



CITY COUNCIL ACTION REPORT

April 7, 2008

TO: Phillip L. Nelson, City Manager

FROM: John M. Lamerato, Assistant City Manager-Finance/Administration
Brian Murphy, Assistant City Manager - Services
Nino Licari, City Assessor

SUBJECT: Public Hearing for Establishment of an Industrial Development District (IDD) for Republic/APT, 1889 Larchwood, Troy, MI. 48083-2226

Background:

- Republic/APT purchased Lavalley & Ide Company in 2004. They are relocating the operations from Vermont to 1889 Larchwood, Troy, MI. This is next door to the Michigan Drill operation owned by Republic/APT at 1863 Larchwood, a longtime taxpayer in the City of Troy (incorporated in 1967).

They intend to add Tap Manufacturing to the product line. For this purpose they will purchase machinery costing \$600,000, including installation, and setting up operations at 1889 Larchwood.

The company now employs 33 full time employees. The new machinery will allow them to add 1 or 2 new jobs.

They are requesting an Industrial Facilities Exemption Certificate (IFEC) to be issued by the City of Troy (application attached). This is according to Public Act 198 of 1974 (as amended) and local City policy. As you will recall, this amounts to an approximate 50% reduction in personal property taxes that they would pay, over a twelve (12) year period. This percentage is not inclusive of State Education Tax (6.00 Mill) or School Operating Tax (18.00 mills). These taxes have been exempted on Personal Property of Industrial companies by the new Michigan Business Tax of 2007. It does now include Supplemental Millage in the calculation.

In order to grant the IFEC, an Industrial Development District (IDD) must first be established. This District sets the boundaries wherein the exemption may exist.

The IDD and the IFEC do require separate Public Hearings, unless the local unit has delineated all areas where IDD's may locate, in advance. Council's policy is to set the district as each application is received. For this reason, the bulk of the information for this application is presented with the District public hearing.

Financial Considerations:

- The estimated amount of investment in personal property is \$600,000 for the project. Over a twelve (12) year life, the estimated total taxes are \$26,102.11, of which \$8,454.83 would be City taxes.

An abatement amounts to a savings of \$13,051.06 in total taxes, of which \$4,227.42 would be saved on City taxes. This is the financial cost to all taxing authorities.

Legal Considerations:

- The application meets all requirements of Public Act 198 of 1974 (as amended), the Plant Rehabilitation and Industrial Development Districts legislation.

Policy Considerations:

- The application is in compliance with the amended tax abatement policy of the City Council of the City of Troy (Resolution #2006-06-238, attached).

City Council Goal II, "Retain and attract investment while encouraging redevelopment" is met with this re-location.

Since both legal and policy considerations are met, staff would recommend establishing the District.

Options:

- City Council has the option to establish an Industrial Development district, or not. If Council does not establish a District, then no Exemption can be granted. A public hearing is still necessary to deny the exemption.

RECEIVED

Application for Industrial Facilities Tax Exemption Certificate

FEB 20 2008

Issued under authority of P.A. 198 of 1974, as amended. Filing is mandatory.

**CITY OF TROY
ASSESSING DEPT.**

INSTRUCTIONS: File the original and two copies of this form and the required attachments (three complete sets) with 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 or would like to request an informational packet, call (517) 373-3272.

To be completed by Clerk of Local Government Unit	
Signature of Clerk	Date received by Local Unit <u>2/20/08</u>
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) <u>REPUBLIC / APT</u>		1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (Four or Six Digit Code) <u>5084</u>	
1c. Address of Facility (real property or personal property location) <u>1889 LARCHWOOD</u>		1d. Name of City/Township/Village (Indicate which) <u>TROY</u>	1e. County <u>OAKLAND</u>
2. Type of Approval Requested <input checked="" type="checkbox"/> New (Sec. 2(4)) <input type="checkbox"/> Transfer (1 copy only) <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Rehabilitation (Sec. 3(1)) <input type="checkbox"/> Research and Development (Sec. 2(9))		3a. School District where facility is located <u>WARREN CONSOLIDATED</u>	3b. School Code <u>50230</u>
		4. Amount of years requested for exemption (1-12 Years) <u>12</u>	

5. Thoroughly describe the project for which exemption is sought: Real Property (Type of Improvements to Land, Building, Size of Addition); Personal Property (Explain New, Used, Transferred from Out-of-State, etc.) and Proposed Use of Facility. (Please attach additional page(s) if more room is needed).

PURCHASE OF A NEW MACHINE FOR THE PURPOSE OF MANUFACTURING TAPS

6a. Cost of land and building improvements (excluding cost of land) * Attach list of improvements and associated costs. * Also attach a copy of building permit if project has already begun.	<u>0</u> 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 costs	<u>\$ 600,000</u> Personal Property Costs
6c. Total Project Costs * Round Costs to Nearest Dollar	<u>600,000</u> 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>	<input type="checkbox"/> Owned <input type="checkbox"/> Leased
Real Property Improvements	<u>11/08</u>	<u>12/08</u>	<input type="checkbox"/> Owned <input type="checkbox"/> Leased
Personal Property Improvements			<input checked="" 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. Number of existing jobs at this facility that will be retained as a result of this project. <u>N/A</u>	10. Number of new jobs at this facility expected to be created within two years of project completion. <u>2-3</u>
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11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor's statement of valuation for the entire plant rehabilitation district and obsolescence statement for property. The SEV data below must be as of December 31 of the year prior to the rehabilitation.

a. SEV of Real Property (excluding land)	<u>N/A</u>
b. SEV of Personal Property (excluding inventory)	<u>N/A</u>
c. Total SEV	<u>N/A</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
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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 <i>MARK LINARI</i>	13b. Phone Number <i>248-689-5050</i>	13c. Fax Number <i>248-689-3356</i>	13d. E-mail Address <i>MARK.LINARI@MICHIGANDRILL.COM</i>
14a. Name of Contact Person <i>MARK LINARI</i>	14b. Phone Number <i>248-689-5050</i>	14c. Fax Number <i>248-689-3356</i>	14d. E-mail Address <i>MARK.LINARI@MICHIGANDRILL.COM</i>
15a. Name of Company Officer (No Authorized Agents) <i>MARK LINARI</i>			
15b. Signature of Company Officer (No Authorized Agents) <i>Mark Linari</i>		15c. Fax Number <i>248-689-3356</i>	15d. Date <i>1/30/08</i>
15e. Mailing Address (Street, City, State, ZIP) <i>1889 LARCHWOOD TROY, MI 48063</i>		15f. Phone Number <i>248-689-2765</i>	15g. E-mail Address <i>MARK.LINARI@MICHIGANDRILL.COM</i>

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 _____ Years (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 checked="" 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 checked="" type="checkbox"/> 1. Notice to the public prior to hearing establishing a district. <input checked="" type="checkbox"/> 2. Notice to taxing authorities of opportunity for a hearing. <input checked="" 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 <i>50230</i>
17. Name of Local Government Body <i>CITY OF TROY</i>	18. Date of Resolution Approving/Denying this Application

Attached hereto is an original and one copy of the 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.

19a. Signature of Clerk <i>TOMMIE BARTHOLOMEW</i>	19b. Name of Clerk <i>TOMMIE BARTHOLOMEW</i>	19c. E-mail Address <i>T.BARTHOLOMEW@TROYMI.IG</i>
19d. Clerk's Mailing Address (Street, City, State, ZIP Code) <i>500 W BIG BEAVER TROY MI 48064</i>		
19e. Phone Number <i>248 524-3318</i>	19f. Fax Number <i>248 524-1770</i>	

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:

State Tax Commission
Michigan Department of Treasury
 P.O. Box 30471
 Lansing, MI 48909-7971

(For guaranteed receipt by the STC, it is recommended that applications are sent by certified mail.)

STC USE ONLY			
LUCI Code	Begin Date	End Date	End Date2

Applicant Name Republic/APT

Fiscal Statement (to be completed by local unit)

	<u>YES</u>	<u>NO</u>
Is this project:		
Real Property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Personal Property?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Both Real and Personal Property - New Facility?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Both Real and Personal Property - Rehabilitation Facility?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Both New and Replacement Facility?	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Estimated Project Investment (not assessed value):

Real Property \$0.00	Personal Property \$600,000.00	Total \$600,000.00
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	<u>YES</u>	<u>NO</u>	<u>REMARKS</u>
1. A. Has the proper local authority reviewed the plan?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	_____
B. Is the project located in a certified industrial park?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
C. Is this a renovation or expansion of an existing building?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
2. Will this project require improvement of your road service?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
3. Will this project require improvement of your sanitary sewer services?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
4. Will this project require improvement of your storm sewer services?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
5. Will this project require improvement of your water services?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
6. Will this project require additional police personnel, police equipment or a need for new police building expansion?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
7. Will this project require the need for additional fire personnel, additional or specialized fire equipment or the need for a new fire building?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
8. Will this project require other costs?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____
9. Are costs of infrastructure elements to be provided through Local Development Finance Authority or Tax Increment Finance Authority Bonds?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	_____

If you answered yes to any of questions 2 through 8, the appropriate sections of the Supplement to Fiscal Statement form must be completed and accompany the IFT application. Call (517) 373-3272 to obtain that form.

LOCAL UNIT CERTIFICATION

This is to certify that the following has been provided as accurately as possible.

Signature	Name and Title of Local Governmental Unit Official Leger A. (Nino) Licari CMAE IV #6345
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Lavallee & Ide Co.

Michigan Drill purchased L&I in 2004. L&I was a well known name in the Cutting Tool Industry since 1937 for Quality Reamers.

After we (Michigan Drill) purchased L&I we reopened the manufacturing in the original building in Winooski, VT and rehired the former employees.

We had all good intentions of keeping the operation in Vermont. Part of the deal when we purchased L&I is that, within two years we would locate to a new facility.

We were unsuccessful in finding a building suitable to our needs as far as space and cost.

The local Government was not pro-active in helping us achieve our goals, which help sway our decision to move to Michigan.

We meet with some of Troy's Managers for economic development and decided that Troy, MI. was where we would relocate L&I.

We now want to add Tap Manufacturing to our L&I Reamer line and this is the reason for our request for tax exemption. We have to purchase at least one new machine for this manufacturing of taps and in the process we would be adding one or two new jobs in manufacturing in Michigan.

Michigan Drill and Lavallee & Ide now employ 33 full time employees and look for more growth within the State of Michigan.

Thank You for your consideration

Sincerely,

Mark Linari
General Manager

Republic Drill/APT Corporation

PO Box 7012 – Troy, Michigan 48007

PURCHASE ORDER

Lavallee & Ide

The Reamer Specialists

1889 Larchwood Drive
Troy MI, 48083
Phone (248)689-550
Fax (248)689-3356
John.marion@michigandrill.com

P.O.# LI012308JFM
DATE: JANUARY 23, 2008

VENDOR Drake Manufacturing Services Company
4371 North Leavitt Road
Warren, Ohio 44485 USA
Phone:(330)847-7291
Fax:(330)847-6323

SHIP TO John F Marion c/o
Lavallee & Ide
1889 Larchwood Drive
Troy MI, 48083
(248)689-5050

SHIPPING METHOD	SHIPPING TERMS	DELIVERY DATE
Rigging and Transportation (Purchasers Expense)	F.O.B. (Warren, OH))	Please Advise

ITEM #	QTY	DESCRIPTION	UNIT PRICE
1	1	Model GS:TE-LM150 Full Helix Front Dress Thread Grinder	\$304,000.00
2	1	Automatic Wheel Balancer	\$13,300.00
3	1	Robot Load Pallet System-Continuous Run	\$108,000.00
4	5	Spare Loader Pallets	\$950.00
5	1	Multi-rib Roll	\$2,600.00
6	1	Automatic Paper Bed Coolant Filtration & Chilling System	\$65,800.00
7	1	Mist Collector with Fire Damper	\$8,400.00
8	1	Fire Suppression System	\$3,500.00
9	1	PCMCIA Card	\$5,700.00
		Subtotal	\$516,050.00

Total: \$516,050.00

X _____
John F Marion

0

1849

1863

1889

1901

LARCHWOOD



Legal Description for:

APT Michigan Drill
1889 Larchwood
Troy, MI 48083-2226
Parcel ID: 88-20-26-430-035

T2N, R11E, SEC 26
JOHN R GARDEN SUB
LOTS 190 & 191, ALSO
S 1/2 VAC KELLEY ST
ADJ TO SAME, ALSO
LOTS 220 & 221 EXC
S 5 FT TAKEN FOR LARCHWOOD AVE
5-27-88 FR 012, 013 & 027

**City of Troy - Assessing Department
 Republic/APT
 Estimate of Total Taxes and Tax Savings for IFEC Application**

Market Value	600,000	550,020	458,387	343,836	229,270	133,779	66,916	27,897	9,307	2,329	389	33	0
50% of Value	300,000	275,010	229,193	171,918	114,635	66,889	33,458	13,949	4,653	1,165	195	16	0
Year		1	2	3	4	5	6	7	8	9	10	11	12
Depreciation		0.9167	0.8334	0.7501	0.6668	0.5835	0.5002	0.4169	0.3336	0.2503	0.1670	0.0837	0.0004
Taxable Value		275,010	229,193	171,918	114,635	66,889	33,458	13,949	4,653	1,165	195	16	0
Taxes		Taxes											
	100% of Millage												
Trans County	0.59000	\$162.26	\$135.22	\$101.43	\$67.63	\$39.46	\$19.74	\$8.23	\$2.75	\$0.69	\$0.11	\$0.01	\$0.00
Int Schools	4.64610	\$1,277.72	\$1,064.86	\$798.75	\$532.61	\$310.78	\$155.45	\$64.81	\$21.62	\$5.41	\$0.90	\$0.08	\$0.00
Comm Coll	2.94300	\$809.35	\$674.52	\$505.95	\$337.37	\$196.86	\$98.47	\$41.05	\$13.69	\$3.43	\$0.57	\$0.05	\$0.00
State Ed	1.58440	\$435.73	\$363.13	\$272.39	\$181.63	\$105.98	\$53.01	\$22.10	\$7.37	\$1.85	\$0.31	\$0.03	\$0.00
School Op	0.00000	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Sch Debt	5.95940	\$1,638.89	\$1,365.85	\$1,024.53	\$683.16	\$398.62	\$199.39	\$83.13	\$27.73	\$6.94	\$1.16	\$0.10	\$0.00
Admin	3.27640	\$901.04	\$750.93	\$563.27	\$375.59	\$219.16	\$109.62	\$45.70	\$15.25	\$3.82	\$0.64	\$0.05	\$0.00
City	0.37030	\$101.84	\$84.87	\$63.66	\$42.45	\$24.77	\$12.39	\$5.17	\$1.72	\$0.43	\$0.07	\$0.01	\$0.00
Total	9.28000	\$2,552.09	\$2,126.91	\$1,595.40	\$1,063.81	\$620.73	\$310.49	\$129.44	\$43.18	\$10.81	\$1.81	\$0.15	\$0.00
Total	28.64960	\$7,878.93	\$6,566.30	\$4,925.38	\$3,284.24	\$1,916.36	\$958.56	\$399.62	\$133.31	\$33.37	\$5.57	\$0.47	\$0.00
Total 12 Years		\$26,102.11											
Total City 12 Yrs		\$8,454.83											

50% Total 12 Yr	\$13,051.06	Net Total Taxes Abated
50% Total City 12	\$4,227.42	Net Total City Taxes Abated

F-5 Amending the Personal Property Tax Abatement for Manufacturing and Headquarter Companies

Resolution #2006-06-238
Moved by Beltramini
Seconded by Fleming

WHEREAS, The City of Troy has the economic objective of (a) increasing employment opportunities, (b) diversifying and stabilizing the industrial base of the community, (c) reducing economic obsolescence of the industrial base, (d) providing homogenous industrial areas, (e) encouraging industrial expansion, (f) providing for improved public facilities in industrial areas, and (g) encouraging attractive, viable industrial sites, and

WHEREAS, The Industrial Facilities Tax Act (P.A. 1974 No. 198), as amended, empowers cities to establish Industrial Development Districts (IDD) and to grant tax exemptions for certain industrial properties which meet certain criteria established by the Act;

THEREFORE, BE IT RESOLVED, By the City Council of the City of Troy, that the following criteria are to be met, applied or measured by the City Manager or his designees in the review of areas and locations to be considered for designation as Industrial Development Districts (IDD) by the City Council:

- 1) That the tax exemption shall not apply to real property except those building improvements which are uniquely required to support the personal property to be abated; and
- 2) That the tax exemption shall not apply to leasehold improvements or building improvements except those uniquely required to support personal property to be abated; and
- 3) That said abatement of taxes shall cease at such time as applicant fails to prove by factual evidence that such personal property is being used in compliance with the basic guidelines established above.
- 4) The applicant would document that they are Michigan Economic Growth Authority (MEGA) eligible, would be filling vacant Troy space, or will retain or expand the number of jobs in Troy.

BE IT FINALLY RESOLVED, That the term of abatement for any and all property meeting the aforementioned criteria **SHALL NOT** exceed 12 years, it being the **INTENT OF THE CITY COUNCIL TO APPROVE** various lengths of abatements to the extent provided by laws of the State of Michigan.

Yes: Fleming, Lambert, Schilling, Beltramini
No: Howrylak
Absent: Broomfield, Stine

MOTION CARRIED

February 21, 2008

To: State Tax Commission
P.O. Box 30471
Lansing, MI 48909-7971

From: Leger (Nino) Licari, Assessor

Re: Affidavit of Application Fees For IFEC

This affidavit attests that no payment of any kind has been made or promised in exchange for favorable consideration of an exemption certificate application by the City of Troy, in regards to the application of Republic/APT, 1889 Larchwood, Troy, Michigan 48083.

Signed, Leger (Nino) Licari, City Assessor

Dated

Signed,

Dated

**CITY OF TROY
INDUSTRIAL FACILITIES EXEMPTION
CERTIFICATE LETTER OF AGREEMENT**

This agreement between **Republic/APT**, (“Company”) and the **City of Troy**, is for the purpose of fulfilling the requirements of Public Act 198, as amended in Public Act 334, Section 22.

In consideration of approval of an Industrial Facilities Exemption Certificate (IFEC), **Republic/APT**, understands that through its investment of \$600,000 and its qualification for Michigan Economic Growth Authority incentives, and the **City of Troy**, by its investment of the Industrial Facilities Exemption Certificate, are mutually investing in and benefiting from this economic development project, and furthermore, agree to the following:

- 1.) The length of time for which the abatement is approved is ___ years after either completion of construction of the facilities, or December 31, 2020, whichever is sooner.
- 2.) At the end of two (2) years or no later than December 31, 2010, **Republic/APT** will report to the Assessing Department of the City of Troy the actual cost of this project and indicate any differences and the reason for any differences in the cost or scope of the project as compared to the IFEC application submitted by the Company.
- 3.) **Republic/APT**, agrees to remain within the City of Troy for the period of the Industrial Facilities Tax (IFT) abatement in order to retain the benefits of the IFT, unless permission for relocation is granted by the **City Council of the City of Troy**.

Republic/APT, further understands that if it chooses to leave the City of Troy without permission for relocation prior to the end of the term of the IFT, the **City Council of the City of Troy** has the right to recapture from the Company the total amount of taxes abated by the IFT.

- 4.) **Republic/APT**, understands that the City of Troy may reduce the term of the IFEC, revoke the IFEC and/or recover from the Company, the amount of taxes which were abated if the project has not been completed, expenditures made, as represented by the Company, in Section 12’C of its application, by sending a copy of this Agreement along with a copy of the City Council Resolution authorizing such action to the State Tax Commission.

- 5.) **Republic/APT**, agrees that it will operate the Project in accordance with all applicable Federal, State and Local laws or regulations, including but not limited to zoning, outside storage, industrial waste disposal, air and water quality, noise control, other environmental regulations, and all of the terms and conditions of the Consent Judgment governing the parcel.
- 6.) By execution of the Agreement, it is understood that the Company's investment in the Project, and the City of Troy's investment in the granting of the IFEC is to encourage economic growth within the City of Troy.

The City of Troy acknowledges that in some instances economic conditions may prevent the Company from complying fully with this Agreement, and the terms of the Application. The City of Troy will give the Company an opportunity to explain the reasons for any variations from the representations contained in the Application and will evaluate the Company's situation prior to taking any action authorized by Paragraph 4 and 5 of this Letter of Agreement.

- 7.) This Agreement constitutes the entire Agreement between the parties and there are no other remedies for breach of this Agreement other than as specified in this Agreement or as provided for in Public Act 198.

This agreement may only be altered upon mutual consent of both parties.

CITY OF TROY
INDUSTRIAL FACILITIES EXEMPTION
CERTIFICATE LETTER OF AGREEMENT
(Signature page)

Signed: _____ (date) _____

Name:

Title:

Signed: _____ (date) _____
Louise E. Schilling , Mayor
City of Troy
500 W Big Beaver
Troy, MI 48084-5285

Signed: _____ (date) _____
Tonni L. Bartholomew
City Clerk

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, April 7, 2008 at 7:30 P.M. to consider the request from Republic/APT, for the establishment of an Industrial Development District (IDD) at the following location:

88-20-26-430-035 1889 Larchwood, Troy, MI. 48083-2226
T2N, R11E, Section 26

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

Tonni Bartholomew, MMC
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 CONSOLIDATED
SCHOOLS
31300 ANITA
WARREN MI 48093-1697**

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

**MACOMB INTERMEDIATE SCHOOLS
44001 GARFIELD
CLINTON TWSHP MI 48038-1100**

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

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

**MARK LINARI c/o
REPUBLIC/APT
1889 LARCHWOOD
TROY MI 48083-2226**

AFFIDAVIT OF MAILING & PUBLISHING

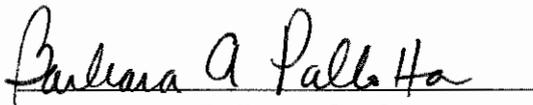
State of Michigan

County of Oakland

City of Troy

**RE: PUBLIC NOTICE- PUBLIC HEARING – City Council – Monday, April 7, 2008
– To Consider the request from Republic/APT for the Establishment of an
Industrial Development District (IDD) – 1889 Larchwood – Section 26**

I hereby certify that the attached notice was e-mailed to the Somerset Gazette Newspapers on Thursday, March 20, 2008 and mailed by first class mail to the attached list, on Thursday, March 20, 2008.



Barbara A. Pallotta, CMC
Deputy City Clerk

PUBLISHED: Monday, March 24, 2008