



CITY COUNCIL AGENDA ITEM

Date: July 25, 2011

To: John Szerlag, City Manager

From: Nino Licari, City Assessor

Subject: Public Hearing for the establishment of an Industrial Development District (IDD) for US Farathane Corporation – 754 W. Maple

Background:

US Farathane Corporation is consolidating some of its operation in Troy, at 754 W. Maple. They have an existing Industrial Facilities Exemption Certificate (IFEC) in Madison Heights that they wish to transfer to Troy. It involves an initial investment of \$715,173.00. This IFEC expires on December 31, 2015.

Additionally, they wish to apply for a new IFEC in Troy. They will be spending \$1,022,820 for new machinery and equipment for the consolidation. They have a 7.5 year lease on the 754 W. Maple building, and will be creating 8 new jobs to go along with the 74 jobs they will be transferring here. Under Council Policy Resolution #2010-08-173, they would qualify for a three (3) year abatement.

In order to qualify for either the transfer or new abatement, an Industrial Development District (IDD) must first be established at the site.

Financial Considerations:

In this case, the financial considerations for each exemption shall be considered separately.

Legal Considerations:

The site meets all legal and Policy Resolution criteria necessary for establishing an IDD.

Policy Considerations:

The application is in compliance with City Council Tax Abatement Policy Resolution #2010-08-173. Additionally, the following Council Outputs/Outcomes are met;



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H. Recruit and retain new businesses that enhance the community and that meet the goals of the City's Master Plan, as well as the key concepts of the Big Beaver Corridor Study

U. Utilize available economic development tools and partnerships in order to compete for quality businesses

Options:

City Council may establish the IDD (and approve the tax abatements). Or, City Council may choose to not establish a district at this site. In which case, the Council must then deny any tax abatement for a district not established.

NI/nl H:IFT\US Farathane\Memo IDD 07.25.11

CITY OF TROY
PUBLIC HEARING

A Public Hearing will be held by and before the City Council of the City of Troy at City Hall, 500 W. Big Beaver, Troy, Michigan on Monday, July 25, 2011 at 7:30 P.M. to consider the establishment of an Industrial Development District (IDD), the granting of an Industrial Facilities Exemption Certificate (IFEC) and the transfer of an existing Industrial Facilities Exemption Certificate (IFEC) from Madison Heights, for US Farathane Corporation, at the following location:

88-20-28-304-023 754 W Maple, Troy, MI. 48084-5315
T2N, R11E, Section 28 part of SW 1/4

You may express your comments regarding this matter by writing to this office, or by attending the Public Hearing.

M. Aileen Bittner, Deputy Clerk
Acting City Clerk

NOTICE: *People with disabilities needing accommodations for effective participation in this meeting should contact the City Clerk by e-mail at clerk@ci.troy.mi.us or by calling (248) 524-3317 at least two working days in advance of the meeting. An attempt will be made to make reasonable accommodations.*

TROY SCHOOL DISTRICT
MARK RAJTER
4400 LIVERNOIS
TROY MI 48098-4799

OAKLAND COMMUNITY COLLEGE
CLARENCE E BRANTLEY
2480 OPDYKE
BLOOMFIELD HILLS MI 48304-2266

OAKLAND INTERMEDIATE
SCHOOLS
2111 PONTIAC LAKE
WATERFORD MI 48328

OAKLAND COUNTY PTA
1200 N TELEGRAPH Dept 479
PONTIAC MI 48341-0479

OAKLAND COUNTY EQUALIZATION
Attn: DAVID HIEBER
250 ELIZABETH LAKE RD 1000 W
PONTIAC MI 48341

US FARATHANE CORPORATION
Attn: RICHARD L KNAPPE
2700 HIGH MEADOW
AUBURN HILLS MI 48326

CITY OF MADISON HEIGHTS
Attn: MARILYN HALEY CITY CLERK
300 W THIRTEEN MILE
MADISON HEIGHTS MI 48071

E-01 Establishment of an Industrial Development District (IDD) at 754 W. Maple

Suggested Resolution

Resolution #2011-

Moved by

Seconded by

RESOLVED, That Troy City Council hereby **ESTABLISHES** an Industrial Development District (IDD) for property known as 754 W Maple, Troy, MI. 48084-5315, Parcel #88-20-28-304-023, in accordance with City Council Policy Resolution #2010-08-173; and

BE IT FINALLY RESOLVED, That Troy City Council hereby **DIRECTS** the City Clerk to forward a copy of this resolution to the State Tax Commission, Treasury Building, P.O. Box 30471, Lansing, MI 48909-7971.

Yes:

No: