



CITY of NOVI CITY COUNCIL

Agenda Item 3
July 13, 2015

SUBJECT: Approval of Resolution to establish Industrial Development District for Magna Seating of America, Inc. at the northwest corner of 13 Mile Road and Haggerty Road.

SUBMITTING DEPARTMENT: Neighborhood and Business Relations

CITY MANAGER APPROVAL: 

BACKGROUND INFORMATION:

Magna International is a global automotive supplier with 316 manufacturing operations and 87 product development, engineering and sales centers in 29 countries. In Michigan, Magna operates 27 manufacturing facilities and 11 engineering, product development and sales centers in Michigan, employing more than 10,000 people. Magna Seating, one of the divisions of Magna International, has been located in Novi since 2000 on Lewis Drive south of 13 Mile Road in a 300,000 square foot facility. Magna Seating has re-evaluated their space needs and determined to search for a new headquarters. They plan on constructing a state-of-the-art 180,000 square foot facility on 11.68 Acres on Cabot Drive north of 13 Mile Road. Magna will retain 305 jobs and add another 164 by 2018:

Total New Jobs created (Year 1)	48
Total New Jobs created (Years 1 & 2)	105
Total New Jobs created (Years 1, 2, & 3)	164

The new positions will average a yearly salary ranging from \$76,492 - \$86,164. Magna's retention/addition of 469 jobs will positively affect 760 jobs in Novi and its surrounding communities, per the 1.62 multiplier from the Montgomery Consulting economic development report for Oakland County.

Magna Seating is asking for a real and personal property tax abatement under PA 198. The abatement incentives under this Act are approximately a 50% abatement of the local taxes on the new facility (but not on the land itself). Under the City's tax abatement policy, an abatement could be considered as there is new investment and creating 164 new job creation qualifies the company for the maximum consideration of a 12-year abatement. The process for approving an abatement involves two separate steps. First, establishing the Industrial Development District, and secondly, determining whether to grant an Industrial Facilities Tax Abatement. Council will be considering only step one (establishment of the District) on July 13th. Because it is ultimately up to the State Tax Commission (STC) to determine whether to grant the application for exemption once the District is created, this first stage is an important one for the City in determining if the abatement is acceptable and appropriate (creating the District). If the City Council determines to establish the Industrial Development District, its action at this meeting will be to approve the Resolution establishing the Industrial Development District. If that resolution is adopted, the next action of the City Council would be to hold another hearing, on July 27, 2015, at which it would then consider the formal application of Magna Seating for the exemption certification. Additional notices will be sent out, and another hearing will be held by the City Council at which

point the Council would consider a second resolution to approve the application for exemption thus authorizing and approving a written agreement to be entered into between the City and Magna. That approval would then be sent to the STC, which would make the final determination on whether to grant the application.

The estimated capital investment for the new facility is \$48,075,275 in land cost, building construction, leasehold improvements, annual lease cost, machinery and equipment. The total estimated abatement of local taxes over the 12 years is \$4,604,000. Magna has and will continue to support and mentor members the Novi High Schools robotics team. If the abatement is ultimately approved by City Council it will be the seventh abatement approved by City Council:

- Caparo (formerly Delwal) was granted a PA 198 Industrial Facilities 12 year abatement in 1986 that ended in 1999. The company left Novi in 2013.
- Ecco Tool Company was granted a PA 198 Industrial Facilities 8 year abatement in 2010 as part of the Tool and Die Renaissance Zone application. The abatement will expire in 2018. There was no investment made for this project.
- Suburban Collection Showplace was granted a PA 198 Industrial Facilities 12 year abatement on a \$16,700,000 investment in 2001 and expired in 2013.
- Hyatt Place was granted a PA 210 Commercial Rehabilitation 6 year abatement on a \$12,000,000 investment in 2012 that expires in 2018.
- MTU (formerly Tognum America) was granted a PA 198 8 year abatement for \$5,400,000 investment in 2011 that expires in 2019.
- Harman Becker 12 year abatement for a \$37,000 investment in 2014 that will expire in 2026

The public hearing for this request will appear earlier in the agenda.

RECOMMENDED ACTION: Approval of Resolution to establish Industrial Development District for Magna Seating of America, Inc. at the northwest corner of 13 Mile Road and Haggerty Road.

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

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

**City of Novi
County of Oakland, Michigan**

RESOLUTION ESTABLISHING INDUSTRIAL DEVELOPMENT DISTRICT

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 July 13, 2015, 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 Act No. 198 of the Public Acts of 1974, as amended, this City Council has the authority to establish "Industrial Development Districts" within the City; and

WHEREAS, Magna Seating of America, Inc. has petitioned this City Council to establish an Industrial Development District on property located in the City of Novi hereinafter described; and

WHEREAS, construction, acquisitions, alterations, or installation of a proposed facility had not commenced at the time of filing the request to establish this district; and

WHEREAS, written notice has been given by mail to all owners of real property located within the district, and to the public by newspaper advertisement and/or public posting of the hearing on the establishment of the proposed district; and

WHEREAS, on July 13, 2015, a public hearing was held at which all of the owners of real property within the proposed Industrial Development District and all residents and taxpayers of the City, and the representatives of other taxing jurisdictions, were afforded an opportunity to be heard thereon; and

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

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

[legal description]

Be and here is established as an Industrial Development District pursuant to the provision of Act No. 198 of the Public Acts of 1974 to be known as the Novi Industrial Development District No. ____.

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.

Maryanne Cornelius, City Clerk

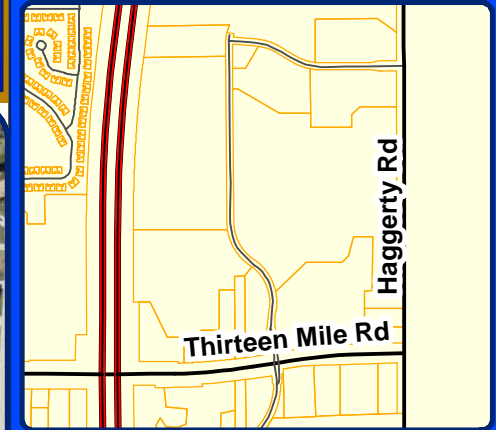
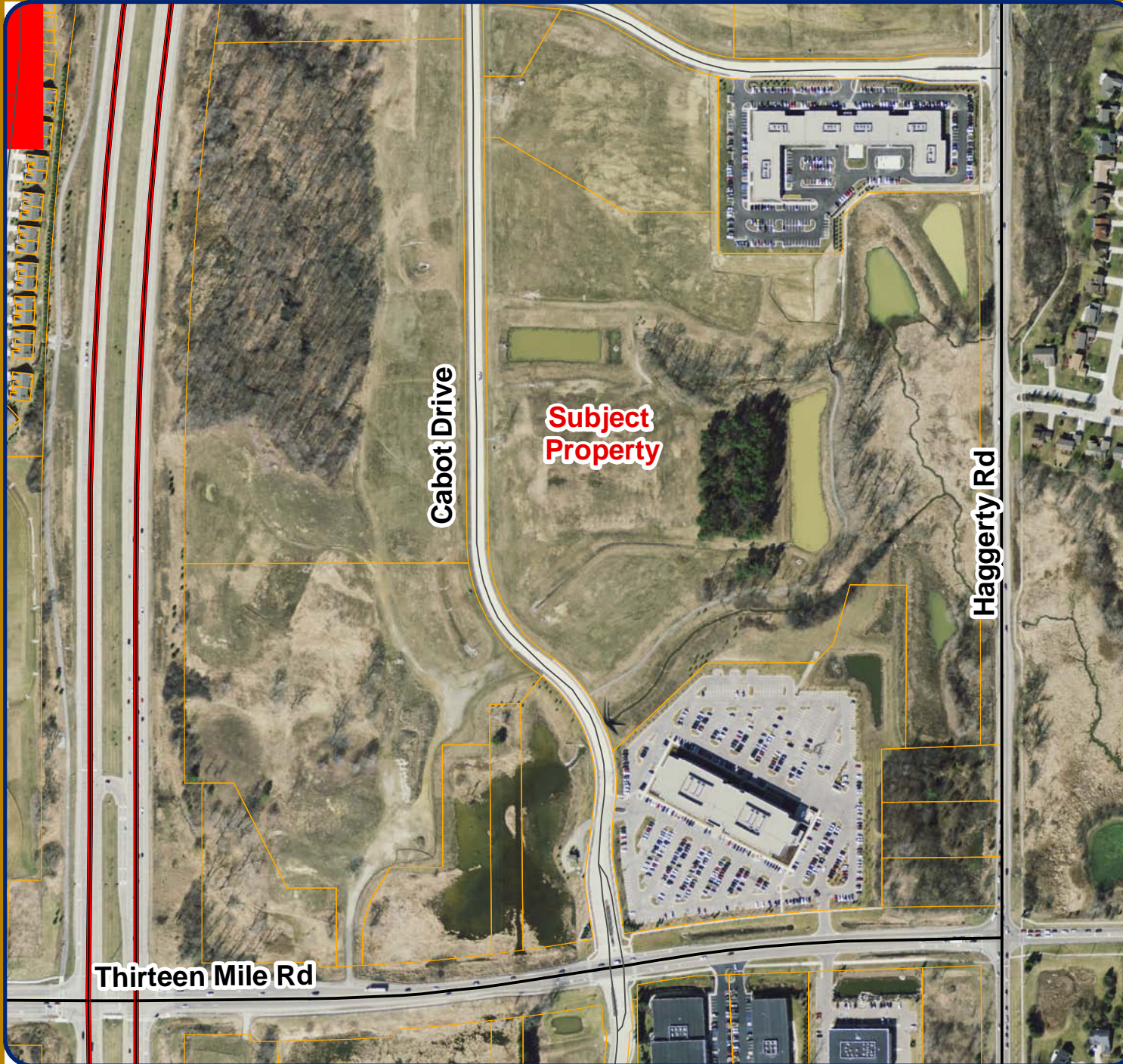
CERTIFICATION

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 at a regular meeting held this 13th day of July, 2015, 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
City of Novi

JSP 15-46 Magna Seating of America

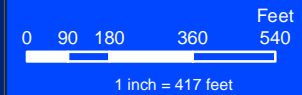
Location



City of Novi

Dept. of Community Development
City Hall / Civic Center
45175 W Ten Mile Rd
Novi, MI 48375
cityofnovi.org

Map Author: Sri Komaragiri
Date: 07/02/15
Project: JSP15-46 Magna Seating of America
Version #: 1

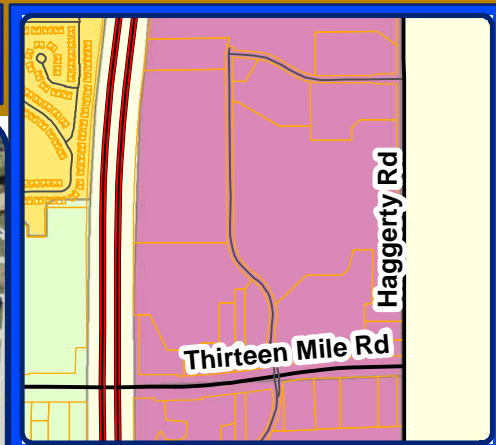
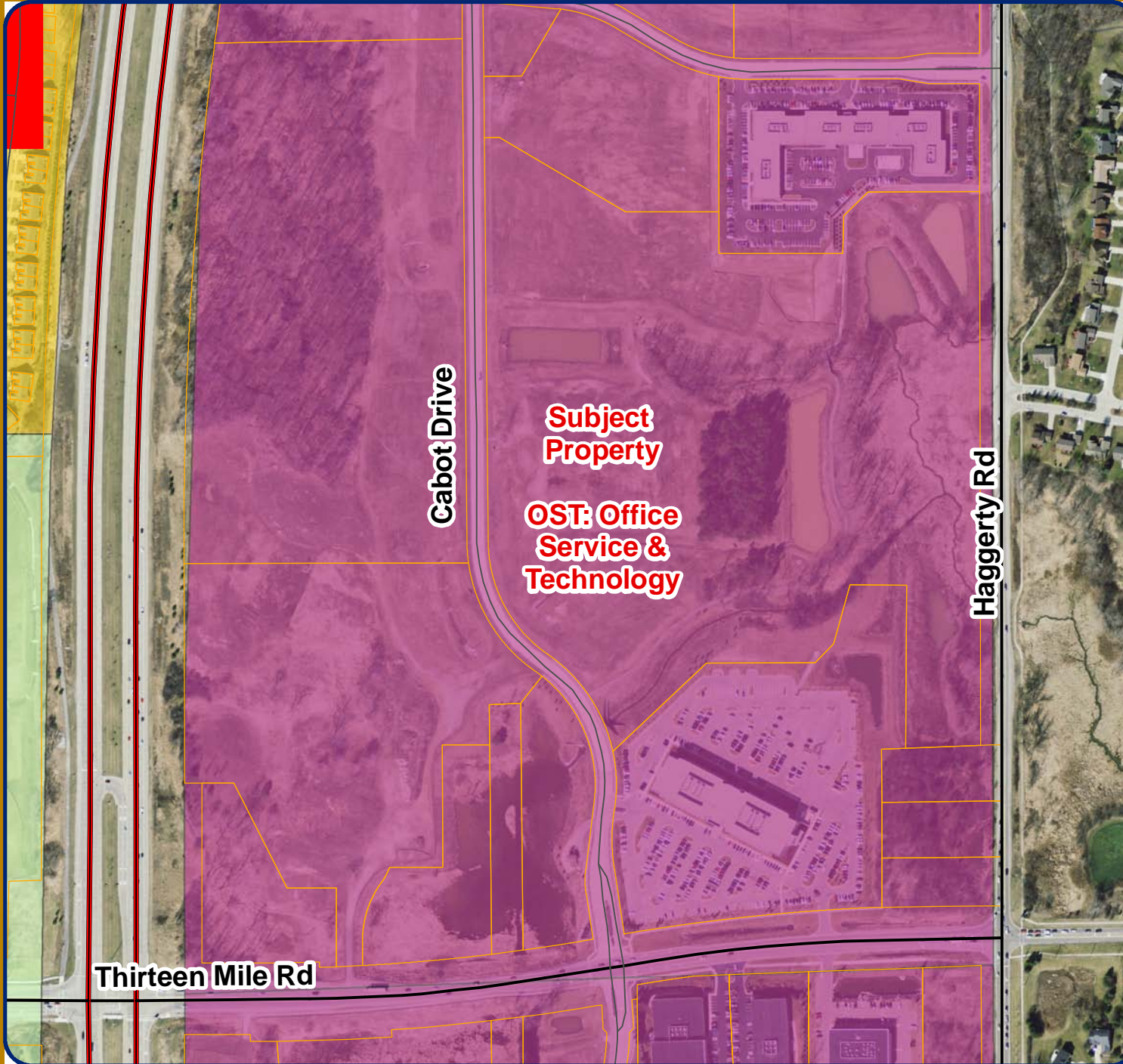


MAP INTERPRETATION NOTICE




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.

JSP 15-46 Magna Seating of America

Zoning



Legend


-  R-A: Residential Acreage
-  RM-1: Low-Density Multiple Family
-  OST: Office Service Technology



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0 90 180 360 540 Feet
1 inch = 417 feet

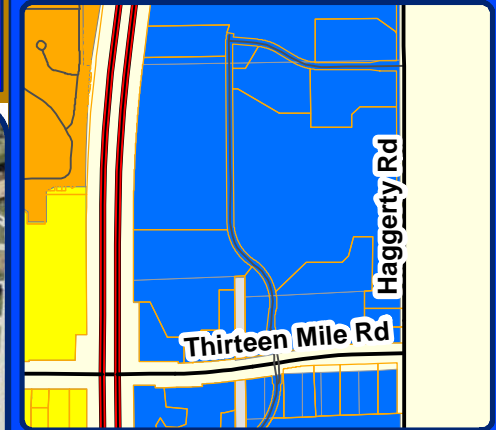






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JSP 15-46 Magna Seating of America

Future Land Use



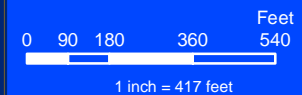
-  SINGLE FAMILY
-  MULTIPLE FAMILY
-  OFFICE RES DEV TECH
-  UTILITY



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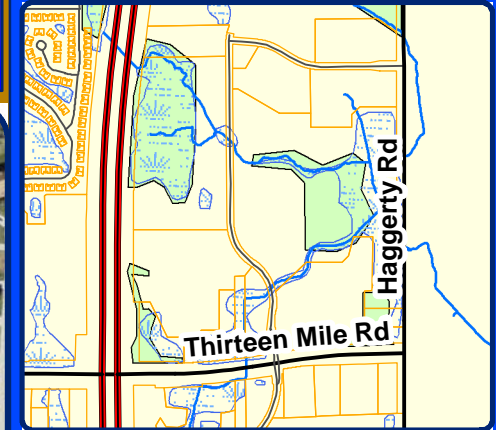
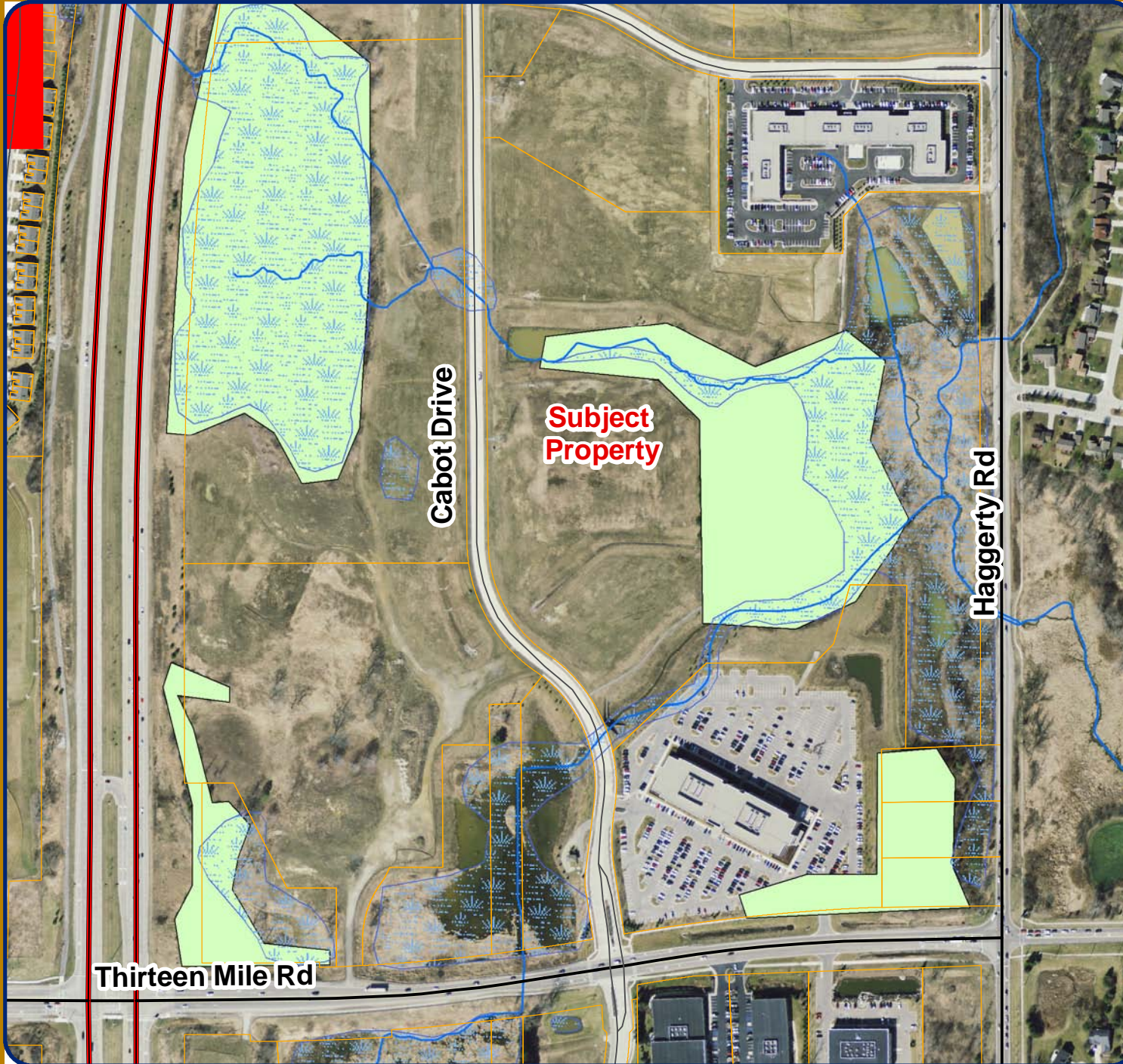


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JSP 15-46 Magna Seating of America

Natural Features



Legend

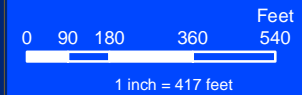
-  Wetlands
-  Woodlands



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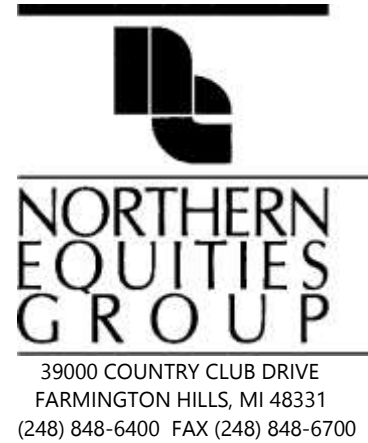
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VIA ELECTRONIC MAIL

As of June 5, 2015

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



Re: HCP Land LLC and MSA Technology Partners LLC, each, a division of
Haggerty Corridor Partners, LLC

Dear Clerk,

HCP Land LLC, a Michigan limited liability company (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, Magna Seating of America, Inc. (“Magna”) 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 a building MSA Technology Partners LLC (“Landlord”) intends to lease to Magna for its new Novi headquarters facility. The Company will transfer Property to Landlord prior to or upon closing of construction loan.

Sincerely yours,



Matthew Sosin
Vice President, HCP Land LLC, MSA Technology Partners LLC & Haggerty Corridor Partners,
LLC

Exhibit A
Legal Description of Proposed Industrial Development District

PART OF THE EAST 1/2 OF SECTION 1, TOWN 1 NORTH, RANGE 8 EAST, CITY OF NOVI, OAKLAND COUNTY MICHIGAN, BEING MORE PARTICULARLY DESCRIBED AS: COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 1; THENCE N02°30'06"W, 632.02 FEET ALONG THE EAST LINE OF SAID SECTION; THENCE S85°30'21"W, 60.04 FEET TO THE WEST LINE OF HAGGERTY ROAD (120' WIDE); THENCE CONTINUING S85°30'21"W, 215.71 FEET; THENCE N02°02'32"W, 467.58 FEET; THENCE S87°57'28"W, 162.89 FEET; THENCE S13°30'29"W, 174.90 FEET; THENCE S41°04'28"W, 75.81 FEET; THENCE S87°29'56"W, 312.43 FEET; THENCE S44°08'59"W, 370.51 FEET TO THE EAST LINE OF CABOT DRIVE (60' WIDE); THENCE 179.14 FEET ALONG SAID EAST LINE ON THE ARC OF A NON TANGENT CURVE TO LEFT, HAVING A RADIUS OF 455.00 FEET, A CENTRAL ANGLE OF 22°33'27", AND A CHORD WHICH BEARS N25°41'38"W, 177.98 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID EAST LINE 165.56 FEET THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 455.00 FEET, A CENTRAL ANGLE OF 20°50'53", AND A CHORD WHICH BEARS N47°23'48"W, 164.64 FEET; THENCE CONTINUING ALONG SAID EAST LINE 387.27 FEET THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 395.00 FEET, A CENTRAL ANGLE OF 54°52'08", AND A CHORD WHICH BEARS N30°23'12"W, 363.98 FEET; THENCE CONTINUING ALONG SAID EAST LINE N02°57'07"W, 476.01 FEET; THENCE N87°02'53"E , 478.00 FEET; THENCE S59°27'20"E, 170.63 FEET; THENCE N87°02'53"E, 69.71 FEET; THENCE S02°57'07"E, 344.50 FEET; THENCE S87°02'53"W, 27.77 FEET; THENCE S02°57'07"E, 203.77 FEET; THENCE 246.05 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT, HAVING A RADIUS OF 360.00 FEET, A CENTRAL ANGLE OF 39°09'34", AND A CHORD WHICH BEARS S51°16'46"W, 241.29 FEET; THENCE 117.06 FEET ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 250.00 FEET, A CENTRAL ANGLE OF 26°49'44", AND A CHORD WHICH BEARS S45°06'50"W, 116.00 FEET; THENCE S58°31'42"W, 86.31 FEET; THENCE S53°01'38"W, 25.75 FEET TO THE POINT OF BEGINNING.

CONTAINING 11.68 ACRES OF LAND MORE OR LESS.

SITE PLAN

(Full plan set available for viewing at the Community Development Department.)



MAGNA

City of Novi

July 2015

Northern Equities Group
39000 Country Club Drive
Farmington Hills, MI 48331



PEA, Inc
2430 Rochester Ct. Suite 100
Troy, MI 48063
p. 248.689.9090





Proposed Facility for Magna - Option 1_View 1



March 16, 2015

Steve Arwood
Chief Executive Officer

EXECUTIVE COMMITTEE

Doug Rothwell
Chair
Business Leaders for Michigan

Jeff Noel
Vice Chair
Whirlpool Corporation

Lizabeth Ardisana
ASG Renaissance

David B. Armstrong
GreenStone Farm Credit Services

Mary Lou Benecke
Dow Corning Corporation
Retired

John W. Brown
Stryker Corporation

Robert Collier
Council of Michigan Foundations

Stephen Forrest
University of Michigan

Cindy Larsen
Muskegon Lakeshore
Chamber of Commerce

David E. Meador
DTE Energy

Jeff Metts
Dowding Industries Inc.

Tom Moran
Moran Iron Works Inc.

Scott Newman-Bale
Shorts Brewing Company

Greg Northrup
Sustainable Partners LLC

Gerald D. Poisson
Oakland County

Chris Rizik
Renaissance Venture Capital Fund

Anmar Sarafa
Steward Capital Management

Marilyn Schlack
Kalamazoo Valley
Community College

David Sowerby
Loomis, Sayles & Company

Dayne Walling
City of Flint

Mr. Frank Ervin, III
Director, Government Affairs
Magna Seating of America Inc.
750 Tower Dr
Troy, MI

Dear Mr. Ervin:

Thank you for giving the Michigan Economic Development Corporation (MEDC) the opportunity to site Magna Seating of America Inc.'s new development in Southeast Michigan. Michigan is the best choice for your investment. You will find easy access to a large pool of talented workers, a business-friendly climate, and a well-established transportation system that will allow you to get your products to market quickly and cost-effectively.

Based on the estimated project parameters provided by Magna Seating of America Inc. (\$62.3 million in qualified capital investment which will create at least 330 new jobs over five years), we are pleased to provide an economic development package of state and local incentives totaling up to an estimated \$7.2 million. Please see the attached "Incentives Profile for Magna Seating of America Inc." for a more-detailed description of the incentives being offered.

This offer includes up to \$1.98 million in funding from the Michigan Business Development Program ("MBDP" or "Program"). The MBDP is designed to provide a grant, loan, or other economic assistance to qualified businesses that make qualified investments or create qualified new jobs, or both, in Michigan. While the Program is operated and funded through the Michigan Strategic Fund ("MSF"), recommendations for awards under the Program are presented by the MEDC to the MSF.

Under the MBDP, qualified new jobs are in addition to jobs already located in Michigan. Based on the projected number of jobs and investment anticipated by this project, the MEDC is interested in further exploration of a possible recommendation to the MSF for approval of a performance-based grant.

If you decide to accept these proposed incentives, please sign and date this letter in the space designated below, and return it to the MEDC. Your signature constitutes acceptance of the terms and requirements of this proposed incentive package. These incentives remain subject to a business integrity review, background check process, and other general due diligence as may be necessary or required; the results of which must be satisfactory to the MEDC, the Office of the Chief Compliance Officer, and related authorities. The MEDC must receive your written acceptance by **March 30, 2015**; otherwise these proposed incentives and services may be subject to renegotiation. Upon acceptance, the offer will

Michigan Economic Development Corporation

300 North Washington Square | Lansing, MI 48913 | 888.522.0103 | MichiganAdvantage.org | michigan.org

Ms. Janice Thomas
March 16, 2015
Page 2

remain active for 90 days while due diligence is conducted and the MSF Board considers approval.

In summary, the State of Michigan is committed to supporting and growing the automotive manufacturing industry in our state. Magna Seating of America Inc.'s new development is an important project and we welcome the opportunity to help your company.

If you have any questions or concerns, please do not hesitate to contact Michelle Elder directly, either by phone at (517) 243-2727 or email to elderm@michigan.org. Ms. Elder is available to coordinate all aspects of your company's project.

Sincerely,



Christine Roeder
Regional Director, Michigan Retention and Growth
Business Development

Attachments

cc: Michelle Elder, MEDC
Mike Gietzen, MEDC
Lauren Royston, City of Novi
Steve Cohen, City of Auburn Hills
Stephanie Carroll, City of Auburn Hills
Mark Adams, Oakland County

The undersigned agrees to accept the above incentives and services as proposed by the MEDC subject to the conditions stated in this letter.

Frank Ervin, III, Director Government Affairs

Date: _____

Please Return Written Acceptance to the MEDC:

Mail: Attn: Michelle Elder, 300 North Washington Square, Lansing, Michigan 48913

Fax: (517) 335-0198 | **Email:** elderm@michigan.org

Incentives Profile for Magna Seating of America Inc.

Incentive	Estimated Values
	Auburn Hills/Novi
Michigan Business Development Program (MBDP)	\$1,980,000
PA 198 Property Tax Abatement <i>(Real Property; Auburn Hills 8 years)</i>	\$682,000
PA 198 Property Tax Abatement (Real Property; Novi 12 years)	\$4,604,000
Total Value of Proposed Incentives	\$7,266,000

Project Assumptions:

\$62.3 million in qualified capital investment and creation of at least 330 new jobs over five years. Acceptance of this incentive package is subject to a business integrity review, background check process, and other general due diligence as required, the results of which are satisfactory to the MEDC, the Office of the Chief Compliance Officer, and related authorities.

Proposed incentives are dependent on availability of funds each year through the legislative budget process. Incentive amounts are contingent upon the ability of the project to meet program requirements and are subject to an application review and approval process.

Proposed incentives will vary based on actual site selected.

Proposed package is available until close of business on March 30, 2015.

Programs and Incentives

Financial Programs and Incentives

Michigan Business Development Program

One of the 21st Century Jobs Fund's economic incentive programs in Michigan administered by the MEDC is the MBDP or "Program". The MBDP is designed to provide a grant, loan, or other economic assistance to qualified businesses that make qualified investments, create qualified new jobs, or both, in Michigan. While the Program is operated and funded through the MSF, recommendations for awards under the Program are presented by the MEDC to the MSF Board.

Under the program, qualified new jobs are in addition to jobs already located in Michigan.

Any incentive awarded under the Program is contingent upon several factors, including:

- (i) submission by the Company of a completed application and all other documentation required under the Program;
- (ii) satisfactory community support;
- (iii) available MSF funding;
- (iv) completion of financial review, business integrity review, required background checks, and other business and legal review and due diligence as required, and the results of which must be satisfactory to the MEDC, the MSF Board, and as applicable, the Chief Compliance Officer;
- (v) approval of an award by the MSF Board; and
- (vi) execution of a final agreement between the Company and the MSF Board containing established milestones and reporting requirements, and all other detailed terms and conditions, required by the MSF Board.

Any funds disbursed to the Company will be subject to a repayment provision, including if the jobs are eliminated.

Property Tax Incentives

Property Tax Abatement under PA 198 of 1974

Local units of government have the ability to reduce property taxes on new investment by 50% for manufacturers and high-tech businesses. These abatements can last up to 12 years and can provide relief on real property taxes. The local unit of government is responsible for approving these abatements and their duration.

Workforce Development

The MEDC is ready and able to provide an extensive workforce development package through our Talent Enhancement program. Talent Enhancement services are coordinated by a designated Talent Advisor that specializes in your industry that will work closely with the leadership team of your company to create and implement a custom Talent Enhancement strategy. Your Advisor will integrate a variety of the following programs to attract, train, and retain key talent for the success of your business.

Talent Identification

- (i) Job posting and talent outreach services on the Michigan Job Portal.
- (ii) Ability to search thousands of highly accomplished resumes.
- (iii) Feature opportunities in e-newsletters that reach 5000+ job seekers each week.
- (iv) Launch a robust social media campaign that includes Facebook, LinkedIn and Twitter.
- (v) Host senior-level invitation only career networking events.

- (vi) Arrange with Michigan college and university placement offices for on-campus interviewing.
- (vii) Contact candidates and schedule interviews at a variety of local area office locations or at the company's workplace.

Talent Screening

Talent Enhancement will screen candidates based on a company's specifications and screening questions in partnership with local Michigan Works! offices.

Talent Interviewing

Talent Enhancement can contact candidates and schedule interviews at a variety of office locations or at the company's workplace.

Relocation & Partner Assistance

The MEDC staff will also work with local realtors and other partners to connect relocating employees with housing, education, and community resources to quickly welcome them into the community. Talent Enhancement will also meet with any transferring employee's spouse or partner to understand their career objectives, and will make critical introductions to integrate the spouse/partner into the relevant professional communities.

Salary & HR Consulting

Talent Enhancement can provide salary data and labor market information relevant to your industry.

Training Grants

Talent Enhancement will work closely with your company to maximize utilization of worker training programs and funds that may be available for companies in Michigan.

Internships/Co-ops

Talent Enhancement will work closely with your company to help you establish co-op and internship programs at Michigan colleges and universities.

Pure Michigan Business Connect

Pure Michigan Business Connect

Through economic gardening initiatives, Michigan businesses have new ways to buy and sell, raise capital, and connect with each other. Pure Michigan Business Connect is a \$3 billion public-private initiative that strengthens our economic gardening philosophy through an alliance of the MEDC, Michigan companies and other Michigan organizations. Pure Michigan Business Connect matches people with resources including venture capital, debt financing, collateral support, and other funding assistance; business support services like customized market research, executive and professional talent search assistance, training support, customized site searches, and ombudsman services; and additional public/private support such as entrepreneur services, export assistance, legal services, and matchmaking with Michigan suppliers.



MEMORANDUM

Date: June 19, 2015

To: Delegates of the Michigan Strategic Fund ("MSF") Board

From: Mike Gietzen, Development Finance Manager

Subject: Magna Seating of America Inc. ("Company" or "Applicant")
Michigan Business Development Program Performance-based Grant Request

Summary

This is a request from Magna Seating of America, Inc. for a \$984,000 performance-based grant. This project involves the creation of 164 Qualified New Jobs and a capital investment of up to \$48,075,275 in the City of Novi within Oakland County, Michigan.

Magna Seating of America, Inc. is looking to consolidate activities into a single facility to house its headquarters, engineering, research & development, and, sales and marketing teams. The Company is evaluating sites in Ontario, Canada as options for this expansion. The proposed Michigan Business Development Program Performance-based Grant incentive package will help solidify Michigan as Magna's U.S. corporate home and the state with the Company's largest U.S. footprint. Groundbreaking will be in the fall of 2015, with a projected occupancy date of December 2016.

The Company has indicated competition from Ontario, Canada for this highly sought after headquarters, engineering, research & development and, sales and marketing facility. Magna Seating of American, Inc.'s parent company's corporate headquarters is located in Ontario, Canada.

Background

Magna Seating of America, Inc. is a subsidiary of Magna International, Inc. Magna International, Inc. and its subsidiaries design, develop, and manufacture automotive systems, assemblies, modules and components, and engineers and assembles complete vehicles, primarily for sale to the car and light truck OEMs. Magna operates 27 manufacturing facilities and 11 engineering, product development, and sales centers in Michigan, employing more than 10,000 people.

The Applicant plans to construct and occupy a new 180,000 square foot world class headquarters, engineering, research & development and, sales and marketing facility in the City of Novi within Oakland County. The Company has estimated a capital investment of \$48,075,275 in land cost, building construction, leasehold improvements, annual lease cost, machinery and equipment.

Magna International, Inc. and its subsidiaries have received incentives from the MSF in the past and are in good standing.

Dieomatic Inc. DBA P&F Systems was awarded a \$690,000 Michigan Business Development Program Grant by the Michigan Strategic Fund on September 28, 2012.

Dieomatic Inc. DBA Cosma Casting Michigan was awarded a \$1,600,000 Michigan Business Development Program Grant by the Michigan Strategic Fund on January 23, 2013.

Magna Mirrors of America, Inc. DBA Magna Sealing and Glass Systems was awarded a \$1,200,000 Michigan Business Development Program Grant by the Michigan Strategic Fund on September 27, 2012.

Magna Seating of America, Inc. was awarded a \$732,000 Michigan Business Development Program Grant by the Michigan Strategic Fund on March 26, 2012.

Norplas Industries, Inc. was awarded a \$2,000,000 Michigan Business Development Program Grant by the Michigan Strategic Fund on January 23, 2013.

Magna Exteriors and Interiors USA, Inc. was awarded a job creation MEGA Tax Credit for its Howell, Michigan facility on June 14, 2011.

Magna Exteriors and Interiors USA, Inc. was awarded an \$822,000 Michigan Business Development Program Grant by the Michigan Strategic Fund on January 29, 2014.

Marada Industries Inc. DBA Cosma Body Assembly Michigan was awarded a \$1,600,000 Michigan Development Program Grant by the Michigan Strategic Fund on June 8, 2015.

The MEDC legal unit has completed a civil and criminal background check for the entity and individuals related to this project.

Considerations

- a) The Applicant is a “Qualified Business”, as defined in MCL 125.2088r(9)(b), that is located and operates in Michigan.
- b) The project will be located in the City of Novi. The City of Novi has offered a “staff, financial, or economic commitment to the project” in the form of in the form of a property tax abatement related to the project.
- c) The Applicant has demonstrated a need for the funding. The Company has indicated competition from Ontario, Canada for this highly sought after headquarters, engineering, research & development and, sales and marketing facility.
- d) The Applicant plans to create 164 Qualified New Jobs above a statewide base employment level of 305.
- e) Pursuant to the program guidelines, the following was taken into consideration for the proposed project: involves out-of-state competition from Ontario, Canada, the Company’s level of investment is estimated at \$48,075,275, the project is shovel-ready project with the support of the MSF, the prospect of near-term job creation, the wage level for new jobs, the project has strong links to Michigan suppliers and customers, and the project results in a positive ROI for Michigan.

Recommendation

MEDC Staff recommends the following (collectively, “Recommendation”):

- a) Approval of the MBDP Proposal as outlined in the attached term sheet (collectively, “MBDP Proposal”);
- b) Closing the MBDP Proposal, subject to available funding under the MBDP at the time of closing (“Available Funding”), satisfactory completion of due diligence, (collectively, “Due Diligence”), finalization of all MBDP transaction documents; and

- c) Commitment will remain valid for 120 days with approval for MSF Fund Manager to extend the commitment an additional 60 days.

Approval Authority – MBDP Support Memo

Michigan Economic Development Corporation

DocuSigned by:



Joshua Hundt, Director, Business Incentives

The Recommendation is approved subject to Available Funding and Completion of Due Diligence, and execution of all MBDP transaction documents, all in accordance with the MBDP and its guidelines.

Note: To utilize the delegation authority granted by the MSF Board, the approval of any two of the MSF President, the MSF Fund Manager or the State Treasurer, are required for this commitment under the MBDP.

Michigan Strategic Fund

DocuSigned by:



By: Steven Anwood

Its: Chairperson & President

DocuSigned by:



By: Mark Morante

Its: Fund Manager

By: Nick Khouri, State Treasurer
Its: Director



**MICHIGAN BUSINESS DEVELOPMENT PROGRAM
Performance Based Grant - Term Sheet**

The following is a summary of the highlights of the project and basic terms for which the Company desires grant support from the Michigan Strategic Fund ("MSF") under the Michigan Business Development Program ("MBDP"). While the MBDP is operated and funded through the MSF, recommendation for approval of a MBDP incentive award is presented by the Michigan Economic Development Corporation ("MEDC") to the MSF.

Date: 6/19/2015

- | | | |
|---|--|---|
| 1. Company Name: | Magna Seating of America Inc. ("Company" or "Applicant") | |
| 2. Company Address: | 39600 Lewis Drive
Novi, Michigan 48377 | |
| 3. Project Address ("Project"): | Cabot Drive
Novi, Michigan 48377 | |
| 4. MBDP Incentive Type: | Performance Based Grant | |
| 5. Maximum Amount of MBDP Incentive: | Up to \$984,000 ("MBDP Incentive Award") | |
| 6. Base Employment Level | 305 | The number of jobs currently maintained in Michigan by the Company based on data submitted by the Company to the MEDC reflecting the Company's statewide employment level in Michigan prior to the proposed project. The Base Employment Level, including identification of the Company data used to establish this level, shall be included in the final MBDP Incentive Award agreement ("Agreement") between the MSF and the Company. |
| 7. Total Qualified New Job Creation:
(above Base Employment Level) | 164 | The minimum number of total Qualified <u>New</u> Jobs the Company shall be required to create in Michigan (above the Base Employment Level), in addition to satisfying other milestones if applicable, to be minimally eligible to receive the full amount of the MBDP Incentive Award. Each Qualified New Job must be performed for consideration by a Michigan resident (whose Michigan income taxes are withheld as required), and each Qualified New Job must be in excess of |

the Base Employment Level. The final terms and conditions of the requirements for the minimum number of Qualified New Jobs that must be created, including provisions addressing disbursements of portions of the MBDP Incentive Award, shall be included in the final Agreement.

a. **Start Date for Measurement of Creation of Qualified New Jobs:** Date of Approval of MSF Award

8. **Company Investment:** \$48,075,275 in land cost, new construction, machinery and equipment, annual lease cost, and leasehold improvements, or any combination thereof, for the Project.

9. **Municipality supporting the Project:** City of Novi

a. **Municipality Support.** One of the conditions of execution of the final Agreement is the requirement that the municipalities shall have committed to provide: a property tax abatement related to the Project. The final terms and conditions demonstrating this support shall be included in the final Agreement.

10. **Disbursement Milestones:** The final terms and conditions of each of the disbursements of any portion of the MBDP Incentive Award shall be included in the final Agreement, including that before any disbursement is made to the Company, the Company must have maintained: (i) the Base Employment Level (exclusive of the number of Qualified New Jobs then created) and (ii) any Qualified New Jobs created for which disbursements by the MSF have been made, and must otherwise be in compliance with all terms and conditions of the final Agreement, and further shall include:

- a. **Disbursement Milestone 1:** Up to \$300,000 Upon demonstrated creation of 50 Qualified New Jobs above the Base Employment Level and verification of final approval of municipality support by no later than December 1, 2016
- b. **Disbursement Milestone 2:** Up to \$300,000 Upon completion of Disbursement Milestone 1, and upon demonstrated creation of 50 additional Qualified New Jobs (for a total of 100 Qualified New Jobs) above the Base Employment Level, by no later than December 1, 2017.
- c. **Disbursement Milestone 3:** Up to \$384,000 Upon completion of Disbursement Milestone 1 and Disbursement Milestone 2, and upon demonstrated creation of 64 additional Qualified New Jobs (for a total of 164 Qualified New Jobs) above the Base Employment Level, by no later than December 1, 2018.

11. Term of Agreement: Execution of Agreement to December 1, 2020.

12. Repayment Provisions:

Repayment provisions are required by law. The Repayment terms and conditions will be effective through the Term of the Agreement and shall be defined in the final Agreement. The final repayment provisions may require repayment of some or all of the disbursements made by the MSF, including if the Company moves 25% or more of their employees out of Michigan, if the Company fails to maintain the Base Employment Level in Michigan, if the Company fails to maintain the Qualified New Jobs incented by this Award.

13. Reporting Requirements:

Periodic reporting will be required with this program. The detailed information needed from the Company will be included in the final Agreement, but will include Project reporting for such things as: amount of proposed incentive, amount of actual incentive received by Company; amount of proposed and actual investment made by Company for Project; the committed number of new jobs and the actual number of new jobs created as a result of the Project.

14. Public Announcements:

The Company shall not make, or cause, any announcement of the proposed MBDP Incentive Award parameters outlined in this letter before the date of approval by the MSF of the MBDP Incentive Award, unless prior authorized and coordinated with the MEDC.

Any final MBDP Incentive Award is contingent upon several factors, including: (i) submission by the Company of a completed application and all other documentation required under the MBDP (ii) satisfactory municipality support (iii) available MSF funding (iv) completion of financial review, business integrity review, required background checks, and other business and legal review and due diligence as required, and the results of which must be satisfactory the MEDC, the MSF, and as applicable, the Chief Compliance Officer, (v) approval of an award by the MSF, and (vi) execution of a final Agreement containing the established milestones, repayment terms, reporting requirements, and all other detailed terms and conditions, required by the MSF.

If the Company is interested in the MEDC pursuing a recommendation to the MSF for a possible MBDP Incentive Award for the Company along the above parameters, please sign and date this Term Sheet. If the MEDC does not receive the signed Term Sheet from the Company by June 19, 2015, the MEDC may not be able to proceed with any recommendation to the MSF.

Acknowledged as received by:

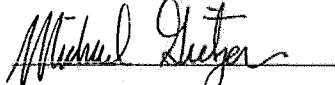
Magna Seating of America Inc.
By: 

Printed Name: Frank W. Benard

Its: DIRECTOR, GOVERNMENT AFFAIRS

Dated: 6/19/2015

Michigan Economic Development Corporation

By: 

Printed Name: Michael Gietzen

Its: DEM

Dated: 6/19/2015



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:
Lauren Royston
45175 W. Ten Mile Road
Novi, MI 48375

or by email to: lroyston@cityofnovi.org

Name of firm requesting abatement: Magna Seating of America, Inc.
Contact Person: Frank W. Ervin III
Address: 750 Tower Dr. Mail Code 7000, Troy, MI 48098
Phone: 248-631-5330 Email: frank.ervin@magna.com

Please answer the following questions as completely as possible.

1. How many acres does the project include? 12 acres
2. How many new jobs would be brought to the City of Novi? 164
 - a. Average salary range of new hires? \$1,590 per 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 ___



Magna International Inc.
Office of Government Affairs
750 Tower Drive
Troy, Michigan 48098
Tel: (248) 631-5330
Fax: (248) 631-1150
www.magna.com

June 11, 2015

RE: Magna Seating of America, Inc. – Application Criteria

Application Criteria

- A. A project must not have started more than 6 months before an application for abatement was received by the City, and be located in a plant rehabilitation district or industrial development district established prior to the commencement of the project.
 - **Ok.**
- B. There must be no outstanding taxes owed by the applicant or entity on the project.
 - **None.**
- C. If the facility is leased, the number of years awarded will not exceed the length of the lease.
- D. There is no pending or current litigation, including but not limited to property tax appeals, against the City by the applicant or its agents.
 - **None.**
- E. Tax incentives will only be offered for the current phase of a project.
 - **Ok.**
- F. The project must be fiscally beneficial to Novi from a tax revenue standpoint and must have the potential to increase employment opportunities for citizens of the community.
 - **The project will create 164 new jobs in the Novi community.**
- G. The company must demonstrate it would not locate or expand in the City if tax abatement was not available.
 - **The original plan was to consolidate operations and move Magna Seating to the new Magna U.S. Corporate Headquarters in Troy. Without the tax abatement, Magna Seating would relocate to Troy.**
- H. The cost disparity between expanding or locating in Novi and alternative locations outside the community must be demonstrated by the applicant.
 - **Significant cost savings could be realized if Magna Seating were to relocate with other Magna Groups in Troy.**



Magna International Inc.
Office of Government Affairs
750 Tower Drive
Troy, Michigan 48098
Tel: (248) 631-5330
Fax: (248) 631-1150
www.magna.com

- I. The long term impact of the project on Novi's economy, particularly in both real and personal property.
 - In 2014, Magna Seating spent approximately \$11.6 million on goods and services with Michigan based vendors. If Magna Seating moves to another municipality, the City of Novi would lose a substantial amount of economic activity.
- J. The contributions the business has made to communities where it is currently located (i.e., are they a good neighbor. do they get involved in civic activities).
 - Magna Seating sponsors Frog Force 503, a First Robotics team based out of Novi High School.
- K. Diversification of the tax base that will have the effect of developing both real and personal property to Novi's tax base.
 - Yes.
- L. The development will provide enhanced opportunities for the existing business community.
 - Yes.
- M. Evidence of corporate ongoing profitability, viability and vitality must be demonstrated, such as net profit, by percentage, and in real dollars for the last three corporate fiscal years.
 - Please see the attached 2014 Annual Financial Report for Magna International.
- N. Applicants are to provide a fiscal impact analysis that demonstrates the positive impacts to the community and where the benefits outweigh the abated amount in taxes for the duration of the abatement.
- O. Any approved tax abatements will undergo a yearly compliance review.
 - Magna International maintains a compliance team in its Government Affairs department. This team will ensure compliance with the terms and conditions of the tax abatement agreement.
- P. The applicant must be committed to the community for the entire term of the tax abatement and into the future. Evidence of this involvement would need to occur once abatement is awarded to applicant.
 - Ok.



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- Q. The granting of the industrial facilities exemption certificate, considered together with the aggregate amount of industrial facilities exemption certificates previously granted and currently in force, shall not have the effect of substantially impeding the operation of the City.
- This project would retain hundreds of jobs in the City of Novi and create new jobs that, if not for the tax abatement, would be located elsewhere.

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) Magna Seating of America, Inc.	▶ 1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) 336360	
▶ 1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) See legal description	▶ 1d. City/Township/Village (indicate which) City of Novi	▶ 1e. County Oakland
▶ 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 Walled Lake	▶ 3b. School Code 63290
4. Amount of years requested for exemption (1-12 Years) 12		

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.

See attached.

6a. Cost of land and building improvements (excluding cost of land)	▶ <u>\$30,500,000</u>
* Attach list of improvements and associated costs. * Also attach a copy of building permit if project has already begun.	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	Personal Property Costs
6c. Total Project Costs	▶ <u>\$30,500,000</u>
* Round Costs to Nearest Dollar	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.

	<u>Begin Date (M/D/Y)</u>	<u>End Date (M/D/Y)</u>		
Real Property Improvements	▶ <u>9/1/2015</u>	<u>9/1/2017</u>	▶ <input type="checkbox"/> Owned	<input checked="" type="checkbox"/> Leased
Personal Property Improvements	▶ _____	_____	▶ <input 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. 305	▶ 10. No. of new jobs at this facility expected to create within 2 years of completion. 76
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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)	<u>Not Applicable</u>
b. TV of Personal Property (excluding inventory)	<u>Not Applicable</u>
c. Total TV	<u>Not Applicable</u>

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

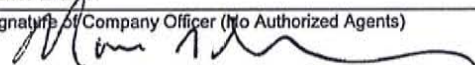
Industrial Development District Plant Rehabilitation District

▶ 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 checked="" type="checkbox"/> No
--	---

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 Frank W. Ervin III	13b. Telephone Number (248) 631-5330	13c. Fax Number 248-631-1150	13d. E-mail Address frank.ervin@magna.com
14a. Name of Contact Person Frank W. Ervin III	14b. Telephone Number (248) 631-5330	14c. Fax Number 248-631-1150	14d. E-mail Address frank.ervin@magna.com
▶ 15a. Name of Company Officer (No Authorized Agents) Mark Dunn			
15b. Signature of Company Officer (No Authorized Agents) 		15c. Fax Number	15d. Date 6/11/2015
▶ 15e. Mailing Address (Street, City, State, ZIP Code) 39600 Lewis Drive, Novi Michigan 48377		15f. Telephone Number (248) 567-4621	15g. E-mail Address Mark.dunn@magna.com

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: Check or Indicate N/A if Not Applicable <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 Check or Indicate N/A if Not Applicable <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 LISTING

LAND/CONSTRUCTION/LEASEHOLD IMPROVEMENT BUILDING

DESCRIPTION	IN SERVICE DATE	2015 PROJECTED COST	2016 PROJECTED COST
Land		\$ 4,500,000.00	
Construction			\$ 28,500,000.00
Leasehold			\$ 2,000,000.00
TOTAL REAL PROPERTY COSTS		\$ 4,500,000.00	\$ 30,500,000.00



Magna International Inc.
Office of Government Affairs
750 Tower Drive
Troy, Michigan 48098
Tel: (248) 631-5330
Fax: (248) 631-1150
www.magna.com

June 12, 2015

RE: Magna Seating of America, Inc. – Project Overview

Magna International (Magna) is a leading global automotive supplier with 316 manufacturing operations and 87 product development, engineering, and sales centers in 29 countries. We have over 133,000 employees focused on delivering superior value to our customers through innovative processes and World Class Manufacturing. Furthermore, Michigan is our U.S. corporate home and the state with our largest U.S. footprint. Magna operates 27 manufacturing and 11 engineering, product development, and sales centers in Michigan, employing more than 10,150 people.

Magna Seating of America, Inc. (Magna Seating) plans to construct and occupy a new world class headquarters, engineering, sales and marketing, and R&D facility. The project will result in \$43 Million in real and personal property investments in the City of Novi. Additionally, the project will retain approximately 305 jobs and create another 164 in the City of Novi. The average weekly wage of the new jobs created under the project will be approximately \$1,590, and employees will receive medical, dental, and vision insurance; short-term and long-term disability benefits; employee profit sharing; 401(k) with company match; paid vacations and holidays; and Worker's Compensation Insurance.

Estimated Capital Investment	Year 1	Year 2	Year 3	Year 4	Year 5	
	2015	2016	2017	2018	2019	Total
Land Costs	\$4,500,000					\$4,500,000
Building - New Construction		\$28,500,000				\$28,500,000
Building - Purchase of Existing						\$0
Building - Renovations						\$0
Internal Renovations						\$0
External Renovations						\$0
Building - Leasehold Improvements		\$2,000,000				\$2,000,000
Machinery & Equipment - New		\$4,000,000	\$2,333,000	\$929,000	\$950,000	\$8,212,000
Machinery & Equipment - Used						\$0
Pollution Control Equipment						\$0
Total Capital Investment	\$4,500,000	\$34,500,000	\$2,333,000	\$929,000	\$950,000	\$43,212,000

Estimated New Jobs at New Facility											
Full Time and Contract Employees	End of Year 1		End of Year 2		End of Year 3		End of Year 4		End of Year 5		Total New Jobs
	2015		2016		2017		2018		2019		
	New Jobs Created	Avg Weekly Wage	New Jobs Created	Avg Weekly Wage	New Jobs Created	Avg Weekly Wage	New Jobs Created	Avg Weekly Wage	New Jobs Created	Avg Weekly Wage	
Managerial	2	\$2,115	3	\$2,168	3	\$2,222	3	\$2,278	3	\$2,335	
Professional	30	\$1,635	18	\$1,676	18	\$1,718	19	\$1,761	19	\$1,805	
Technical	3	\$962	3	\$986	3	\$1,011	3	\$1,036	3	\$1,062	
Sales	4	\$1,442	2	\$1,478	2	\$1,515	2	\$1,553	2	\$1,592	
Clerical					1	\$808			1	\$849	
Craftsman (skilled)	9	\$962	2	\$986	2	\$1,011	2	\$1,036	2	\$1,062	
Operators (semi-skilled)											
Laborers (unskilled)											
Service											
New Job Creation to Date and Avg. Weekly Rate	48	\$1,423	28	\$1,459	29	\$1,381	29	\$1,533	30	\$1,451	164

**CITY OF NOVI
NOTICE OF PUBLIC HEARING
CONSIDERATION OF THE ESTABLISHMENT OF AN
INDUSTRIAL DEVELOPMENT DISTRICT
UNDER ACT P.A. 198 OF 1974, AS AMENDED**

Notice is hereby given that HCP Land LLC and MSA Technology Partners LLC have submitted a request to the City of Novi for the establishment of an Industrial Development District under the "Plant Rehabilitation and Industrial Development Act P.A. 198 of 1974."

The proposed project is part of Parcel ID No. 50-22-01-400-030, located at 13 Mile Road and Haggerty Road, described as follows:

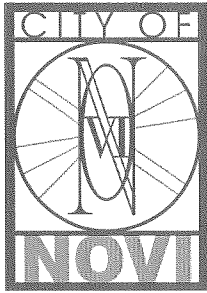
PART OF THE EAST 1/2 OF SECTION 1, TOWN 1 NORTH, RANGE 8 EAST, CITY OF NOVI, OAKLAND COUNTY MICHIGAN, BEING MORE PARTICULARLY DESCRIBED AS: COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 1; THENCE N02°30'06"W, 632.02 FEET ALONG THE EAST LINE OF SAID SECTION; THENCE S85°30'21"W, 60.04 FEET TO THE WEST LINE OF HAGGERTY ROAD (120' WIDE); THENCE CONTINUING S85°30'21"W, 215.71 FEET; THENCE N02°02'32"W, 467.58 FEET; THENCE S87°57'28"W, 162.89 FEET; THENCE S13°30'29"W, 174.90 FEET; THENCE S41°04'28"W, 75.81 FEET; THENCE S87°29'56"W, 312.43 FEET; THENCE S44°08'59"W, 370.51 FEET TO THE EAST LINE OF CABOT DRIVE (60' WIDE); THENCE 179.14 FEET ALONG SAID EAST LINE ON THE ARC OF A NON TANGENT CURVE TO LEFT, HAVING A RADIUS OF 455.00 FEET, A CENTRAL ANGLE OF 22°33'27", AND A CHORD WHICH BEARS N25°41'38"W, 177.98 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID EAST LINE 165.56 FEET THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 455.00 FEET, A CENTRAL ANGLE OF 20°50'53", AND A CHORD WHICH BEARS N47°23'48"W, 164.64 FEET; THENCE CONTINUING ALONG SAID EAST LINE 387.27 FEET THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 395.00 FEET, A CENTRAL ANGLE OF 54°52'08", AND A CHORD WHICH BEARS N30°23'12"W, 363.98 FEET; THENCE CONTINUING ALONG SAID EAST LINE N02°57'07"W, 476.01 FEET; THENCE N87°02'53"E, 478.00 FEET; THENCE S59°27'20"E, 170.63 FEET; THENCE N87°02'53"E, 69.71 FEET; THENCE S02°57'07"E, 344.50 FEET; THENCE S87°02'53"W, 27.77 FEET; THENCE S02°57'07"E, 203.77 FEET; THENCE 246.05 FEET ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT, HAVING A RADIUS OF 360.00 FEET, A CENTRAL ANGLE OF 39°09'34", AND A CHORD WHICH BEARS S51°16'46"W, 241.29 FEET; THENCE 117.06 FEET ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 250.00 FEET, A CENTRAL ANGLE OF 26°49'44", AND A CHORD WHICH BEARS S45°06'50"W, 116.00 FEET; THENCE S58°31'42"W, 86.31 FEET; THENCE S53°01'38"W, 25.75 FEET TO THE POINT OF BEGINNING.

CONTAINING 11.68 ACRES OF LAND MORE OR LESS.

Pursuant to Section 4 (4) of said Act, a public hearing shall be held on Monday, July 13, 2015 at 7:00 pm in the Novi City Council Chambers, located at 45175 Ten Mile Road, Novi, Michigan 48375, during which any property owner within the proposed Industrial Development District, and any resident or taxpayer of the City of Novi may appear and be heard in relation to the consideration of the aforementioned Industrial Development District.

If you have any comments regarding this proposal, they may be presented in writing to the City Clerk's office or at the public hearing.

Maryanne Cornelius, MMC
City Clerk



SENT VIA CERTIFIED MAIL

CITY COUNCIL

Mayor
Bob Gatt

Mayor Pro Tem
Dave Staudt

Andrew Mutch

Wayne M. Wrobel

Laura Marie Casey

Gwen Markham

Doreen Poupard

City Manager
Peter E. Auger

City Clerk
Maryanne Cornelius

June 24, 2015

Oakland Community College
Attn: Chancellor
2480 Opdyke
Bloomfield Hills, MI 48304

Dear Chancellor:

This letter is to notify you as the taxing jurisdiction that a public hearing on the establishment of an Industrial Development District for HCP Land LLC and MSA Technology Partners LLC will be held on Monday, July 13, 2015 at 7:00 pm, at the City of Novi, Council Chambers, 45175 Ten Mile Rd., Novi, MI 48375. The proposed project is part of Parcel ID No. 50-22-01-400-030, located at 13 Mile Road and Haggerty Road, described in the enclosed legal description.

If there are any questions, please contact my office at 248-347-0456.

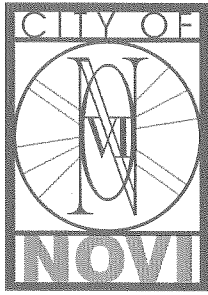
Sincerely,

Cortney Hanson

Cortney Hanson, CMC
Deputy City Clerk

City of Novi
45175 Ten Mile Road
Novi, Michigan 48375
248.347.0460
248.347.0577 fax

cityofnovi.org



SENT VIA CERTIFIED MAIL

CITY COUNCIL

Mayor
Bob Gatt

Mayor Pro Tem
Dave Staudt

Andrew Mutch

Wayne M. Wrobel

Laura Marie Casey

Gwen Markham

Doreen Poupard

City Manager
Peter E. Auger

City Clerk
Maryanne Cornelius

June 24, 2015

Oakland Intermediate School District
Dr. Vickie Markavitch, Supt.
2111 Pontiac Lake Road
Waterford, MI 48328

Dear Dr. Markavitch:

This letter is to notify you as the taxing jurisdiction that a public hearing on the establishment of an Industrial Development District for HCP Land LLC and MSA Technology Partners LLC will be held on Monday, July 13, 2015 at 7:00 pm, at the City of Novi, Council Chambers, 45175 Ten Mile Rd., Novi, MI 48375. The proposed project is part of Parcel ID No. 50-22-01-400-030, located at 13 Mile Road and Haggerty Road, described in the enclosed legal description.

If there are any questions, please contact my office at 248-347-0456.

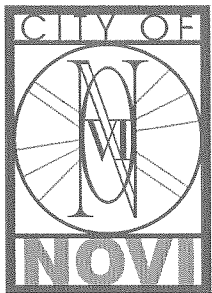
Sincerely,

Cortney Hanson

Cortney Hanson, CMC
Deputy City Clerk

City of Novi
45175 Ten Mile Road
Novi, Michigan 48375
248.347.0460
248.347.0577 fax

cityofnovi.org



SENT VIA CERTIFIED MAIL

CITY COUNCIL

June 24, 2015

Mayor
Bob Gatt

Mayor Pro Tem
Dave Staudt

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Laura Marie Casey

Gwen Markham

Doreen Poupard

City Manager
Peter E. Auger

City Clerk
Maryanne Cornelius

Oakland County Treasurer
Attn: Andy Meisner
1200 N. Telegraph, Bldg 12 East
Pontiac, MI 48341

Dear Mr. Meisner:

This letter is to notify you as the taxing jurisdiction that a public hearing on the establishment of an Industrial Development District for HCP Land LLC and MSA Technology Partners LLC will be held on Monday, July 13, 2015 at 7:00 pm, at the City of Novi, Council Chambers, 45175 Ten Mile Rd., Novi, MI 48375. The proposed project is part of Parcel ID No. 50-22-01-400-030, located at 13 Mile Road and Haggerty Road, described in the enclosed legal description.

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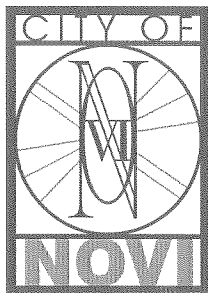
Sincerely,

Courtney Hanson

Courtney Hanson, CMC
Deputy City Clerk

City of Novi
45175 Ten Mile Road
Novi, Michigan 48375
248.347.0460
248.347.0577 fax

cityofnovi.org



SENT VIA CERTIFIED MAIL

CITY COUNCIL

June 24, 2015

Mayor
Bob Gatt

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Andrew Mutch

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Laura Marie Casey

Gwen Markham

Doreen Poupard

City Manager
Peter E. Auger

City Clerk
Maryanne Cornelius

Oakland County Equalization Division
240 Elizabeth Lake Road, Suite 1000W
Pontiac, MI 48341

To Whom It May Concern:

This letter is to notify you as the taxing jurisdiction that a public hearing on the establishment of an Industrial Development District for HCP Land LLC and MSA Technology Partners LLC will be held on Monday, July 13, 2015 at 7:00 pm, at the City of Novi, Council Chambers, 45175 Ten Mile Rd., Novi, MI 48375. The proposed project is part of Parcel ID No. 50-22-01-400-030, located at 13 Mile Road and Haggerty Road, described in the enclosed legal description.

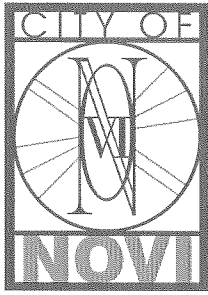
If there are any questions, please contact my office at 248-347-0456.

Sincerely,

Cortney Hanson, CMC
Deputy City Clerk

City of Novi
45175 Ten Mile Road
Novi, Michigan 48375
248.347.0460
248.347.0577 fax

cityofnovi.org



SENT VIA CERTIFIED MAIL

CITY COUNCIL

June 24, 2015

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Wayne M. Wrobel

Laura Marie Casey

Gwen Markham

Doreen Poupard

City Manager

Peter E. Auger

City Clerk

Maryanne Cornelius

Walled Lake Consolidated Schools
Attn: Kenneth Gutman
850 Ladd Road, Bldg D
Walled Lake, MI 48390

Dear Mr. Gutman:

This letter is to notify you as the taxing jurisdiction that a public hearing on the establishment of an Industrial Development District for HCP Land LLC and MSA Technology Partners LLC will be held on Monday, July 13, 2015 at 7:00 pm, at the City of Novi, Council Chambers, 45175 Ten Mile Rd., Novi, MI 48375. The proposed project is part of Parcel ID No. 50-22-01-400-030, located at 13 Mile Road and Haggerty Road, described in the enclosed legal description.

If there are any questions, please contact my office at 248-347-0456.

Sincerely,

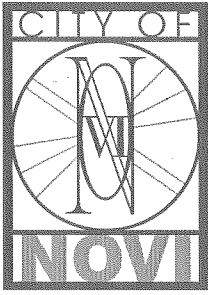
Cortney Hanson

Cortney Hanson, CMC
Deputy City Clerk

City of Novi

45175 Ten Mile Road
Novi, Michigan 48375
248.347.0460
248.347.0577 fax

cityofnovi.org



SENT VIA CERTIFIED MAIL

CITY COUNCIL

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Doreen Poupard

City Manager
Peter E. Auger

City Clerk
Maryanne Cornelius

June 24, 2015

HCP Land, LLC
Attn: Matthew Sosin
39000 Country Club Dr.
Farmington Hills, MI 48331

Dear Mr. Sosin:

This letter is to notify you that a public hearing on the establishment of an Industrial Development District for HCP Land LLC and MSA Technology Partners LLC will be held on Monday, July 13, 2015 at 7:00 pm, at the City of Novi, Council Chambers, 45175 Ten Mile Rd., Novi, MI 48375. The proposed project is part of Parcel ID No. 50-22-01-400-030, located at 13 Mile Road and Haggerty Road, described in the enclosed legal description.

If there are any questions, please contact my office at 248-347-0456.

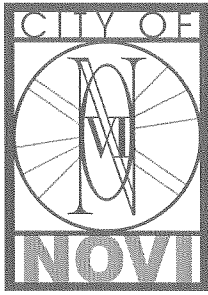
Sincerely,

Cortney Hanson

Cortney Hanson, CMC
Deputy City Clerk

City of Novi
45175 Ten Mile Road
Novi, Michigan 48375
248.347.0460
248.347.0577 fax

cityofnovi.org



SENT VIA CERTIFIED MAIL

CITY COUNCIL

Mayor
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Gwen Markham

Doreen Poupard

City Manager
Peter E. Auger

City Clerk
Maryanne Cornelius

June 24, 2015

Magna Seating of America, Inc.
Attn: Frank W. Ervin III
750 Tower Dr. Mail Code 7000
Troy, MI 48098

Dear Mr. Ervin:

This letter is to notify you that a public hearing on the establishment of an Industrial Development District for HCP Land LLC and MSA Technology Partners LLC will be held on Monday, July 13, 2015 at 7:00 pm, at the City of Novi, Council Chambers, 45175 Ten Mile Rd., Novi, MI 48375. The proposed project is part of Parcel ID No. 50-22-01-400-030, located at 13 Mile Road and Haggerty Road, described in the enclosed legal description.

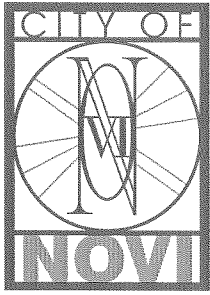
If there are any questions, please contact my office at 248-347-0456.

Sincerely,

Cortney Hanson, CMC
Deputy City Clerk

City of Novi
45175 Ten Mile Road
Novi, Michigan 48375
248.347.0460
248.347.0577 fax

cityofnovi.org



SENT VIA CERTIFIED MAIL

CITY COUNCIL

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Doreen Poupard

City Manager
Peter E. Auger

City Clerk
Maryanne Cornelius

June 24, 2015

Magna Seating of America, Inc.
Attn: Mark Dunn
39600 Lewis Drive
Novi, MI 48377

Dear Mr. Dunn:

This letter is to notify you that a public hearing on the establishment of an Industrial Development District for HCP Land LLC and MSA Technology Partners LLC will be held on Monday, July 13, 2015 at 7:00 pm, at the City of Novi, Council Chambers, 45175 Ten Mile Rd., Novi, MI 48375. The proposed project is part of Parcel ID No. 50-22-01-400-030, located at 13 Mile Road and Haggerty Road, described in the enclosed legal description.

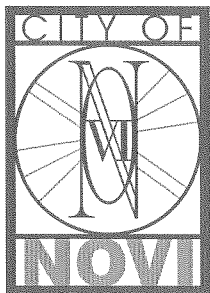
If there are any questions, please contact my office at 248-347-0456.

Sincerely,

Cortney Hanson, CMC
Deputy City Clerk

City of Novi
45175 Ten Mile Road
Novi, Michigan 48375
248.347.0460
248.347.0577 fax

cityofnovi.org



VIA HAND DELIVERY

CITY COUNCIL

Mayor
Bob Gatt

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Doreen Poupard

City Manager
Peter E. Auger

City Clerk
Maryanne Cornelius

June 24, 2015

City of Novi
Attn: Glenn Lemmon, Assessor
45175 W. Ten Mile Road
Novi, MI 48375

Dear Mr. Lemmon:

This letter is to notify you as the taxing jurisdiction that a public hearing on the establishment of an Industrial Development District for HCP Land LLC and MSA Technology Partners LLC will be held on Monday, July 13, 2015 at 7:00 pm, at the City of Novi, Council Chambers, 45175 Ten Mile Rd., Novi, MI 48375. The proposed project is part of Parcel ID No. 50-22-01-400-030, located at 13 Mile Road and Haggerty Road, described in the enclosed legal description.

If there are any questions, please contact my office at 248-347-0456.

Sincerely,

Cortney Hanson, CMC
Deputy City Clerk

cc: Peter Auger, City Manager
Maryanne Cornelius, City Clerk

City of Novi
45175 Ten Mile Road
Novi, Michigan 48375
248.347.0460
248.347.0577 fax

cityofnovi.org

	y1	y2	y3	
Building annual lease cost	0	2,413,536.00	2,449,739.00	
Land cost	4,500,000.00	-	-	
Building - leasehold improvements	2,000,000.00	-	-	
Building - new construction	28,500,000.00	-	-	
Machinery & Equip	4,000,000.00	3,262,000.00	950,000.00	
Total	39,000,000.00	5,675,536.00	3,399,739.00	Grand Total: 48,075,275.00