



CITY COUNCIL ACTION REPORT

August 3, 2009

TO: John Szerlag, City Manager

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

SUBJECT: Public Hearing for Establishment of an Industrial Development District (IDD) for X-Ray Industries, 1961 Thunderbird, Troy MI. 48084

Background:

- X-Ray Industries, Inc., is requesting the creation of an Industrial Development District (IDD) at 1961 Thunderbird, Troy, MI. 48084, in order to apply for an Industrial Facilities Exemption Certificate (IFEC), for tax abatement at the same location.

The exemption is for new equipment for immersion ultrasonic imaging and computed radiography.

They currently have 77 employees in Troy. They plan to add from 3 – 5 new jobs to Troy with this project.

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 \$2,060,000 for the project. Over a six (6) year life, the estimated total taxes are \$88,645.00, of which \$28,984.00 would be City taxes.

A 50% abatement amounts to a savings of \$44,322.00 in total taxes, of which \$14,492.00 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 #2009-02-042, attached).

City Council Outcome III, “Troy is rebuilding for a healthy economy reflecting the values of a unique community in a changing and interconnected world.”

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.

Application for Industrial Facilities Tax Exemption Certificate

Issued under authority of P.A. 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 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
STC Use Only	
Application Number	Date Received by STC

APPLICANT INFORMATION

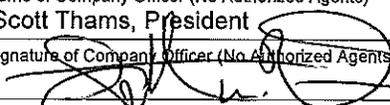
All boxes must be completed.

1a. Company Name (Applicant must be the occupant/operator of the facility) X-Ray industries, Inc.	1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (Four or Six Digit Code) 541380	
1c. Address of Facility (real property or personal property location) 1961 Thunderbird	1d. Name of City/Township/Village (Indicate which) Troy	1e. County Oakland
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 Troy	3b. School Code 63150
4. Amount of years requested for exemption (1-12 Years) 10		
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). New equipment for aerospace testing, Remanufacture of aerospace testing equipment, IT and communications infrastructure.		
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.	Real Property Costs \$2,060,000.00	
6b. Cost of machinery, equipment, furniture and fixtures * Attach itemized listing with month, day and year of beginning of installation plus total costs	Personal Property Costs	
6c. Total Project Costs * 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>5/11/09</u>	<u>5/10/11</u>
Personal Property Improvements		
	<input type="checkbox"/> Owned <input type="checkbox"/> Leased	<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. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
9. Number of existing jobs at this facility that will be retained as a result of this project. 77	10. Number of new jobs at this facility expected to be created within two years of project completion. 3-5	
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)		
b. SEV of Personal Property (excluding inventory)	\$699,040.00	
c. Total SEV		
12a. Check the type of District the facility is located in: <input type="checkbox"/> Industrial Development District <input type="checkbox"/> 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 Scott Thams	13b. Phone Number (248) 244-1573	13c. Fax Number (248) 362-4422	13d. E-mail Address sthams@xrayindustries.com
14a. Name of Contact Person Henry Olthof	14b. Phone Number (248) 244-1538	14c. Fax Number (248) 362-4422	14d. E-mail Address holthof@xrayindustries.com
15a. Name of Company Officer (No Authorized Agents) Scott Thams, President			
15b. Signature of Company Officer (No Authorized Agents) 		15c. Fax Number (248) 362-4422	15d. Date 5/12/09
15e. Mailing Address (Street, City, State, ZIP) 1961 Thunderbird, Troy MI 48084		15f. Phone Number (248) 244-1573	15g. E-mail Address sthams@xrayindustries.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 _____ 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 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 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	19b. Name of Clerk	19c. E-mail Address
19d. Clerk's Mailing Address (Street, City, State, ZIP Code)		
19e. Phone 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:

**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 X-Ray Industries, Inc.

Fiscal Statement (to be completed by local unit)

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

Estimated Project Investment (not assessed value):

Real Property	Personal Property	Total
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	<u>YES</u>	<u>NO</u>	<u>REMARKS</u>
1. A. Has the proper local authority reviewed the plan?	<input type="checkbox"/>	<input type="checkbox"/>	_____
B. Is the project located in a certified industrial park?	<input type="checkbox"/>	<input type="checkbox"/>	_____
C. Is this a renovation or expansion of an existing building?	<input type="checkbox"/>	<input type="checkbox"/>	_____
2. Will this project require improvement of your road service?	<input type="checkbox"/>	<input type="checkbox"/>	_____
3. Will this project require improvement of your sanitary sewer services?	<input type="checkbox"/>	<input type="checkbox"/>	_____
4. Will this project require improvement of your storm sewer services?	<input type="checkbox"/>	<input type="checkbox"/>	_____
5. Will this project require improvement of your water services?	<input type="checkbox"/>	<input type="checkbox"/>	_____
6. Will this project require additional police personnel, police equipment or a need for new police building expansion?	<input type="checkbox"/>	<input 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 type="checkbox"/>	_____
8. Will this project require other costs?	<input type="checkbox"/>	<input 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 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
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NONDESTRUCTIVE TESTING
X-Ray • Gamma & High Energy Radiography
• Digital Radiography
Magnetic Particle • Liquid Penetrant
Ultrasonic • Eddy Current • High Volume Sorting
Chemical Processing • Metal Finishing

May 11, 2009

Ms. Pamela Valentik
City of Troy
500 W. Big Beaver Rd.
Troy, MI 48084

RECEIVED

MAY 12 2009

**CITY OF TROY
ASSESSING DEPT.**

Dear Ms. Valentik,

Further to our conversation of last Friday I am writing to outline the capital equipment additions we are considering over the next few years. As we explained we are in the aerospace testing business and much of our work comes from outside the state. It comes to us in Troy because we have established a leadership position-within the high tech testing community. Our leadership is based on the talent and dedication of our highly experienced staff but also on the fact that we have and continue to lead our industry in the adoption of world class technologies. Two such technologies are immersion ultrasonic imaging and computed radiography in combination with high energy x-rays. We are considering adding these technologies to our already impressive capabilities. These are in addition to enhancing our communication and IT infrastructure to support these significant investments. These investments will require that we add an as yet unspecified number of people to our Troy MI staff. Based on these anticipated investments we will be applying for personal property tax abatements.

It was a pleasure to have made your acquaintance last week. We will look forward to working with you in the coming months as we take our Aerospace Center of Excellence in Troy to the next level.

Kind Regards,

A handwritten signature in black ink, appearing to read 'Scott Thams', is written over a circular stamp or mark.

Scott Thams
President
X-Ray Industries, Inc.
www.xrayindustries.com

CC: Kirk Thams, Vice President, X-Ray Industries, Inc.
Henry Olthof, Chief Financial Officer, X-Ray Industries, Inc.
Lynda Earhart, Oakland County



Proposed Capital Equipment Additions
5-2009 thru 4-2011

Quarter added

IT and communication equipment:

Dragon wave wireless communication between Troy buildings	Q2 2009	\$	45,000
Servers and new software	various	\$	50,000
timekeeping hardware and software	Q2 2009	\$	40,000
VOIP phone system		\$	55,000

Testing Equipment:

Immersion UT system 1	Q2 2009	\$	600,000
Immersion UT system 2 (may be late 2011)	Q2 2011	\$	600,000
Used UT system remanufacturer	Q4 2009	\$	200,000
Various new X-ray systems	Q3 2010	\$	300,000
Automation for cleaning process	Q2 2010	\$	100,000
Digital x-ray system	Q3 2010	\$	50,000

Furniture and Fixtures:

Various	various	\$	20,000
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\$ 2,060,000





IFT Application – Legal Description

**X-Ray Industries, Inc.,
1961 Thunderbird
Parcel ID's #88-20-28-402-026 & 88-20-28-402-027**

**88-20-28-402-026
T2N, R11E, SEC 28
THUNDERBIRD INDUSTRIAL PARK
N 30 FT OF E 220.84 FT
OF LOT 14, ALSO
LOT 15 EXC W 20 FT**

**88-20-28-402-027
T2N, R11E, SEC 28
THUNDERBIRD INDUSTRIAL PARK
N 10 FT OF E 220.84 FT
OF LOT 13, ALSO
S 80 FT
OF E 220.84 FT
OF LOT 14**

**City of Troy - Assessing Department
X-Ray Industries, Inc.
Estimate of Total Taxes and Tax Savings for IFEC Application**

Market Value	2,060,000	1,888,402	1,573,794	1,180,503	787,159	459,308	229,746	95,781	31,953	0	0	0	0
50% of Value	1,030,000	944,201	786,897	590,252	393,580	229,654	114,873	47,890	15,976	0	0	0	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		944,201	786,897	590,252	393,580	229,654	114,873	47,890	15,976	0	0	0	0

Taxes	100% of Millage	Taxes											
Trans	0.59000	\$557.08	\$464.27	\$348.25	\$232.21	\$135.50	\$67.77	\$28.26	\$9.43	\$0.00	\$0.00	\$0.00	\$0.00
County	4.64610	\$4,386.85	\$3,656.00	\$2,742.37	\$1,828.61	\$1,066.99	\$533.71	\$222.50	\$74.23	\$0.00	\$0.00	\$0.00	\$0.00
Int Schools	3.36900	\$3,181.01	\$2,651.06	\$1,988.56	\$1,325.97	\$773.70	\$387.01	\$161.34	\$53.82	\$0.00	\$0.00	\$0.00	\$0.00
Comm Coll	1.58440	\$1,495.99	\$1,246.76	\$935.19	\$623.59	\$363.86	\$182.00	\$75.88	\$25.31	\$0.00	\$0.00	\$0.00	\$0.00
State Ed	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
School Op	4.62290	\$4,364.95	\$3,637.75	\$2,728.67	\$1,819.48	\$1,061.67	\$531.05	\$221.39	\$73.86	\$0.00	\$0.00	\$0.00	\$0.00
Sch Debt	4.10000	\$3,871.22	\$3,226.28	\$2,420.03	\$1,613.68	\$941.58	\$470.98	\$196.35	\$65.50	\$0.00	\$0.00	\$0.00	\$0.00
Admin	0.18912	\$178.57	\$148.82	\$111.63	\$74.44	\$43.43	\$21.73	\$9.06	\$3.02	\$0.00	\$0.00	\$0.00	\$0.00
City	9.28000	\$8,762.19	\$7,302.41	\$5,477.53	\$3,652.42	\$2,131.19	\$1,066.02	\$444.42	\$148.26	\$0.00	\$0.00	\$0.00	\$0.00
Total	28.38152	\$26,797.86	\$22,333.34	\$16,752.24	\$11,170.39	\$6,517.92	\$3,260.27	\$1,359.20	\$453.43	\$0.00	\$0.00	\$0.00	\$0.00

Total 12 Years	\$88,644.66
Total City 12 Yr	\$28,984.43

50% Total 12 Yr	\$44,322.33	Net Total Taxes Abated
50% Total City 12 Yr	\$14,492.22	Net Total City Taxes Abated
2% Total City 12 Yr	\$289.84	Application Fee (2% total city)

E-7 Amending the Personal Property Tax Abatement Policy

Resolution #2009-02-042

Moved by Beltramini

Seconded by Kerwin

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, That Troy City Council hereby **ADOPTS** the following minimum criteria, as authorized by the Industrial Facilities Tax Act (P.A. 1974 No. 198):

1. An Industrial Facilities Exemption Certificate (IFEC) tax abatement shall not be granted until there is compliance with MCL 207.559; and
2. Real property shall not qualify for an IFEC tax abatement, except for those unique situations where there are building improvements that are required to support the personal property that otherwise qualifies for a tax abatement; and
3. Leasehold property shall not qualify for an IFEC tax abatement unless applicant is responsible for payment of the property taxes, and can demonstrate timely payment of property taxes upon the City's request; and
4. An IFEC tax abatement shall not be issued for a period or term exceeding 12 years; and
5. An IFEC tax abatement shall not be issued unless an Applicant will create more than 10 jobs and/or has a personal property investment of at least \$750,000.00, and/or owns the underlying real property or has a lease for the underlying property that exceeds 5 years, as long as two of the three criteria are satisfied.

BE IT FURTHER RESOLVED, That Troy City Council hereby **APPROVES** the use of the following matrix to calculate the length of an IFEC tax abatement, where the increase in the number of jobs created will increase the term of the IFEC abatement, and similarly the increase in the personal property investment and the ownership/lease conditions on the real property will increase the term of the IFEC abatement:

Tax Abatement Matrix					
Job Creation		Building Terms		PP Investment	
10 - 24	1 year	Own	4 years	\$ 750,000	1 year
25 - 49	2 years	Lease		\$ 2,000,000	2 years
50 - 99	3 years	1 - 5 year	None	\$ 5,000,000	3 years
100 - 149	4 years	6 - 9 year	2 years	\$ 10,000,000	4 years
150 - 199	5 years	10 + year	4 years	\$ 20,000,000	5 years
200 +	6 years				

BE IT FINALLY RESOLVED, That Troy City Council hereby **AUTHORIZES** the implementation of an application fee equal to 2 % of the estimated personal property taxes abated under the terms of the IFEC tax abatement, or the actual costs of processing the application, whichever is less, and the City of Troy will not charge or collect any other fees for the application, in keeping with MCL 207.555 (3).

Yes: Fleming, Kerwin, Schilling, Beltramini, Broomfield

No: Eisenbacher, Howrylak

MOTION CARRIED

June 16, 2009

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 the City of Troy has charged a fee of \$289.84, equal to 2% of the estimated abated city taxes, for processing the application for tax abatement submitted by X-Ray Industries, Inc., 1961 Thunderbird, Troy, MI.

Further, no other fee or concession has been charged or accepted in regards to this application, or consideration thereof.

Signed, Leger (Nino) Licari, City Assessor

Dated

Signed,

Dated

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

This agreement between **X-Ray Industries, Inc.**, (“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), **X-Ray Industries, Inc.**, understands that through its investment of \$2,060,000 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 **6** years after either completion of construction of the facilities, or December 31, 2017, whichever is sooner.
- 2.) At the end of two (2) years or no later than December 31, 2011, **X-Ray Industries, Inc.** 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.) **X-Ray Industries, Inc.**, 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**.

X-Ray Industries, Inc., 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.) **X-Ray Industries, Inc.**, 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.) **X-Ray Industries, Inc.**, 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 any 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

AFFIDAVIT OF MAILING & PUBLISHING

State of Michigan

County of Oakland

City of Troy

**RE: PUBLIC HEARING – City Council - Monday, August 3, 2009 @ 7:30 PM - To
Consider a Request from X-Ray Industries, Inc. for the granting of an
Industrial Development District (IDD) – 1961 Thunderbird - Section 28**

I hereby certify that the attached notice was e-mailed to the Somerset Gazette Newspapers on Tuesday, July 7, 2009 and mailed by first class mail to the attached on Tuesday, July 7, 2009.

Barbara A. Pallotta, CMC
Deputy City Clerk

PUBLISHED: Monday, July 13, 2009

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, August 3, 2009 at 7:30 P.M. to consider the request from X-Ray Industries, Inc., for the establishment of an Industrial Development District (IDD) at the following location:

88-20-28-402-026 and -88-20-28-402-027 - 1961 Thunderbird, Troy, MI. 48084
T2N, R11E, Section 28 - Thunderbird Industrial Park, Part of Lots 13, 14 and 15

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

Tonni L. Bartholomew, MMC
City Clerk

NOTICE: Persons 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
MICHAEL ADAMCZYK
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
DAVID HIEBER
250 ELIZABETH LAKE RD 1000 W
PONTIAC MI 48341**

**X-RAY INDUSTRIES INC
ATTN: SCOTT THAMS
1961 THUNDERBIRD
TROY MI 48084-5467**