



## CITY of NOVI CITY COUNCIL

**Agenda Item 1  
May 8, 2017**

**SUBJECT:** Approval of Resolution to establish an Industrial Development District for 43043 West Nine Mile, LLC for parcel 50-22-35-101-022 on 43043 West Nine Mile Road east of Novi Road.

**SUBMITTING DEPARTMENT:** City Assessor

**CITY MANAGER APPROVAL:** 

### **BACKGROUND INFORMATION:**

A request to establish an Industrial Development District (IDD) has been submitted on February 9, 2017 43043 West Nine Mile, LLC (the "applicant") for the property identified as 43043 Nine Mile Road and for parcel having tax ID: 50-22-35-101-022

The parcel has the following legal description:

T1N, R8E, SEC 35 PART OF NW 1/4 BEG AT PT DIST N 89-42-30 E 831.40 FT FROM NW SEC COR, TH N 89-42-30 E 415 FT, TH S 00-21-00 W 173.40 FT, TH N 89-42-30 E 75 FT, TH S 00-21-00 W 754.52 FT, TH N 73-45-23 W 509.44 FT, TH N 00-21-00 E 782.92 FT TO BEG 9.32 A

Subsequent to filing its request to establish an IDD an applicant identified as EJ Brooks Company, Inc dba Brooks Utility Products has filed an abatement application for a new real property improvements and personal property. The parcel is zoned I-1, Light Industrial.

### Industrial Development Districts

Industrial Development Districts are established for new real property or personal property projects as provided for by Public Act 198, 1974 as amended.

"The legislative body of a local governmental unit may establish a plant rehabilitation district or an industrial development district on its own initiative or upon a written request filed by the owner or owners of 75% of the state equalized value of the industrial property." (PA 198 4(2), 1974 as amended)

Establishing this parcel within an Industrial Development District will serve to enable the applicant's tenants the ability to apply for respective industrial facility exemption certificate.

### Pending Appeals

To the best of staff's knowledge:

- There is no outstanding and/or pending appeal(s) involving the property that is the subject of this application/request.
- There is no outstanding and/or pending appeal(s) involving the applicant filing for this tax incentive/request within the city.

Abatement Eligibility

Establishment of an Industrial Development District is a prerequisite to consideration of an Industrial Facility Exemption Certificate for any new real and personal property improvements.

Based on reviewing the property records and the applicant's request, staff recommends approval of 43043 West Nine Mile LLC's request for establishing an Industrial Development District encompassing parcel 50-22-35-101-022, consisting of a total of 9.32 acres.

**RECOMMENDED ACTION:** Approval of Resolution to establish an Industrial Development District for 43043 West Nine Mile, LLC. for parcel 55-22-35-101-022 on Nine Mile Road.

**CITY OF NOVI  
RESOLUTION  
ESTABLISHING AN INDUSTRIAL DEVELOPMENT DISTRICT  
FOR 43043 West Nine Mile, LLC**

At a meeting of the City Council held on the **8<sup>th</sup> day of May, 2017** at the City Council Chambers at 45175 Ten Mile Road, Novi, Michigan 48375

It was moved by Council Member ----- and supported by Council Member -----

WHEREAS, Act 198 of the Public Acts of 1974, as amended, authorizes the City Council of Novi to establish an Industrial Development District; and

WHEREAS, **43043 Nine Mile, LLC** has petitioned this City Council to establish an Industrial Development District on the property herein described; and

WHEREAS, construction, acquisition, alteration, or installation of a proposed facility within the district has not commenced as of this date of the filing of the request to establish the district; and

WHEREAS, the City Council of the City of Novi, has given written notice by certified mail to the owners of real property within the proposed Industrial Development District and to the public by newspaper advertisement in the **Novi News**, and public posting of the hearing on the establishment of the proposed district; and

WHEREAS, a public hearing was held on **24<sup>th</sup> day of April, 2017** at which all of the owners of real property within the proposed Industrial Development District and all residents and taxpayers of City of Novi were afforded an opportunity to be heard; and

WHEREAS, the City Council deems it to be in the best interest of the City of Novi to establish the Industrial Development District as proposed;

NOW, THEREFORE, BE IT RESOLVED by the City Council of Novi that the following described parcel of land situated in the City of Novi, County of Oakland, State of Michigan, to wit:

Parcel identification: 50-22-35-101-022

T1N, R8E, SEC 35 PART OF NW 1/4 BEG AT PT DIST N 89-42-30 E 831.40 FT FROM NW SEC COR, TH N 89-42-30 E 415 FT, TH S 00-21-00 W 173.40 FT, TH N 89-42-30 E 75 FT, TH S 00-21-00 W 754.52 FT, TH N 73-45-23 W 509.44 FT, TH N 00-21-00 E 782.92 FT TO BEG 9.32 A

be and here is established as a Industrial Development District pursuant to the provisions of Act 198 of the Public Acts of 1974 to be known as the **43043 West Nine Mile, LLC Industrial Development District.**

AYES:  
NAYS:  
ABSENT:  
ABSTENTIONS: None



February 9, 2017

Sent Via Email: [mlohmeier@cityofnovi.org](mailto:mlohmeier@cityofnovi.org)

City Clerk  
City of Novi  
c/o Michael Lohmeier  
45175 W. Ten Mile Road  
Novi, MI 48375

Re: Request for establishing an Industrial Development District (IDD) by  
43043 WEST NINE MILE, LLC, a Michigan limited liability company

Dear Mayor and Members of City Council,

43043 WEST NINE MILE, LLC, (the "Owner"), as owner of the property legally described on Exhibit A attached hereto (the "Property"), and identified as parcel 50-22-35-101-022.

The Owner hereby requests that the Novi City Council establish an Industrial Development District ("IDD") for the Property pursuant to Act 198 of 1974, as amended, MCL 207.554.

If the City Council establishes the requested IDD, E. J. Brooks, Company (the "Applicant") intends to apply for the issuance of an Industrial Facilities Exemption Certificate for the (Real Property and/or Personal Property) investment to be made about the renovation and occupancy of the building the Owner intends to lease to the Applicant for its new Novi manufacturing and headquarters facility.

The Property has been vacant since approximately 2009 and the Owner had to invest approximately \$500,000 to get the building into its current shell condition and plans to spend approximately \$1,000,000 to build out the building shell to accommodate the new tenant's use.

Should you have any questions, please don't hesitate to contact me at 248-327-3630.

Sincerely yours,



Arie Leibovitz, Manager  
43043 WEST NINE MILE, LLC  
c/o Ari-El Enterprises, Inc.  
29355 Northwestern Hwy., #301  
Southfield, MI 48034  
248.557.3800  
[arie@ari-el.com](mailto:arie@ari-el.com)

c: E. J. Brooks, Company & Dan Flynn-Newmark Grubb Knight Frank

**Exhibit A**

**Legal Description of Proposed Industrial Development District**

T1N, R8E, SEC 35 PART OF NW 1/4 BEG AT PT DIST N 89-42-30 E 831.40 FT FROM NW  
SEC COR, TH N 89-42-30 E 415 FT, TH S 00-21-00 W 173.40 FT, TH N 89-42-30 E 75 FT, TH  
S 00-21-00 W 754.52 FT, TH N 73-45-23 W 509.44 FT, TH N 00-21-00 E 782.92 FT TO BEG

Containing 9.32 Acres of Land more or less.

Part of Tax parcel 50-22-35-101-022



# Application for Industrial Facilities Tax Exemption Certificate

Issued under authority of Public Act 198 of 1974, as amended. Filing is mandatory.

**INSTRUCTIONS:** File the original and two copies of this form and the required attachments (three complete sets) with the clerk of the local government unit. The State Tax Commission (STC) requires two complete sets (one original and one copy). One copy is retained by the clerk. If you have any questions regarding the completion of this form, call (517) 373-3302.

To be completed by Clerk of Local Government Unit	
Signature of Clerk	Date Received by Local Unit
STC Use Only	
Application Number	Date Received by STC

**APPLICANT INFORMATION**  
All boxes must be completed.

▶ 1a. Company Name (Applicant must be the occupant/operator of the facility) <b>EJ Brooks Company, Inc dba Brooks Utility Products</b>	▶ 1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) <b>335313</b>	
▶ 1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) <b>43045 West Nine Mile Road, Novi, MI 48375</b>	▶ 1d. City/Township/Village (indicate which) <b>City of Novi</b>	▶ 1e. County <b>Oakland</b>
▶ 2. Type of Approval Requested <input checked="" type="checkbox"/> New (Sec. 2(5)) <input type="checkbox"/> Transfer <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Rehabilitation (Sec. 3(6)) <input type="checkbox"/> Research and Development (Sec. 2(10)) <input type="checkbox"/> Increase/Amendment	▶ 3a. School District where facility is located <b>Novi</b>	▶ 3b. School Code <b>26130</b>
▶ 4. Amount of years requested for exemption (1-12 Years) <b>5 years</b>		

5. Per section 5, the application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the equipment that will be part of the facility. Attach additional page(s) if more room is needed.

**One-story, masonry industrial building, originally built in 1968 comprised of 85,000 square feet to be used for manufacturing of electrical utility products. A detailed list of costs for both real estate improvements and personal property investments is attached.**

6a. Cost of land and building improvements (excluding cost of land) ..... * Attach list of improvements and associated costs. * Also attach a copy of building permit if project has already begun.	▶ <b>\$1,947,852</b> Real Property Costs
6b. Cost of machinery, equipment, furniture and fixtures ..... * Attach itemized listing with month, day and year of beginning of installation, plus total	▶ <b>\$445,000</b> Personal Property Costs
6c. Total Project Costs ..... * Round Costs to Nearest Dollar	▶ <b>\$2,392,852</b> Total of Real & Personal Costs

7. Indicate the time schedule for start and finish of construction and equipment installation. Projects must be completed within a two year period of the effective date of the certificate unless otherwise approved by the STC.

	Begin Date (M/D/Y)	End Date (M/D/Y)		
Real Property Improvements	▶ 03/21/2017	05/31/2018	▶ <input type="checkbox"/> Owned	<input checked="" type="checkbox"/> Leased
Personal Property Improvements	▶ 07/01/2017	05/31/2018	▶ <input checked="" type="checkbox"/> Owned	<input type="checkbox"/> Leased

▶ 8. Are State Education Taxes reduced or abated by the Michigan Economic Development Corporation (MEDC)? If yes, applicant must attach a signed MEDC Letter of Commitment to receive this exemption.     Yes     No

▶ 9. No. of existing jobs at this facility that will be retained as a result of this project. <b>-0-</b>	▶ 10. No. of new jobs at this facility expected to create within 2 years of completion. <b>109</b>
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11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.

a. TV of Real Property (excluding land) .....

b. TV of Personal Property (excluding inventory) .....

c. Total TV .....

▶ 12a. Check the type of District the facility is located in:

Industrial Development District       Plant Rehabilitation District

▶ 12b. Date district was established by local government unit (contact local unit)	▶ 12c. Is this application for a speculative building (Sec. 3(8))? <input type="checkbox"/> Yes <input type="checkbox"/> No
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**APPLICANT CERTIFICATION - complete all boxes.**

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all are truly descriptive of the industrial property for which this application is being submitted.

It is further certified that the undersigned is familiar with the provisions of P.A. 198 of 1974, as amended, being Sections 207.551 to 207.572, inclusive, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Industrial Facilities Exemption Certificate by the State Tax Commission.

13a. Preparer Name <b>Kathleen Vanston</b>	13b. Telephone Number <b>248.615.5782</b>	13c. Fax Number <b>248.477.2583</b>	13d. E-mail Address <b>kvanston@brooksupg.com</b>
14a. Name of Contact Person <b>Kathleen Vanston</b>	14b. Telephone Number <b>248.615.5782</b>	14c. Fax Number <b>248.477.2583</b>	14d. E-mail Address <b>kvanston@brooksupg.com</b>
▶ 15a. Name of Company Officer (No Authorized Agents) <b>Jeffrey Hanft</b>			
15b. Signature of Company Officer (No Authorized Agents) <i>Jeffrey Hanft</i>		15c. Fax Number <b>248.477.2583</b>	15d. Date <b>3/22/17</b>
▶ 15e. Mailing Address (Street, City, State, ZIP Code) <b>23847 Industrial Park Dr., Farmington Hills MI 48335</b>		15f. Telephone Number <b>248.477.0040</b>	15g. E-mail Address <b>jhanft@brooksupg.com</b>

**LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.**

This section must be completed by the clerk of the local governing unit before submitting application to the State Tax Commission. Check items on file at the Local Unit and those included with the submittal.

▶ 16. Action taken by local government unit <input type="checkbox"/> Abatement Approved for _____ Yrs Real (1-12), _____ Yrs Pers (1-12) After Completion <input type="checkbox"/> Yes <input type="checkbox"/> No  <input type="checkbox"/> Denied (Include Resolution Denying)	16b. The State Tax Commission Requires the following documents be filed for an administratively complete application: <b>Check or Indicate N/A if Not Applicable</b> <input type="checkbox"/> 1. Original Application plus attachments, and one complete copy <input type="checkbox"/> 2. Resolution establishing district <input type="checkbox"/> 3. Resolution approving/denying application. <input type="checkbox"/> 4. Letter of Agreement (Signed by local unit and applicant) <input type="checkbox"/> 5. Affidavit of Fees (Signed by local unit and applicant) <input type="checkbox"/> 6. Building Permit for real improvements if project has already begun <input type="checkbox"/> 7. Equipment List with dates of beginning of installation <input type="checkbox"/> 8. Form 3222 (if applicable) <input type="checkbox"/> 9. Speculative building resolution and affidavits (if applicable)
16a. Documents Required to be on file with the Local Unit <b>Check or Indicate N/A if Not Applicable</b> <input type="checkbox"/> 1. Notice to the public prior to hearing establishing a district. <input type="checkbox"/> 2. Notice to taxing authorities of opportunity for a hearing. <input type="checkbox"/> 3. List of taxing authorities notified for district and application action. <input type="checkbox"/> 4. Lease Agreement showing applicants tax liability.	
16c. LUCI Code	16d. School Code
17. Name of Local Government Body	▶ 18. Date of Resolution Approving/Denying this Application

**Attached hereto is an original application and all documents listed in 16b. I also certify that all documents listed in 16a are on file at the local unit for inspection at any time, and that any leases show sufficient tax liability.**

19a. Signature of Clerk	19b. Name of Clerk	19c. E-mail Address
19d. Clerk's Mailing Address (Street, City, State, ZIP Code)		
19e. Telephone Number	19f. Fax Number	

State Tax Commission Rule Number 57: Complete applications approved by the local unit and received by the State Tax Commission by October 31 each year will be acted upon by December 31. Applications received after October 31 may be acted upon in the following year.

Local Unit: Mail one original and one copy of the completed application and all required attachments to:

**Michigan Department of Treasury  
State Tax Commission  
PO Box 30471  
Lansing, MI 48909**

(For guaranteed receipt by the STC, it is recommended that applications are sent by certified mail.)

STC USE ONLY				
▶ LUCI Code	▶ Begin Date Real	▶ Begin Date Personal	▶ End Date Real	▶ End Date Personal





## REAL PROPERTY EXPENSE

Begin Date	End Date	Description	Expense
3/24/2017	12/31/2017	Labor, Permits, Architect, Equipment Rentals, Repairs, Demolition	\$165,393
5/1/2017	5/17/2017	Exterior Remodel front Fascia, Doors, Roof Supports	\$39,350
5/17/2017	6/1/2017	Parking Lot Repairs, Resurfacing, Restriping	\$39,195
3/21/2017	4/4/2017	Masonry-Labor, Materials, Repairs, Concrete	\$28,700
3/29/2017	5/12/2017	Carpentry, Metals, Millwork, Doors/Windows, Block, Railing, Offices, Partitions	\$128,814
3/31/2017	4/28/2017	Millwork-Restrooms, toilet partition & accessories, Cafeteria counter tops and cabinets	\$18,400
4/24/2017	5/10/2017	Labor, Materials, Man Doors, Overhead Doors	\$42,208
5/4/2017	5/17/2017	Labor, Materials, Paint all areas of manufacturing & office space	\$149,881
5/22/2017	5/26/2017	Labor, Materials, Flooring in Office Areas	\$86,757
4/5/2017	5/29/2017	Labor, Materials, Fire Suppression Entire Building & Fire Alarm	\$229,420
4/5/2017	5/29/2017	Labor, Materials, Plumbing, Sump Pump, Restrooms, Hot Water Heaters, Drains	\$40,225
5/1/2017	5/24/2017	Labor, Materials, HVAC units office area & highbay heating	\$193,200
4/5/2017	5/25/2017	Labor, Materials, Electrical, receptacles, heating, cooling, building	\$150,560
3/1/2018	5/31/2018	Labor, Materials, Air Conditioning Manufacturing Facility	\$267,750
6/15/2017	12/31/2017	Security & IT Networking - Labor, materials, installation, fire suppression, building security	\$30,000
6/15/2017	12/31/2017	Electrical - Labor, Permits, Materials for wiring of electrical drops & machine installation, project management	\$223,000
5/25/2017	12/31/2017	Labor, Materials, LED lighting	\$50,000
6/15/2017	8/31/2017	Air Compressor Installation & Hook Up Lines	\$50,000
6/15/2017	8/31/2017	Air Drop Installation & Hook Up Lines	\$15,000
<b>REAL PROPERTY TOTAL</b>			<b>\$1,947,852</b>

## PERSONAL PROPERTY EXPENSE

Begin Date	End Date	Description	Expense
7/1/2017	8/15/2017	Telephone System & hand sets	\$20,000
8/1/2017	9/15/2017	Inventory racking	\$15,000
8/1/2017	8/31/2017	Engineering-Cubicles, table & lockers	\$20,000
8/1/2017	8/31/2017	Conference room- chairs & tables	\$15,000
8/1/2017	8/31/2017	Customer Service-Cubicles, tables, benches, chairs & lockers	\$30,000
8/1/2017	8/31/2017	Cafeteria(tables, chairs, refrigerator, microwaves, ice machine)	\$25,000
1/1/2018	5/31/2018	Tooling for expanded business capacity due to size of facility, work to be brought back in-house	\$300,000
12/1/2017	12/31/2017	New forklift for expanded business capacity	\$20,000
<b>PERSONAL PROPERTY TOTAL</b>			<b>\$445,000</b>
<b>GRAND TOTAL</b>			<b>\$2,392,852</b>



## Tax Abatement Submittal Form

The City of Novi asks that all firms requesting more information about tax abatements for their new or existing business fill out this form.

Please return completed form by mail to:  
Victor Cardenas  
45175 W. Ten Mile Road  
Novi, MI 48375

or by email to: [vcardenas@cityofnovi.org](mailto:vcardenas@cityofnovi.org)

Name of firm requesting abatement: E.J. Brooks Co. Inc. / dba Brooks Utility Products  
Contact Person: Kathleen Vanston  
Address: 23847 Industrial Park Dr., Farmington Hills, MI 48335  
Phone: 248.756.1253 Email: Kvanston@brooksupg.com

Please answer the following questions as completely as possible.

1. How many acres does the project include? 9
2. How many new jobs would be brought to the City of Novi? 101
  - a. Average salary range of new hires? \$1,335/week

Is this an expansion project of an existing business in Novi?  Yes  No

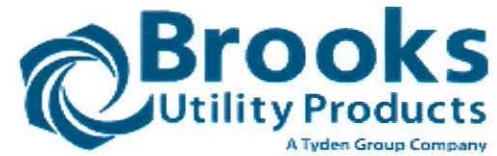
Is this project coming from within the State of Michigan?  Yes  No

If you answered No, please indicate the origin state? \_\_\_\_\_

Is the headquarters on the site of the facility for which you are requesting abatement?

Yes  No

City of Novi - Abatement  
 New Job Creation  
 43045 W Nine Mile Rd



Position Description	Year 1		Year 2		Year 3		3 Yr Total New Jobs
	New Jobs	Avg Weekly Wage	New Jobs	Avg Weekly Wage	New Jobs	Avg Weekly Wage	
Professional (Fin, Pur, Admin, HR, IT)	7	\$1,942					7
Technical (Engineers)	7	\$1,560	1	\$1,607			8
Sales & Marketing	11	\$1,635	1	\$1,684	1	\$1,735	13
Managerial (QC, Plt, Inv)	6	\$1,547					6
Customer Service	7	\$846					7
Laborers (Skilled)	4	\$1,280	4	\$1,318	4	\$1,358	12
Laborers (Unskilled)	59	\$535	2	\$551	2	\$568	63
<b>Total</b>	<b>101</b>	<b>\$1,335</b>	<b>8</b>	<b>\$1,290</b>	<b>7</b>	<b>\$1,220</b>	<b>116</b>

**CITY OF NOVI**  
**TAX INCENTIVE AGREEMENT**  
**CONCERNING**  
**INDUSTRIAL FACILITIES TAX ABATEMENT**

The City of Novi ("City"), located at 45175 W. Ten Mile Road, Novi, Michigan 48375, and the below mentioned Company (collectively, "the Parties"), agree as follows:

**Recitals**

E.J. Brooks/DBA Brooks Utility Products, hereinafter referred to as the "Company," located at 43045 West 9 Mile Road, Novi, MI 48375

has submitted an application to City Council for the granting of an Industrial Facility Exemption Certificate (IFEC), pursuant to Michigan Public Act 198, of 1974, as amended. The property the application pertains to (the "Property") is currently and commonly referred to by its assessment parcel number(s) 50-22-35-101-022

and is located within an approved Industrial Development District ("Eligible District").

The City and the Company desire to enter into this Tax Incentive Agreement ("Agreement") as required by MCL 207.572, and for the purpose of setting forth the terms and conditions under which an IFEC may be approved by the City Council and may be approved and issued by the State Tax Commission for the facility proposed to be exempt from *ad valorem* real and personal property taxation.

The Company submitted an application for issuance ("Application") of an IFEC for the facility, as provided for in PA 198, of 1974, as amended. The Application is incorporated as part of this Agreement by reference.

Therefore, in consideration of the forgoing, the Parties now enter into this Agreement.

**Terms and Conditions**

In recognition of the granting of the IFEC by City Council and the benefit of the tax savings for the Company, and the economic growth of the City, I hereby agree on behalf of the Company to the following:



1. The Company will furnish notification of the completion of the facility to the City Assessor and the State Tax Commission, within 30 days of the date of completion. If there is no construction progress for a facility under construction for more than 180 days, the Company will notify the City Assessor of its reasons for delay.
2. Within 90 days of the date of completion of the facility, the Company will report:
  - a. The final cost of the facility to the City Assessor and the State Tax Commission including, if applicable, and:
    - i. a detailed listing of the new personal property acquired for the facility, including item description, type, identification, year of acquisition and all costs for its purchase and installation; and
    - ii. a detailed listing of the constructed real property, including all direct and indirect costs associated with its completion; and
    - iii. the number of jobs created by completion of the facility, not including jobs transferred from other locations.

If the actual project costs are more than 10% less than the estimated costs given in the application, or if the number of jobs created are less than the number estimated in the application, the Company will provide the city assessor with a written explanation.

3. No later than the 10<sup>th</sup> day of March of each year, beginning the year following the first tax year effective by the IFEC and throughout the term of this Agreement, the Company shall submit a report ("Annual Report") to the City Assessor and City Clerk stating the average number of jobs in the Eligible District for the preceding year, computed as the average number of actual jobs existing on a quarterly basis for the calendar year preceding the Annual Report. During the term of this Agreement, the City may upon reasonable advance notice, during reasonable times and subject to reasonable restrictions (including but not limited to confidentiality restrictions), review and audit the information presented by the Company to determine compliance with this Agreement.
4. As a condition of receiving an IFEC, or an extension and/or transfer of an existing certificate, pursuant to the city's tax abatement policy, the company agrees to operate the facility for which the IFEC is granted for the term of the IFEC according to the following schedule:
  - a. Tax abatement term of up to eight (8) years (including extensions) = length of abatement certificate AND an additional two tax years.
  - b. Tax abatement term of over eight (8) years (including extensions) = length of the abatement certificate AND an additional four tax years.



5. As a condition of receiving the IFEC, or an extension of an existing certificate, pursuant to this policy, the Company agrees to operate the facility for which the IFEC is granted for the term of the IFEC, which is in accordance with the Resolution approving the IFEC approved by the City Council, plus business residence time period required, in tax years, after the date of expiration of the IFEC.
6. The Company further understands that if it vacates or fails to operate the facility for which the IFEC is granted for the period of time as outlined above, that the company is liable for repayment of all property tax savings benefiting the Company due to the existence of the IFEC, beginning with the initial effective year of the IFEC. In addition, the Company will be liable for repayment of all future tax savings if there are any remaining years in the term of the IFEC, under the provisions of Section 21(2) of Public Act 198, 1974 as amended. These provisions may be waived by the City Council at the request of the Company for justifiable cause.
7. The Company further agrees to pay its abated real and personal property taxes timely and without penalty. In addition, the Company agrees to inform the City Assessor and the City Treasurer of any plans to relocate the company from any location within the City, 30 days prior to the relocation. If any of the foregoing amounts are not paid within sixty (60) days from when the taxes are due to the City, the City may institute a civil action against the Company, and the City shall be entitled to recover the taxes due and any penalties and interests accrued. In addition, the Company shall be all court costs and attorneys' fees incurred by the City in connection with such civil action if the City prevails in collecting at least fifty (50%) percent of the funds sought to be recovered in the action.
8. The Company agrees to notify the City Assessor and City Treasurer of any change in the ownership of the Company's real and personal property assets or a majority share of the Company's stocks. For the purposes of this agreement, a new owner or lessee shall be defined as follows:
  - a. For those IFECs that pertain to real property improvements, the term "new owner or lessee" shall be defined as follows:
    - i. A new entity that acquires, owns and occupies or leases and occupies the facility after the existing certificate holder has physically moved from or vacated the facility.
  - OR
  - ii. An entity that acquires an ownership interest of more than 50% in the existing certificate holder entity that owns and occupies or leases and occupies that facility.

- b. For those IFECs pertaining to personal property, the term "new owner or lessee" shall be defined as follows:
  - i. A new entity that acquires from the existing certificate holder entity the ownership of the facility or leasehold interest in the facility and which keep the facility at its current location.

OR

- ii. An entity that acquires an ownership interest of more than 50% in the existing certificate holder entity that owns or leases the facility.

- 8. Whenever there is a new owner or lessee, as defined above, of any real or personal property for which an IFEC has been granted, the new owner or lessee shall make application for a transfer of the certificate to the new owner or lessee immediately, but no longer than six (6) months after a change in ownership occurs. The City Council may grant requests to transfer existing certificates, after review, provided requests are consistent with the City's adopted Tax Incentive Policy, or any amendments made to the policy, that is in effect at the time a request for a transfer is made. An updated tax incentive agreement shall accompany any request for a transfer of a certificate to a new owner or lessee.
- 9. The Company further agrees to abide by all other City ordinances, including its building and zoning codes, during the construction and operation of the facility.
- 10. The Agreement will be interpreted, construed, and enforced in all respects in accordance with the laws of the State of Michigan.
- 11. The Parties acknowledge that each of them has consulted with attorneys and counselors regarding this Agreement and that the City and the Company have equally participated in the drafting of this Agreement. The Company acknowledges that the terms, conditions, requirements, and obligations of the IFEC and this Agreement are lawful and are reasonable in consideration for the benefits the Company has determined that it will achieve by issuance of the IFEC, and the Company agrees that it shall not be permitted to claim that the City is not authorized by law and/or equity to enforce any provision of this Agreement.

By the signatures of representatives of both the Company and the City below, it is understood that both the Company's investment in the project and the City's investment through the granting of the IFEC is to encourage the economic growth of all.

WITNESS:

Jeffrey J. Hanft  
SIGNATURE

Jeff Hanft  
PRINT NAME

**COMPANY REPRESENTATIVE:**

BY: Kathleen Vanston

ITS: CFO

DATED: 02/20/17

**ACKNOWLEDGED BY THE CITY OF NOVI:**

WITNESS:

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
PRINT NAME

BY: \_\_\_\_\_  
ROBERT J. GATT

ITS: MAYOR

DATED: \_\_\_\_\_

WITNESS:

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
PRINT NAME

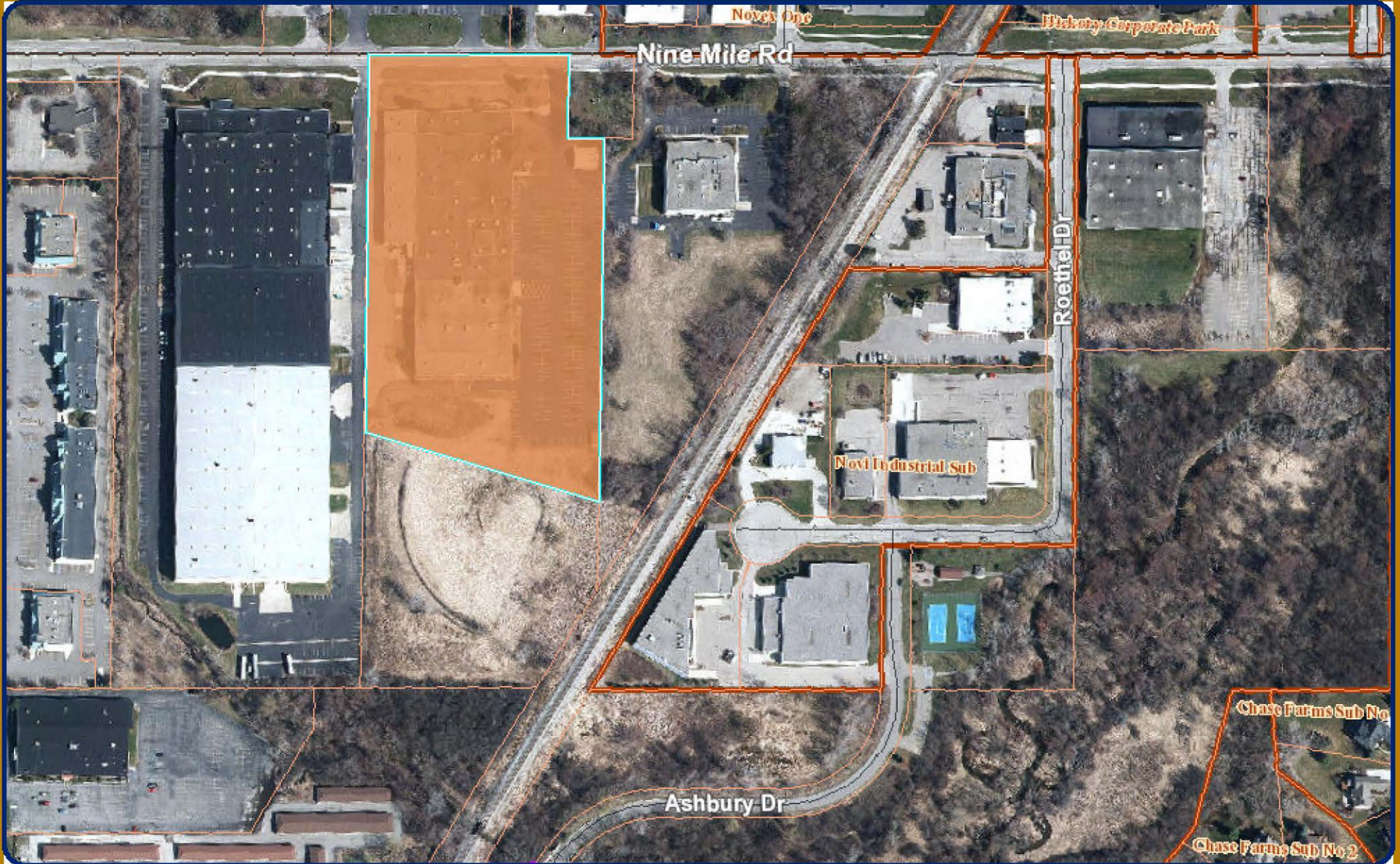
BY: \_\_\_\_\_  
CORTNEY HANSON

ITS: CITY CLERK

DATED: \_\_\_\_\_



# Brooks Utility Products



## MAP INTERPRETATION NOTICE

Map information depicted is not intended to replace or substitute for any official or primary source. This map was intended to meet National Map Accuracy Standards and use the most recent, accurate sources available to the people of the City of Novi. Boundary measurements and area calculations are approximate and should not be construed as survey measurements performed by a licensed Michigan Surveyor as defined in Michigan Public Act 132 of 1970 as amended. Please contact the City GIS Manager to confirm source and accuracy information related to this map.



1 inch = 376 feet



Map Print Date:  
4/24/2017



**City of Novi**

45175 Ten Mile Rd  
Novi, MI 48375  
cityofnovi.org



# About Brooks Utility Products

Brooks Utility Products, is the consolidated brand of E.J. Brooks Company, Meter Devices Co., and Ekstrom Industries.

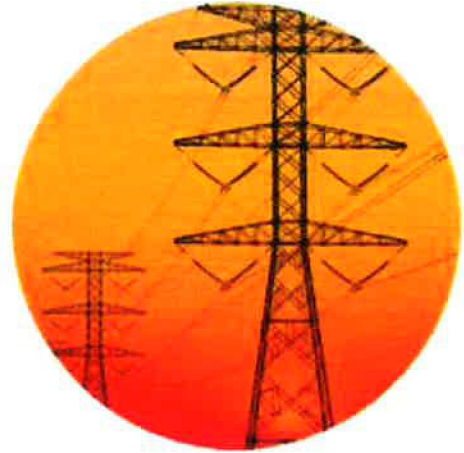
The company traces its beginnings to the founding of E.J. Brooks Company in 1873 as a lead toy manufacturer that quickly evolved into a lead wire seal manufacturer serving to secure the growing railcar and electric meter security markets. In addition to its 140 year history in meter seals and revenue protection Brooks has nearly 100 years of experience in producing test switches, enclosures, adapters, and utility test equipment through its Meter Devices and Ekstrom Industries brands.

Throughout its extensive history Brooks has created a niche in the industry as a company that 'has answers' to utility problems. We actively listen to our customers' metering related challenges and create custom, one-off solutions that generally fill a broader unmet need in the market. The solutions generally fit into one of five broad product categories: Seals Locking Adapters Test Equipment and Enclosures.

## *Why Choose Brooks?*

We have over 140 years of product innovation and quality to utilize in serving your needs. We offer low volume, mass customized solutions to unique and often expensive utility installation challenges. The value we create by solving a problem with an economical product that is produced with a consistently high standard of quality is hard to match. The extensive history, 140 years and counting, that we have in creating solutions is an invaluable resource that you can leverage by counting on Brooks.

***We Have Answers!***



## Industry Affiliations

Brooks UPG is affiliated with the following industry organizations:



International Utilities Revenue Protection Association (IURPA)



South Central Revenue Protection Association (SCRPA)



Northeast Utilities Revenue Protection Association (NURPA)



Western States Utilities Theft Association (WSUTA)



Midwest Energy Theft Association (META)



United Kingdom Revenue Protection Association (UKRPA)



Southeastern Utilities Revenue Protection Association (SURPA)