

**PLANT REHABILITATION AND INDUSTRIAL DEVELOPMENT DISTRICTS (EXCERPT)**  
**Act 198 of 1974**

**207.553 Additional definitions.**

Sec. 3.

(1) "Plant rehabilitation district" means an area of a local governmental unit established as provided in section 4.  
(2) "Industrial development district" means an area established by a local governmental unit as provided in section 4.

(3) "Industrial facility tax" means the specific tax levied under this act.

(4) "Industrial facilities exemption certificate" means a certificate issued pursuant to sections 5, 6, and 7.

(5) "Replacement" means the complete or partial demolition of obsolete industrial property and the complete or partial reconstruction or installation of new property of similar utility.

(6) "Restoration" means changes to obsolete industrial property other than replacement as may be required to restore the property, together with all appurtenances to the property, to an economically efficient functional condition. Restoration does not include delayed maintenance or the substitution or addition of tangible personal property without major renovation of the industrial property. A program involving expenditures for changes to the industrial property improvements aggregating less than 10% of the true cash value at commencement of the restoration of the industrial property improvements is delayed maintenance. Restoration includes major renovation including but not necessarily limited to the improvement of floor loads, correction of deficient or excessive height, new or improved building equipment, including heating, ventilation, and lighting, reducing multistory facilities to 1 or 2 stories, improved structural support including foundations, improved roof structure and cover, floor replacement, improved wall placement, improved exterior and interior appearance of buildings, improvements or modifications of machinery and equipment to improve efficiency, decrease operating costs, or to increase productive capacity, and other physical changes as may be required to restore the industrial property to an economically efficient functional condition, and shall include land and building improvements and other tangible personal property incident to the improvements.

(7) "State equalized valuation" means the valuation determined under 1911 PA 44, MCL 209.1 to 209.8.

(8) "Speculative building" means a building that meets 1 of the following criteria and the machinery, equipment, furniture, and fixtures located in the building:

(a) A new building that meets all of the following:

(i) The building is owned by, or approved as a speculative building by resolution of, a local governmental unit in which the building is located or the building is owned by a development organization and located in the district of the development organization.

(ii) The building is constructed for the purpose of providing a manufacturing facility before the identification of a specific user of that building.

(iii) The building does not qualify as a replacement facility.

(b) The building is an existing building on an improved parcel of industrial property used for the manufacturing of goods or materials or processing of goods or materials. Not more than 1 building shall be awarded an industrial facilities exemption certificate under this subdivision. A building that complies with this subdivision shall be presumed to have been constructed within 9 years of the filing of the application for an industrial facilities exemption certificate and shall comply with the following:

(i) Has been unoccupied for at least 4 years immediately preceding the date the certificate is issued.

(ii) Is in an industrial development district created before January 1, 2011.

(iii) Is located in a county with a population of more than 22,000 and less than 24,500 containing a city with a population of more than 3,600 according to the last decennial census.

(9) "Development organization" means any economic development corporation, downtown development authority, tax increment financing authority, or an organization under the supervision of and created for economic development purposes by a local governmental unit.

(10) "Manufacturing facility" means buildings and structures, including the machinery, equipment, furniture, and fixtures located therein, the primary purpose of which is 1 or more of the following:

(a) The manufacture of goods or materials or the processing of goods and materials by physical or chemical change.

(b) The provision of research and development laboratories of companies whether or not the company manufactures the products developed from their research activities.

(11) "Taxable value" means that value determined under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

(12) "Strategic response center" means a facility that provides catastrophe response solutions through the development and staffing of a national response center for which a plant rehabilitation district or an industrial

development district was created before December 31, 2007.

**History:** 1974, Act 198, Imd. Eff. July 9, 1974 ;-- Am. 1975, Act 247, Imd. Eff. Sept. 4, 1975 ;-- Am. 1982, Act 417, Imd. Eff. Dec. 28, 1982 ;-- Am. 1996, Act 1, Imd. Eff. Jan. 30, 1996 ;-- Am. 2007, Act 13, Imd. Eff. May 29, 2007 ;-- Am. 2010, Act 122, Imd. Eff. July 19, 2010

**Compiler's Notes:** For transfer of powers and duties of department of commerce under Act 198 of 1974 to the chief executive officer of the Michigan jobs commission, see E.R.O. No. 1994-8, compiled at MCL 408.47 of the Michigan Compiled Laws.

**Popular Name:** Act 198