



CITY of NOVI CITY COUNCIL

Agenda Item 2
November 27, 2017

SUBJECT: Approval of Resolution to establish an Industrial Development District by its owner Granite REIT America Inc. for parcel 50-22-12-200-026 at 39600 Lewis Drive.

SUBMITTING DEPARTMENT: City Assessor

CITY MANAGER APPROVAL: 

BACKGROUND INFORMATION:

A request to establish an Industrial Development District (IDD) has been submitted on August 17, 2017 by Granite REIT America Inc. (owner) for the property identified as 39600 Lewis Drive and for parcel having tax ID: 50-22-12-200-026.

The parcel has the following legal description:

T1N, R8E, SEC 12 PART OF E 1/2 OF SEC BEG AT PT DIST S 02-34-13 E 1659.39 FT FROM NE SEC COR, TH S 02-34-13 E 977.77 FT, TH S 86-38-06 W 1373.43 FT, TH N 02-38-04 W 961.64 FT, TH N 85-30-18 E 1138.06 FT, TH S 49-29-42 E 15.56 FT, TH N 85-30-18 E 225.69 FT TO BEG 30.70 A 11-6-00 FR 020 & 021

Subsequent to filing its request to establish an IDD, its prospective tenant Hanon Systems USA, LLC (Hanon or applicant) has filed an abatement application for new real property improvements and personal property installations in the amount of approximately \$24,333,581. This facility will consist of reconfiguring approximately 216,000 square feet of existing industrial building space for its regional headquarters. The space will be used as offices and laboratory space which will include equipment used for development and testing of automotive climate control and powertrain cooling products.

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 Hanon the ability to apply for its respective industrial facility exemption certificate.

Pending Appeals

To the best of staff's knowledge, there is no outstanding and/or pending property tax appeal(s) involving the property that is the subject of this request. There is no outstanding and/or pending

appeal(s) involving the owner or applicant filing for IDD or subsequent IFEC tax incentive 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 property and personal property improvements.

Based on reviewing the property records, the owner's request, and the applicant's subsequent request, staff recommends approval of Granite REIT America Inc.'s request for establishing an Industrial Development District encompassing parcel 50-22-12-200-026, consisting of a total of 30.70± acres.

RECOMMENDED ACTION: Approval of Resolution to establish an Industrial Development District for Granite REIT America Inc. for parcel 50-22-12-200-026 located at 39600 Lewis Drive.

**CITY OF NOVI
RESOLUTION
ESTABLISHING AN INDUSTRIAL DEVELOPMENT DISTRICT
FOR GRANITE REIT AMERICA INC**

At a meeting of the City Council held on the **27th day of November, 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, **GRANITE REIT AMERICA INC** 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 **Oakland Press**, and public posting of the hearing on the establishment of the proposed district; and

WHEREAS, a public hearing was held on **27th day of November, 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: 50-22-12-200-026, legally described as

T1N, R8E, SEC 12 PART OF E 1/2 OF SEC BEG AT PT DIST S 02-34-13 E 1659.39 FT FROM NE SEC COR, TH S 02-34-13 E 977.77 FT, TH S 86-38-06 W 1373.43 FT, TH N 02-38-04 W 961.64 FT, TH N 85-30-18 E 1138.06 FT, TH S 49-29-42 E 15.56 FT, TH N 85-30-18 E 225.69 FT TO BEG 30.70 A11-6-00 FR 020 & 021

be and here is established as an Industrial Development District pursuant to the provisions of Act 198 of the Public Acts of 1974 to be known as the **GRANITE REIT AMERICA INC Industrial Development District.**

AYES:
NAYS:
ABSENT:
ABSTENTIONS: None

RESOLUTION ADOPTED

STATE OF MICHIGAN)
COUNTY OF OAKLAND) SS

I, the undersigned, the duly qualified and appointed City Clerk of the City of Novi, Oakland County, Michigan do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the City Council held on the **27th day of November, 2017**, the original of which is on file in my office.

IN WITNESS WHEREOF, I have hereunto affixed my official signature on **this 27th day of November, 2017**.

Cortney Hanson, City Clerk



77 King St. W., Suite 4010
P.O. Box 159
Toronto-Dominion Centre
Toronto, ON, M5K 1H1 Canada
T. 647.925.7500
F. 416.861.1240

VIA ELECTRONIC MAIL

August 17, 2017

City Clerk
City of Novi
45175 W. Ten Mile Road
Novi, MI 48375

Re: Hanon Systems USA, LLC

Dear Clerk,

Granite REIT America Inc. (the "Company"), as owner of the property described on Exhibit A attached hereto (the "Property"), hereby requests that the Novi City Council establish an industrial development district for the Property pursuant to Act 198 of 1974, as amended, MCL 207.554.

In the event that the City Council establishes the requested industrial development district, Hanon Systems USA, LLC ("Hanon") intends to apply for the issuance of an industrial facilities exemption certificate for the real property investment to be made in connection with the construction and occupancy of its new Headquarters to be located at the Property.

Sincerely,

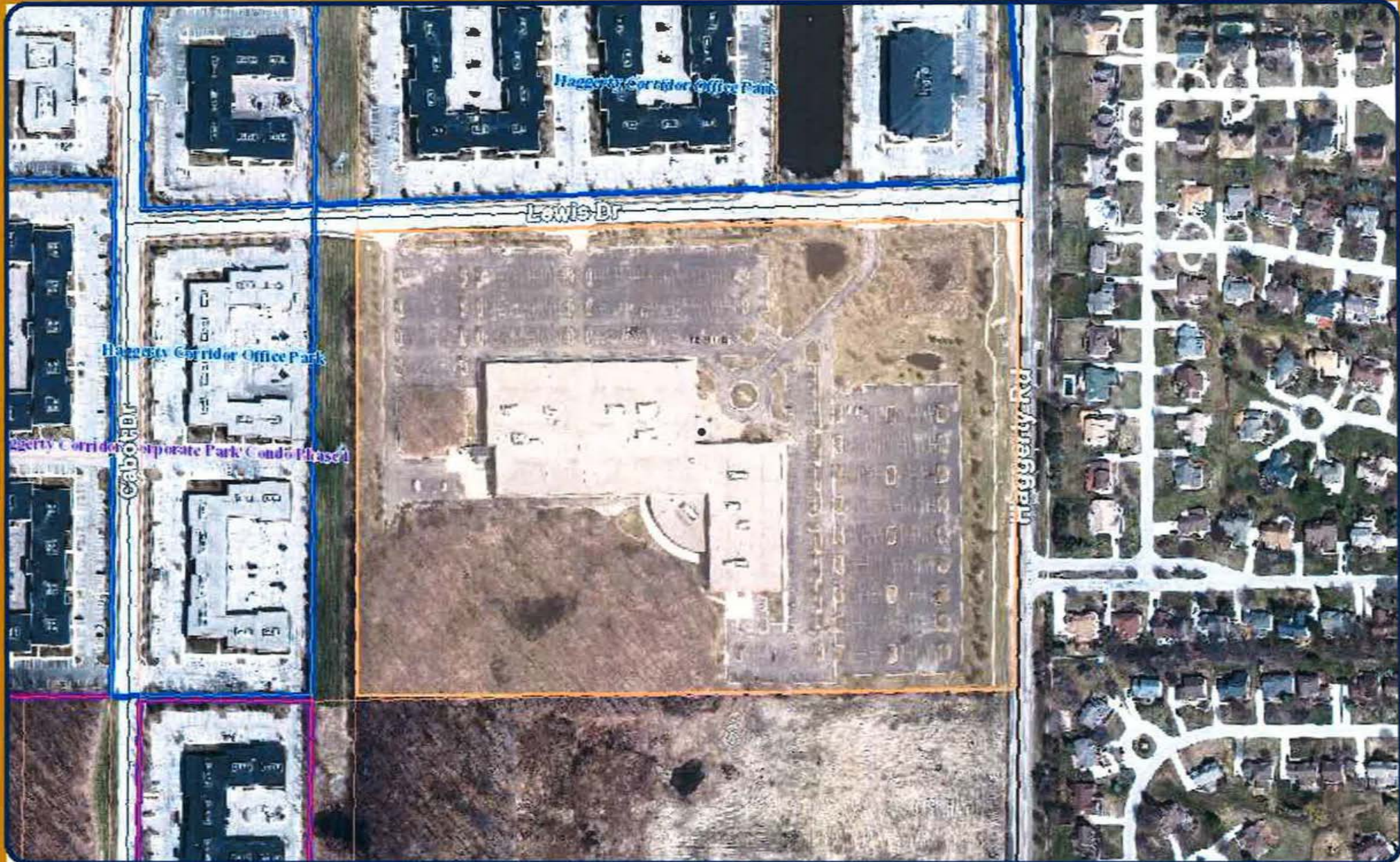
GRANITE REIT AMERICA INC.

By: 
Its: Vice-President

By: 
Its: President

Parcel ID 50-22-12-200-026

39600 Lewis Dr.



MAP INTERPRETATION NOTICE

Map information is for informational purposes only. It is not intended to be used for legal purposes. The City of Novi is not responsible for any errors or omissions on this map. The City of Novi is not responsible for any errors or omissions on this map. The City of Novi is not responsible for any errors or omissions on this map.



1 inch = 376 feet



Map Print Date:
11/15/2017



City of Novi
45175 Ten Mile Rd
Novi, MI 48375
cityofnovi.org