duration of renaissance zone status. The  
9 board of the Michigan strategic fund may extend renaissance zone  
10 status for 1 or more portions of the renaissance zone under this  
11 subsection for a period of time not to exceed 15 years from the  
12 date of the application to the board of the Michigan strategic fund  
13 under this subsection. However, beginning on April 29, 2008, if the  
14 board of the Michigan strategic fund extends the duration of 1 or  
15 more portions of a renaissance zone under this subsection, the  
16 board of the Michigan strategic fund may revoke that extension if  
17 the board determines that increased capital investment or job  
18 creation will not begin within 1 year of the granting of the  
19 extension or otherwise violates the terms of the written  
20 development agreement between the owner of the real property and  
21 the board of the Michigan strategic fund. Only the qualified local  
22 governmental unit that is requesting the extension of time may  
23 submit the application. If the board of the Michigan strategic fund  
24 extends the duration of 1 or more portions of a renaissance zone,  
25 the board of the Michigan strategic fund shall enter into a written  
26 development agreement with the owner of all real property located  
27 within the boundaries of the portions of the renaissance zone whose  
28 duration has been extended. The written development agreement ~~shall~~  
29 **must** include, but is not limited to, all of the following:



- 1 (a) The duration of the extension.  
 2 (b) The conditions under which the extension is granted.  
 3 (c) The amount of capital investment.  
 4 (d) The number of jobs to be created.  
 5 (e) Any other conditions or requirements reasonably required  
 6 by the board of the Michigan strategic fund.

7 (9) ~~(8)~~—If a qualified local governmental unit in which a  
 8 renaissance zone was designated under section 8 received approval  
 9 by the Michigan strategic fund to extend the duration of  
 10 renaissance zone status under subsection ~~(7)~~ **(8)** for a period of 7  
 11 years and that renaissance zone is located in a county with a  
 12 population of more than 190,000 and less than 240,000 according to  
 13 the most recent **federal** decennial census, that qualified local  
 14 governmental unit may ~~resubmit an application~~ **reapply** to the  
 15 Michigan strategic fund before June 30, 2014 to extend the duration  
 16 of renaissance zone status for an additional 8 years, not to exceed  
 17 15 years' total extension. The Michigan strategic fund may grant  
 18 the extension if the extension ~~shall~~ **will** increase capital  
 19 investment or job creation in this state and the owner and project  
 20 developer are in compliance with the written agreement described in  
 21 subsection ~~(7)~~ **(8)**.

22 Sec. 6. (1) The board shall review all recommendations  
 23 submitted by the review board and determine which applications meet  
 24 the criteria contained in section 7.

25 (2) The board shall do all of the following:

- 26 (a) Designate renaissance zones.  
 27 (b) Subject to subsection (3), approve or reject the duration  
 28 of renaissance zone status.  
 29 (c) Subject to subsection (3), approve or reject the



1 geographic boundaries and the total area of the renaissance zone as  
2 submitted in the application.

3 (3) The board shall not alter the geographic boundaries of the  
4 renaissance zone or the duration of renaissance zone status  
5 described in the application unless ~~the~~**each** qualified local  
6 governmental unit ~~or units~~ and ~~the~~**each** local governmental unit ~~or~~  
7 ~~units~~ in which the renaissance zone is to be located consent by  
8 resolution to the alteration.

9 (4) The board shall not designate a renaissance zone under  
10 section 8 before November 1, 1996 or after December 31, 1996.

11 (5) Except as otherwise provided in this subsection, the  
12 designation of a renaissance zone under this act ~~shall take~~**takes**  
13 effect on January 1 in the year following designation. However, for  
14 purposes of the taxes exempted under section 9(2), the designation  
15 of a renaissance zone under this act ~~shall take~~**takes** effect on  
16 December 31 in the year of designation. For designations made  
17 ~~pursuant to~~**under** section 8a(2), the board of the Michigan  
18 strategic fund may choose a beginning date, ~~provided that the~~**which**  
19 date must be January 1 of a year and, **for those designations**  
20 **approved on or before September 30, 2023**, must not be more than 5  
21 years after the date of designation. **If the board of the Michigan**  
22 **strategic fund rescinds a designation made under section 8a(2) on**  
23 **or after October 1, 2023, before choosing a beginning date, the**  
24 **renaissance zone may be redesignated under section 8a(2).** The board  
25 of the Michigan strategic fund may provide that the January 1  
26 beginning date be determined under a written agreement between the  
27 board of the Michigan strategic fund and the qualified local  
28 governmental unit in which the renaissance zone is to be located.  
29 However, for purposes of the taxes exempted under section 9(2), the



1 designation of a renaissance zone under section 8a(2) ~~shall take~~  
 2 **takes** effect on December 31 in the year immediately preceding the  
 3 year in which the designation under section 8a(2) takes effect.

4 (6) The board shall not designate a renaissance zone under  
 5 section 8a after December 31, 2002.

6 (7) Through December 31, 2002, a qualified local governmental  
 7 unit in which a renaissance zone was designated under section 8 or  
 8 8a may modify the boundaries of that renaissance zone to include  
 9 contiguous parcels of property as determined by the qualified local  
 10 governmental unit and approval by the review board. The additional  
 11 contiguous parcels of property included in a renaissance zone under  
 12 this subsection do not constitute an additional distinct geographic  
 13 area under section 4(1)(d). If the boundaries of the renaissance  
 14 zone are modified as provided in this subsection, the additional  
 15 contiguous parcels of property ~~shall become~~ **becomes** part of the  
 16 original renaissance zone on the same terms and conditions as the  
 17 original designation of that renaissance zone.

18 (8) Notwithstanding any other provisions of this act, before  
 19 July 1, 2004, a qualified local governmental unit in which a  
 20 renaissance zone was designated under section 8a(1) as a  
 21 renaissance zone located in a rural area may modify the boundaries  
 22 of that renaissance zone to include a contiguous parcel of property  
 23 as determined by the qualified local governmental unit. The  
 24 contiguous parcel of property shall only include property that is  
 25 less than .5 acres in size and that the qualified local  
 26 governmental unit previously sought to have included in the zone by  
 27 submitting an application in February 2002 that was not acted ~~upon~~  
 28 **on** by the review board. The additional contiguous parcel of  
 29 property included in a renaissance zone under this subsection does



1 not constitute an additional distinct geographic area under section  
2 4(1)(d). If the boundaries of the renaissance zone are modified as  
3 provided in this subsection, the additional contiguous parcel of  
4 property ~~shall become~~ **becomes** part of the original renaissance zone  
5 on the same terms and conditions as the rest of the property in  
6 that renaissance zone.

7 (9) A business that is located and conducts business activity  
8 within a renaissance zone designated under this act, except as  
9 designated under section 8a(2), shall not make a payment in lieu of  
10 taxes to any taxing jurisdiction within the qualified local  
11 governmental unit in which the renaissance zone is located.

12 (10) Notwithstanding any other provisions of this act, before  
13 July 1, 2006, a qualified local governmental unit in which a  
14 renaissance zone of less than 50 contiguous acres but more than 20  
15 contiguous acres was designated under section 8 or 8a as a  
16 renaissance zone in a city located in a county with a population of  
17 more than 160,000 and less than 170,000 may modify the boundaries  
18 of that renaissance zone to include a contiguous parcel of property  
19 as determined by the qualified local governmental unit. The  
20 contiguous parcel of property ~~shall~~ **must** only include property that  
21 is less than 12 acres in size. The additional contiguous parcel of  
22 property included in a renaissance zone under this subsection does  
23 not constitute an additional distinct geographic area under section  
24 4(1)(d). If the boundaries of the renaissance zone are modified as  
25 provided in this subsection, the additional contiguous parcel of  
26 property ~~shall become~~ **becomes** part of the original renaissance zone  
27 on the same terms and conditions as the rest of the property in  
28 that renaissance zone.

29 (11) Notwithstanding any other provisions of this act, before



1 July 1, 2006, a qualified local governmental unit in which a  
2 renaissance zone of more than 500 acres was designated under  
3 section 8 or 8a as a renaissance zone in a county with a population  
4 of more than 61,000 and less than 64,000 may modify the boundaries  
5 of that renaissance zone to include a contiguous parcel of property  
6 as determined by the qualified local governmental unit. The  
7 contiguous parcel of property ~~shall~~**must** only include property that  
8 is less than 12 acres in size. The additional contiguous parcel of  
9 property included in a renaissance zone under this subsection does  
10 not constitute an additional distinct geographic area under section  
11 4(1)(d). If the boundaries of the renaissance zone are modified as  
12 provided in this subsection, the additional contiguous parcel of  
13 property ~~shall become~~**becomes** part of the original renaissance zone  
14 on the same terms and conditions as the rest of the property in  
15 that renaissance zone.

16 (12) Notwithstanding any other provisions of this act, before  
17 July 1, 2006, a qualified local governmental unit in which a  
18 renaissance zone of more than 137 acres was designated under  
19 section 8 or 8a as a renaissance zone in a county with a population  
20 of more than 61,000 and less than 63,000 may modify the boundaries  
21 of that renaissance zone to include a parcel of property that is  
22 separated from the existing renaissance zone by a roadway as  
23 determined by the qualified local governmental unit. The parcel of  
24 property ~~shall~~**must** only include property that is less than 67  
25 acres in size. The additional contiguous parcel of property  
26 included in a renaissance zone under this subsection does not  
27 constitute an additional distinct geographic area under section  
28 4(1)(d). If the boundaries of the renaissance zone are modified as  
29 provided in this subsection, the additional contiguous parcel of



1 property ~~shall become~~ **becomes** part of the original renaissance zone  
 2 on the same terms and conditions as the rest of the property in  
 3 that renaissance zone.

4 **(13) The board of the Michigan strategic fund may delegate any**  
 5 **actions under the act to authorized employees, officers, and agents**  
 6 **of the fund, which may include employees of the MEDC. As used in**  
 7 **this subsection, "MEDC" means that term as defined in section 4 of**  
 8 **the Michigan strategic fund act, 1984 PA 270, MCL 125.2004.**

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

19 (2) The board of the Michigan strategic fund ~~described in~~  
 20 ~~section 4 of the Michigan strategic fund act, 1984 PA 270, MCL~~  
 21 ~~125.2004,~~ may designate not more than 27 additional renaissance  
 22 zones **and any renaissance zones that are eligible under section**  
 23 **4(5)** within this state in 1 or more cities, villages, or townships  
 24 if that city, village, or township or combination of cities,  
 25 villages, or townships consents to the creation of a renaissance  
 26 zone within their boundaries. The board of the Michigan strategic  
 27 fund may designate not more than 1 of the 27 additional renaissance  
 28 zones described in this subsection as an alternative energy zone.  
 29 An alternative energy zone ~~shall~~ **must** promote and increase the



1 research, development, testing, and manufacturing of alternative  
 2 energy technology, alternative energy systems, and alternative  
 3 energy vehicles, as those terms are defined in the Michigan next  
 4 energy authority act, 2002 PA 593, MCL 207.821 to 207.827. An  
 5 alternative energy zone ~~shall have~~ **has** a duration of renaissance  
 6 zone status for a period not to exceed 20 years as determined by  
 7 the board of the Michigan strategic fund. The board of the Michigan  
 8 strategic fund may designate not more than 8 of the additional 27  
 9 renaissance zones described in this subsection as a redevelopment  
 10 renaissance zone. A redevelopment renaissance zone ~~shall~~ **must**  
 11 promote the redevelopment of existing industrial facilities or the  
 12 development of property for industrial purposes. The board of the  
 13 Michigan strategic fund may designate not more than 1 of the 27  
 14 additional renaissance zones described in this subsection as a  
 15 pharmaceutical recovery renaissance zone. A pharmaceutical recovery  
 16 renaissance zone ~~shall~~ **must** promote the development or  
 17 redevelopment of existing underutilized facilities currently  
 18 occupied or formerly occupied by a pharmaceutical company. Before  
 19 designating a renaissance zone under this subsection, the board of  
 20 the Michigan strategic fund may enter into a development agreement  
 21 with the city, township, or village in which the renaissance zone  
 22 will be located and the owner or developer of the facility or  
 23 property located in the renaissance zone. The development agreement  
 24 for a redevelopment renaissance zone described only in subsection  
 25 (6) (b) (vi) or (vii) may provide for the payment of 1 or more of the  
 26 taxes described in section 9. Not fewer than 3 of the 10 additional  
 27 renaissance zones created under this subsection on or after  
 28 December 1, 2010 ~~shall~~ **must** be located in rural areas. Until the  
 29 maximum number of qualified eligible next Michigan businesses are





1 certified under section 8h(10), the board shall not designate an  
2 additional renaissance zone under this subsection if that  
3 additional renaissance zone would include a business that is an  
4 eligible next Michigan business that is eligible to be certified as  
5 a qualified eligible next Michigan business under this act.

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

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

16 (5) Notwithstanding any other provision of this act, property  
17 located in the alternative energy zone that is classified as  
18 commercial real property under section 34c of the general property  
19 tax act, 1893 PA 206, MCL 211.34c, and that the authority, with the  
20 concurrence of the assessor of the local tax collecting unit,  
21 determines is not used to directly promote and increase the  
22 research, development, testing, and manufacturing of alternative  
23 energy technology, alternative energy systems, and alternative  
24 energy vehicles as those terms are defined in the Michigan next  
25 energy authority act, 2002 PA 593, MCL 207.821 to 207.827, is not  
26 eligible for any exemption, deduction, or credit under section 9.

27 (6) As used in this section:

28 (a) "Pharmaceutical recovery renaissance zone" means a  
29 renaissance zone that includes a geographic area that is located in



1 1 or both of the following:

2 (i) In a city with a population of more than 70,000 and less  
3 than 85,000 and in a county with a population of more than 235,000  
4 and less than 250,000.

5 (ii) In a city with a population of more than 42,000 and less  
6 than 55,000 and in a county with a population of more than 235,000  
7 and less than 250,000.

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

10 (i) All of the following:

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

14 (B) Contains only all or a portion of an industrial site of  
15 200 or more acres.

16 (ii) All of the following:

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

20 (B) Contains only all or a portion of an industrial site of  
21 300 or more contiguous acres.

22 (iii) All of the following:

23 (A) Is located in a township with a population of more than  
24 5,500 and is located in a county with a population of less than  
25 24,000.

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

28 (iv) All of the following:

29 (A) Is located in a city with a population of more than 40,000



1 and less than 44,000 and is located in a county with a population  
2 of more than 81,000 and less than 87,000.

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

5 (v) All of the following:

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

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

11 (vi) All of the following:

12 (A) Is located in a city with a population of more than  
13 190,000 and less than 250,000 and is located in a county with a  
14 population of more than 573,000 and less than 625,000.

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

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

19 (vii) All of the following:

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

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

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

27 (viii) All of the following:

28 (A) Is located in a city with a population of more than 40,000  
29 and less than 44,000 and is located in a county with a population



1 of more than 81,000 and less than 87,000.

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

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

6 Sec. 12. (1) Except as otherwise provided in subsection (6),  
7 this state shall reimburse intermediate school districts each year  
8 for all tax revenue lost as the result of the exemption of property  
9 under this act, based on the property's taxable value in that year,  
10 from taxes levied under section 625a of the revised school code,  
11 1976 PA 451, MCL 380.625a, ~~;~~from taxes levied for area vocational-  
12 technical program operating purposes under section 681 of the  
13 revised school code, 1976 PA 451, MCL 380.681, ~~;~~and from taxes  
14 levied for special education operating purposes under section 1724a  
15 of the revised school code, 1976 PA 451, MCL 380.1724a.

16 (2) Except as otherwise provided in subsection (6), this state  
17 shall reimburse local school districts each year for all tax  
18 revenue lost as the result of the exemption of property under this  
19 act, **based on the property's taxable value in that year**, from taxes  
20 levied under section 1211 of the revised school code, 1976 PA 451,  
21 MCL 380.1211, ~~based on the property's taxable value in that~~  
22 ~~year~~ **and from taxes levied under section 2 of 1917 PA 156, MCL**  
23 **123.52.**

24 (3) Except as otherwise provided in subsection (6), this state  
25 shall reimburse a community college district and a public library  
26 each year for all tax revenue lost as a result of the exemption of  
27 property under this act, based on the property's taxable value in  
28 that year, from taxes levied or collected under the general  
29 property tax act, 1893 PA 206, MCL 211.1 to 211.155.



1           (4) ~~Intermediate school districts, community college~~  
 2 ~~districts, and public libraries eligible for reimbursement under~~  
 3 ~~subsections (1) and (3) shall report to and on a date determined by~~  
 4 ~~the department of treasury all revenue lost for which reimbursement~~  
 5 ~~under subsections (1) and (3) is claimed. A local school district~~  
 6 ~~eligible for reimbursement under subsection (2) shall report each~~  
 7 ~~year on a date determined by the department of treasury all revenue~~  
 8 ~~lost for which reimbursement under subsection (2) is claimed.~~**The**  
 9 **assessor of the local tax collecting unit with property exempt**  
 10 **under this act must report the property's taxable value in that**  
 11 **year and the immediately preceding year, in a form and manner**  
 12 **prescribed by the department of treasury. The department of**  
 13 **treasury shall calculate the tax revenue lost as a result of the**  
 14 **exemption of property under this act, based on the property's**  
 15 **taxable value.**

16           (5) Except as otherwise provided in subsection (6), this state  
 17 shall reimburse the school aid fund for all revenues lost as the  
 18 result of the establishment of renaissance zones. Foundation  
 19 allowances calculated under section 20 of the state school aid act  
 20 of 1979, 1979 PA 94, MCL 388.1620, shall not be reduced as a result  
 21 of lost revenues arising from this act.

22           (6) The reimbursements described in this section are subject  
 23 to an appropriation as provided by law. ~~For fiscal year 2009-2010~~  
 24 ~~only, if~~**If** the amount appropriated is less than the amount  
 25 required for payments to all entities described in this section,  
 26 payments ~~shall~~**must** be prorated.

