

CITY COMMISSION POLICY

GRAND RAPIDS  MICHIGAN	NUMBER: 900-36	HISTORY	
	DATE: March 4, 1997	FILE #	DATE
	FILE NUMBER: 63049	64389	2/24/98
	DEPARTMENT: Planning & Dev.		

SUBJECT: BUSINESS RELOCATION TO A RENAISSANCE ZONE

PURPOSE: To establish a policy for City response to requests by businesses which are located in the City of Grand Rapids to receive exemption, deductions, or credits of the Renaissance Zone Program upon relocation of employees into a designated Renaissance Zone property.

POLICY:

The City of Grand Rapids has established six Renaissance Zone areas in which certain state and local taxes will be exempted for up to fifteen years. The purpose of the program is to encourage new investment and job creation by reutilizing vacant or underutilized properties within blighted areas of the urban core.

State law provides that a business located in a qualified local governmental unit that relocates from outside a Renaissance Zone into a Renaissance Zone in that same qualified local governmental unit shall not receive the exemptions, deductions, or credits of the Renaissance Zone Program unless the governing body of the qualified local governmental unit approves the relocated business for Renaissance Zone benefits.

The Grand Rapids City Commission may approve the relocation under the following guidelines. Businesses which can document a purchase or lease of a Renaissance Zone property prior to December 31, 1996, are not subject to the relocation policy. The intent of the City in considering requests is to foster reutilization of Zone properties while avoiding abandonment of business outside the Zone.

CITY COMMISSION POLICY

NUMBER: 900-36

Page 2 of 2

- 1) The business will continue operation at their existing location and will increase their total workforce significantly.
 - 2) When plans are to vacate the existing site, approvals will be granted under the following considerations. The effective date of the approval will be upon the satisfaction of the following relevant condition(s):
 - a. For businesses which own their facility:
 - The former location must be reoccupied and in compliance with all City codes, and
 - An investment in the amount of at least \$4 per square foot (subject to annual CPI adjustments) must have been made in the new location, or their existing workforce must have been increased by at least 10%.
 - b. For businesses which lease space:
 - At least one of the following conditions must be met:
 - the vacated property must be reutilized, or
 - the vacated space must be less than 20% of the building, or
 - the new space must be more than twice the square footage of the vacated space and the additional space is not available at the old location, or
 - the owner is supportive of the move.
- and
- An investment in the amount of at least \$4 per square foot (subject to annual CPI adjustments) must have been made in the new location, or their existing workforce must have been increased by at least 10%.

The above are to be used as guidelines, and the City Commission will be flexible when applying them to unique individual situations.