



cityofnovi.org

CITY of NOVI CITY COUNCIL

Agenda Item U September 12, 2011

SUBJECT: Approval of amended resolution for approval of Industrial Facilities Exemption Certificate for Tognum, adding representation required by the State Tax Commission.

SUBMITTING DEPARTMENT: City Clerk *m.c.*

CITY MANAGER APPROVAL: *[Signature]*

BACKGROUND INFORMATION:

The City Council approved a resolution granting an Industrial Facilities Exemption Certificate (tax abatement) under PA 198 to Tognum America Inc. on July 18, 2011. Under the statute, the matter proceeds on to the State Tax Commission (STC) for final review and approval of the Industrial Facilities Exemption Certificate. The STC has reviewed Tognum's application and the City's resolution and has asked that an additional statement be included in the resolution. The statement the STC is requiring just confirms that the granting of the tax exemption (abatement) to Tognum would not cause the total amount of real and personal property exempted from taxation to exceed 5% of the City's total SEV. The representation is found in the last "Whereas" clause. Other than the date of adoption, there are no other changes.

RECOMMENDED ACTION: Approval of amended resolution for approval of Industrial Facilities Exemption Certificate for Tognum, adding representation required by the State Tax Commission.

	1	2	Y	N
Mayor Landry				
Mayor Pro Tem Gatt				
Council Member Fischer				
Council Member Margolis				

	1	2	Y	N
Council Member Mutch				
Council Member Staudt				
Council Member Wrobel				

CITY OF NOVI

COUNTY OF OAKLAND, MICHIGAN

[AMENDED]

**RESOLUTION APPROVING APPLICATION
OF TOGNUM AMERICA, INC.
FOR INDUSTRIAL FACILITIES EXEMPTION
CERTIFICATE FOR A NEW FACILITY**

Minutes of a Meeting of the City Council of the City of Novi, County of Oakland, Michigan, held in the City Hall in said City on September 12, 2011, at 7 o'clock P.M. Prevailing Eastern Time.

PRESENT:

ABSENT:

The following preamble and Resolution were offered by Councilmember Staudt and supported by Councilmember Fischer.

Whereas, pursuant to P.A. 198 of 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on July 11, 2011, the City Council of the City of Novi by resolution established an Industrial Development District, as requested by Tognum America, Inc.; and

Whereas, Tognum America, Inc., has filed an application for an Industrial Facilities Exemption Certificate with respect to a new facility to be completed within the Industrial Development; and

Whereas, before acting on said application, the City Council held a hearing on July 18, 2011, at the City Hall, at 7:00 p.m., at which hearing the applicant, the Assessor, and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

Whereas, the City Council of the City of Novi finds that completion of the facility is calculated to and will at the time of issuance of the certificate have the reasonable likelihood to retain, create or prevent the loss of employment in the City of Novi; and

Whereas, the City Council of the City of Novi finds that approval of the IFEC would substantially comply with the Tax Abatement Application Criteria set forth in the City's Tax Abatement Policy, incorporated as part of this Resolution by this reference; and

Whereas, the City Council of the City of Novi finds that granting the Certificate, considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974 and/or Act No. 255 of the Public Acts of 1978, will not have the effect of substantially impeding the operation of the City of Novi, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Novi.

Whereas, the aggregate SEV of real and personal property exempt from ad valorem taxes within the City, after granting this certificate, will not exceed 5% of an amount equal to the sum of the SEV of the unit plus the SEV of personal and real property thus exempted.

NOW, THEREFORE, BE IT RESOLVED that the application of Tognum America, Inc. for an Industrial Facilities Exemption Certificate with respect to a new facility to be constructed on the following described parcel of real property situated within the Novi Industrial Development District No. 2, to wit:

Part of the southeast 1/4 of Section 1. T1N, R8E, City of Novi, Oakland County, Michigan being more particularly described as commencing at the S.E. corner of said Section 1; thence along the east line of said Section 1, N02°30'06"W, 2530.04'; thence S87°29'54"W, 60.00' to the point of beginning also being the south line of Mackenzie Drive (60.0 feet r/w); thence along said south line thence

S87°29'39"W, 145.57'; thence N83°17'09"W, 87.38'; thence S87°29'39"W, 430.82'; thence continuing along said south line, 86.46 feet along a curve to the right having a radius 480.00 feet and a chord bearing N87°20'46"W, 86.34 feet; thence S02°30'19"W, 508.62'; thence N87°29'07"E, 355.89'; thence N01°15'44"W, 108.60'; thence N43°04'21"E, 97.24'; thence N87°29'39"E, 320.91'; thence N02°30'06"W, 310.17' to the point of beginning.

Containing 305,802.46 sq. ft and/or 7.02 acres.

Subject to easements and restrictions of record.

be and the same is hereby approved.

NOW THEREFORE BE IT FURTHER RESOLVED that subject to and in accordance with the Recitations set forth above the Industrial Facilities Exemption Certificate when issued shall be and remain in force and effect for a period of 8 years, for the tax years 2012 through 2019, but subject to the terms and conditions of the Agreement Concerning Act 198 Real Property Tax Abatement Agreement between Tognum America, Inc. and the City of Novi.

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.

MARYANNE CORNELIUS, CITY CLERK

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Novi, County of Oakland, and State of Michigan, at a regular meeting held this 12th day of September, 2011, and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976, and that the minutes of said meeting have been kept and made available to the public as required by said Act.

MARYANNE CORNELIUS, CITY CLERK

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