



CITY of NOVI CITY COUNCIL

Agenda Item L
August 29, 2016

SUBJECT: Approval of revised Resolutions relating to Daifuku North America Industrial Facilities for Industrial Development District and Industrial Facilities Exemption Certificate.

SUBMITTING DEPARTMENT:

CITY MANAGER APPROVAL:

BACKGROUND INFORMATION:

On July 25, 2016, the City Council adopted a "Resolution Establishing Industrial Development District and Approving Application of Daifuku North America Holding Company for Industrial Facilities Exemption Certificate for New Facility." The City's Assessor, Michael Lohmeier, has recently been in contact with representatives of the State Tax Commission, which is responsible for approving applications for industrial facilities exemption certificates at the state level under Act 198 of Public Acts of 1974. These representatives have indicated that they would prefer two separate Resolutions, one establishing the district and the other granting the exemption certificate.

Attached are two separate Resolutions, which are intended to accomplish what has already been approved by the City Council with the adoption of the Resolution on July 25, 2016.

Note that the Resolutions are described as "amended" Resolutions, but are still effective July 25, 2016. The slightly revised format of the Resolution is consistent with the format utilized by the City Assessor in previous dealings with the State Tax Commission as result of his prior position with another city.

RECOMMENDED ACTION: Approval of revised Resolutions relating to Daifuku North America Industrial Facilities for Industrial Development District and Industrial Facilities Exemption Certificate.

	1	2	Y	N
Mayor Gatt				
Mayor Pro Tem Staudt				
Council Member Burke				
Council Member Casey				

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

CITY OF NOVI
COUNTY OF OAKLAND
[AMENDED 8.29.16]
RESOLUTION ESTABLISHING A INDUSTRIAL DEVELOPMENT DISTRICT
FOR DAIFUKU NORTH AMERICA HOLDING COMPANY

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

PRESENT: Councilmembers _____

ABSENT: Councilmembers _____

The following preamble and Resolution were offered by Councilmember _____ and supported by Councilmember _____.

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 Daifuku North America Holding Company 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 25th day of July, 2016 at which all of the owners of real property within the proposed Industrial Development District and all residents and taxpayers 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 that the following described parcels of land situated in the City of Novi, County of Oakland, State of Michigan, to wit:

Parcel identification: 50-22-01-400-039

T1N, R8E, SEC 1 PART OF SE ¼ BEG AT PT DIST N 02-30-06 W 632.02 FT & S 85-30-21 W 60.04 FT & N 02-30-06 W 1589.94 FT & S 87-29-39 W 320.91 FT & S 43-04-21 W 97.24 FT & S 01-15-44 E 108.60 FT & S 87-29-07 W 355.89 FT FROM SE COR OF SEC 1, TH S 02-30-19 E 361.12 FT, TH S 87-36-39 W 85.30 FT, TH N 47-49-44 W 135.60 FT, TH S 87-02-53 W 487.71 FT, TH N 02-57-07 W 603.80 FT, TH N 87-02-53 E 43.61 FT, TH S 61-6-30 E 420.91 FT, TH N 87-29-41 E 268.09 FT, TH S 02-30-19 E 120.68 FT TO BEG 7.36 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 Daifuku North America Holding Company.

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.

Cortney Hanson, 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 ____ day of _____, 2016, 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.

Cortney Hanson, City Clerk
City of Novi

CITY OF NOVI
COUNTY OF OAKLAND

[AMENDED 8.29.16]
RESOLUTION APPROVING AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
FOR DAIFUKU NORTH AMERICA HOLDING COMPANY

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

PRESENT: Councilmembers _____

ABSENT: Councilmembers _____

The following preamble and Resolution were offered by Councilmember _____ and supported by Councilmember _____.

WHEREAS, pursuant to P.A. 198, 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on the 25th day of July, 2016, the City of Novi, established an Industrial Development District, commonly referred to as the Daifuku North America Holding Company Industrial Development District; and

WHEREAS, Daifuku North America Holding Company. has filed an application for an Industrial Facility Exemption Certificate with the Clerk of the City of Novi with respect to proposed new real property and personal property within the Daifuku North America Holding Company Industrial Development District; and

WHEREAS, before acting on said application, the City Council of Novi held a hearing on the 25th day of July, 2016 at a regularly scheduled meeting, at which time 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, construction of the facility and installation of new personal property has not begun earlier than six (6) months before 25th day of July, 2016, the date of the acceptance of the application for the Industrial Facility Exemption Certificate; and

WHEREAS, completion of the real property and personal property 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 Novi; and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within the City of Novi 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:

1. The City Council of Novi finds and determines that the granting of this Industrial Facilities Exemption Certificate, together with the aggregate amount of the certificates previously granted and currently in force, under PA 198 of 1974, and PA 225 of 1978, shall not have the effect of substantially impeding the operation of the City of Novi, or of impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Novi.

2. The application from Daifuku North America Holding Company for an Industrial Facilities Exemption Certificate with respect to a New Facility on the following described parcel of real property situated within the Daifuku North America Holding Company Industrial Development District; to wit;

The real property parcel the facility is located on is identified as tax parcel 50-22-01-400-039 having an address Cabot Drive, City of Novi, MI 48326, including:

T1N, R8E, SEC 1 PART OF SE ¼ BEG AT PT DIST N 02-30-06 W 632.02 FT & S 85-30-21 W 60.04 FT & N 02-30-06 W 1589.94 FT & S 87-29-39 W 320.91 FT & S 43-04-21 W 97.24 FT & S 01-15-44 E 108.60 FT & S 87-29-07 W 355.89 FT FROM SE COR OF SEC 1, TH S 02-30-19 E 361.12 FT, TH S 87-36-39 W 85.30 FT, TH N 47-49-44 W 135.60 FT, TH S 87-02-53 W 487.71 FT, TH N 02-57-07 W 603.80 FT, TH N 87-02-53 E 43.61 FT, TH S 61-6-30 E 420.91 FT, TH N 87-29-41 E 268.09 FT, TH S 02-30-19 E 120.68 FT TO BEG 7.36 A

is hereby approved for real property and personal property improvements.

3. The Industrial Facilities Exemption Certificate when issued shall be and remain in force and effect for a period of twelve (12) years, and the starting date for the certificate is December 31, 2016 and the ending date is December 30, 2028.

4. The total project investment approved is \$12,715,000

5. Daifuku North America Holding Company agrees to operate the facility for which the Industrial Facilities Exemption Certificate is granted for the term of the certificate, plus an additional two years after the date of the certificate's expiration.

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.

Cortney Hanson, 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 _____ day of _____, 2016, 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.

Cortney Hanson, City Clerk
City of Novi