



CITY COUNCIL AGENDA ITEM

Date: January 26, 2015

To: Brian Kischnick, City Manager

From: Tom Darling, Director of Financial Services
Nino Licari, City Assessor

Subject: Public Hearing for the granting of an Industrial Facilities Exemption Certificate (IFEC) for Unified Business Technologies, Inc., 315 Indusco Ct.

Background:

Unified Business Technologies, Inc., has purchased the property at 315 Indusco Ct. They are in the process of renovating the facility for high tech, state of the art, manufacturing of electronic systems for Aerospace and Defense contractors. The building has been vacant for several years, and is next door to an existing facility that they own.

They will invest over \$1.0 million in renovations, and more importantly, will be bringing an additional 150 jobs to the existing 120 that they currently employ.

In December of 2014 they submitted a Letter of Intent to apply for tax abatement at the site.

They have applied to have an Industrial Development District established at the site so that they may apply for personal property tax abatement for a 10 year period. If granted, they will save approximately \$22,000 on their overall tax bill. Of that amount, \$7,322 would be City tax savings.

Financial Considerations:

Based on their ownership of the building, the amount of the investment, and the number of jobs they will be creating, they qualify for a ten (10) year abatement under Council Policy Resolution #2010-08-173.

The \$1,020,000 investment would generate approximately \$43,862.50 in total taxes over ten (10) years, of which \$14,644.92 would be City taxes.



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The abatement would therefore save the company \$21,931.25 over its life. The City would realize \$7,322.46 in taxes that it does not currently receive.

Legal Considerations:

The site meets all legal and Policy Resolution criteria necessary for granting an IFEC.

Policy Considerations:

The application is in compliance with City Council Tax Abatement Policy Resolution #2010-08-173, and PA 198.

Options:

City Council may approve the tax abatement. Or, City Council may choose to deny any tax abatement. The company would then appeal this decision to the State Tax Commission (STC).

NI/ni H:IFT\UBT 2014\Memo IFEC UBT 2014 01.26.15

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, January 26, 2015, at 7:30 P.M. to consider the establishment of an Industrial Development District (IDD) and the granting of an Industrial Facilities Exemption Certificate (IFEC) for Unified Business Technologies, Inc., at the following location:

88-20-36-451-022 315 Indusco Ct., Troy, MI. 48083
T2N, R11E, Section 36, Indusco Sub, South 70 feet of Lot 14 and all of Lot 15

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

M. Aileen Bittner, 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.*

WARREN CONSOL'D SCHOOLS
Attn: TOM WALL
31300 ANITA
WARREN MI 48093-1697

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

MACOMB INTERMEDIATE SCHLS
44001 GARFIELD
CLINTON TWP MI 48038-1100

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

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

OAKLAND COUNTY ZOO AUTH'Y
1200 N TELEGRAPH Dept 479
PONTIAC MI 48341-0479

UNIFIED BUSINESS TECH. INC
Attn: MICHELLE D'SOUZA
353 INDUSCO CT
TROY MI 48083

AFFIDAVIT OF PUBLICATION, POSTING & MAILING

State of Michigan
County of Oakland
City of Troy

RE: PUBLIC HEARING:

Council/Board/Committee: City Council
Day: Monday
Date: January 26, 2015
Time: 7:30 PM
Business: Unified Business Technologies, Inc.
To consider the establishment of an Industrial Development District (IDD) and the
the following: granting of an Industrial Facilities Exemption Certificate (IFEC)
Address: 315 Indusco Ct.
Parcel ID# 88-20-36-451-022
Section: 36

I hereby certify that the attached notice was E-mailed to
the Somerset Gazette Newspapers on: January 5, 2015

For publication on: January 12, 2015

Cheryl A Stewart

Cheryl A. Stewart
Admin Aide

I hereby certify that the attached notice was posted to the
City of Troy website on: January 5, 2015

I further certify that the mailing is scheduled to be mailed by
first class mail by the City Clerk's Office on: January 5, 2015

Cheryl A Stewart

Cheryl A. Stewart
Admin Aide

POSTED: January 5, 2015
PUBLISHED: January 12, 2015

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City Clerk

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UNIFIED BUSINESS TECH. INC
Attn: MICHELLE D'SOUZA
353 INDUSCO CT
TROY MI 48083

Cheryl A Stewart

From: Cheryl A Stewart
Sent: Monday, January 05, 2015 12:29 PM
To: 'editor@troy-somersetgazette.com'; 'Patti Sweitzer'
Cc: Clerks
Subject: PUBLISH: January 12, 2015 20150126 IDD-IFEC Unified Business Technologies Inc. - 315 Indusco Ct.
Attachments: 20150126 IDD-IFEC Unified Business Technologies Inc - 315 Indusco Ct.doc

Cindy and/or Patti,

Would you please publish the attached Notice of Public Hearing in the **January 12, 2015** edition of the Somerset Gazette?

Also, would you please reply to this email to confirm receipt of the information?

Thanks,

Cheryl A. Stewart | Admin Aide

[City of Troy](#) | [City Clerk's Office](#) | 500 W. Big Beaver Troy MI 48084-5254 | Office: 248.524.3316 | Fax 248.524.1770 | troymi.gov  

"We believe a strong community embraces diversity, promotes innovation, and encourages collaboration. We strive to lead by example within the region. We do this because we want everyone to choose Troy as their community for life. We believe in doing government the **best**."

Cheryl A Stewart

From: Aileen Bittner
Sent: Monday, January 05, 2015 9:45 AM
To: Cheryl A Stewart
Cc: Nino A Licari
Subject: FW: Publication for PH
Attachments: Publication IDD IFEC 01.12.15.docx; Labels Warren SD.pdf

No problem Nino! We'll take care of it. ☺

M. Aileen Bittner, CMC, CMMC | City Clerk

City of Troy | 500 W. Big Beaver, Troy, MI 48084 | Office: 248.524.3331 | troymi.gov  

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From: Nino A Licari
Sent: Monday, January 05, 2015 9:36 AM
To: Aileen Bittner
Subject: Publication for PH

Aileen,

Attached is the Publication for Notification of Public Hearings on January 26, 2015, along with labels for same. It would be perfect to have this published on January 12, 2015. Thanks!

Nino Licari | City Assessor

City of Troy | 500 W. Big Beaver, Troy, MI 48084 | Office: 248.524.3305 | troymi.gov  

"We believe a strong community embraces diversity, promotes innovation, and encourages collaboration. We strive to lead by example within the region. We do this because we want everyone to choose Troy as their community for life. We believe in doing government the best."

E - 02 Request for Consideration to Grant an Industrial Facilities Exemption Certificate (IFEC) for Unified Business Technologies, Inc., 315 Indusco Ct. Troy, MI. 48083

Suggested Resolution

Resolution # 2015-

Moved by:

Seconded by:

WHEREAS, After due notice and proper hearing, the City Council of the City of Troy on January 26, 2015, established an Industrial Development District (IDD) for property known as 315 Indusco Ct., Troy, MI. 48083, Parcel # 88-20-36-451-022; and

WHEREAS, An Application has been submitted by Unified Business Technologies, Inc. for an Industrial Facilities Exemption Certificate (IFEC) for personal property at 315 Indusco Ct., Troy, MI. 48083 for ten (10) years after completion; and

WHEREAS, After due and proper notice by the City Clerk, the City Council, on January 26, 2015, held a Public Hearing giving opportunity for comment by all taxing units as to the possibility that the granting of an Industrial Facilities Exemption Certificate (IFEC) for Unified Business Technologies, Inc. at 315 Indusco Ct., Troy, MI. 48083 may have the effect of substantially impeding the operation of the taxing unit, or impairing the financial soundness of the taxing unit; and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within the City of Troy, after granting this certificate will not exceed 5% of an amount equal to the sum of the SEV of the City of Troy, plus the SEV of real and personal property thus exempted;

NOW, THEREFORE, BE IT RESOLVED, That Troy City Council has **FOUND THAT THE GRANTING** of an Industrial Facilities Exemption Certificate (IFEC) for Unified Business Technologies, Inc., at 315 Indusco Ct., Troy, MI. 48083 shall not substantially impede the operation of the City of Troy or the other taxing units, **NOR HAS IT BEEN FOUND THAT THE GRANTING** of the Industrial Facilities Exemption Certificate (IFEC) will impair the financial soundness of the City of Troy, or the other taxing units which levy taxes on said property; and

BE IT FURTHER RESOLVED, That Troy City Council hereby **APPROVES** the application to for an Industrial Facilities Exemption Certificate (IFEC) for Unified Business Technologies, Inc., at 315 Indusco Ct., Troy, MI. 48083, Parcel # 88-20-36-451-022, for personal property for a term of ten (10) years **after completion, CONTINGENT** upon the execution of a Letter of Agreement between the City of Troy and Unified Business Technologies, Inc., and the payment of the fees in accordance with Public Act 198 of 1974, as amended; and

BE IT FURTHER RESOLVED, That the Mayor and City Clerk are **AUTHORIZED TO EXECUTE** the Letter of Agreement between the City of Troy and Unified Business Technologies, Inc., a copy of which shall be **ATTACHED** to the original minutes of this meeting; and

BE IT FINALLY RESOLVED, That the City Clerk is hereby **AUTHORIZED TO COMPLETE** the Application and **TRANSMIT** same to the State Tax Commission, Treasury Building, P.O. Box 30471, Lansing, MI. 48909-7971

Yes:

No: