



The City of Auburn Hills

City Council Meeting

Minutes

October 15, 2012

CALL TO ORDER: by Mayor McDonald at 7:00 p.m.
LOCATION: City Council Chamber, 1827 N. Squirrel Road, Auburn Hills, MI 48326
Present: Mayor McDonald, Mayor Pro Tem Hammond, Council Members Doyle, Kittle, Knight, McDaniel, Verbeke
Also Present: City Manager Auger, Assistant City Manager Tanghe, Director Olko, City Clerk Kowal, Assessor Lohmeier, DPW Director Melchert, Fieldstone Manager Marmion, Library Director McCoy, City Attorney Beckerleg, City Engineer Katers.
23 Guests

4. APPROVAL OF MINUTES

4a. City Council Meeting – October 1, 2012

Moved by Doyle; Seconded by Knight.

RESOLVED: To approve the minutes of September 10, 2012 as submitted.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald, Verbeke

No: None

Motion carried (7-0)

RESOLUTION NO. 12.10.163

5. APPOINTMENTS and PRESENTATIONS

5a. Presentation - SEMCOGs Sustainable Community Recognition Program

Paul Tate, Executive Director for SEMCOG, introduced himself and Susan Stafanski from the SEMCOG Membership External Team. He was very pleased to present to the City of Auburn Hills, the Sustainable Recognition Award, noting it is a very prestige's award and Auburn Hills is the sixth recipient of the award that includes 240 local governments in the seven county region.

Ms. Stafanski explained because the City met all sixteen eligible activities, the City is at gold status. Some of the items included bio-swales; rain gardens; planter boxes; infiltration trenches and cisterns to reduce stormwater runoffs and pollutants; developing a green roof at the Public Safety Building, which reduces heating and cooling costs; creating a Riverwalk Master Plan that guides redevelopment of the Clinton River corridor; developing the tri-city pathway plan to promote safety and pedestrian travel; using SEMCOG's data, for example traffic forecast data in planning activities; and developing a five-year budget. She congratulated the City on receiving the award.

Mayor McDonald thanked Mr. Tate and Ms. Stafanski and noted all the employees work very hard to make these accomplishments happen.

Ms. Stafanski noted there was a press release today regarding the City receiving this award and it can be seen at the website, www.semcoq.org.

5b. Presentation - Tri-City Sustainability Plan Presentation

Nina Ignaczak, Oakland County Planning and Economic Services, introduced herself and explained Sustainability is balancing the Triple Bottom Line; environment, economic and community values. This project started in the fall of 2010. The three cities, in partnership with Oakland County began an intensive community-based planning process. A Sustainability Advisory Board was established with representatives from community environmental, business, health, education and local government organizations. Public input was received through public meetings, workgroups and surveys.

The Advisory Board defined their vision for sustainability; *'The communities of Auburn Hills, Rochester and Rochester Hills embrace and advance local sustainability, characterized by a vibrant economy, healthy natural environment, and cohesive local community.'* A mission statement was also created *'The tri-city sustainability program composed of the cities of Rochester, Rochester Hills, Auburn Hills and Oakland County seek to advance sustainability through the individual and combined efforts of government, businesses, institutions, and residents.'*

Ms. Ignaczak noted Auburn Hills is the only community in Oakland County that has AA bond rating, beats SEMCOG benchmarks for debt and general fund balance, beats SEMCOG benchmarks for roads and bridges, has residents with a shorter commute time in the nation, has residents with a bachelor's degree in the nation and has 83% more of its residential lots within one-half mile of a park.

The *Vision* resulted in five *Goals*: Infrastructure and Public Service; Buildings, Energy & Waste; Community Character; Economy & Education; and Health & Well-being.

Ms. Ignaczak reviewed the programs, noting what the City is currently doing and what is planned to be done.

Mayor McDonald thanked Ms. Ignaczak for her presentation.

6. PUBLIC COMMENT – none.

7. CONSENT AGENDA

All items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

Items 7b. and 7 e. were removed from the Consent Agenda.

7a. Board and Commission Minutes

7a.1. Tax Incentive Review Committee – September 10, 2012

7a.2. Tax Increment Finance Authority – October 9, 2012

7c. Motion – Approve Recommendation of TIFA Board for Construction Manager

RESOLVED: To accept the recommendation of the TIFA Board of Directors and approve the construction management proposal for the renovations to the building located at 3350 Auburn Road in the amount of \$113,010, said fee being the combination of a \$26,850 construction management fee and \$86,160 for general conditions; and authorize the TIFA Executive Director to execute the agreement on behalf of the TIFA. Funds for this project are available from account 251.735.970.000.

7d. Motion – Approve the Revised-Major Case Assistance Team (MCAT) Inter-local Agreement with the City of Birmingham, Charter Township of Bloomfield, City of Clawson and City of Troy.

RESOLVED: To approve the revised Major Case Assistance Team (MCAT) Inter-local Agreement and authorize the Director of Emergency Services to sign the agreement.

Moved by Hammond; Seconded by Doyle.

RESOLVED: To approve the Consent Agenda Items 7a., 7c. and 7d.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald, Verbeke

No: None

Motion carried (7-0)

RESOLUTION NO. 12.10.164

7b. Motion – Approval of 2012-2015 Horticulture/Downtown Snow Removal Bid

Ms. Verbeke asked for clarification regarding the snow removal, if the City has done the snow removal in the past.

Mr. Grice explained in the past there was a horticulture contractor for the downtown, a snow removal contractor for downtown and a horticulture contractor for the Opdyke Road corridor. This request is for one contractor to take the place of the three separate contractors.

Mr. Grice further explained he isn't sure of the cost savings since there have been many changes to the contracts over the years.

Ms. Verbeke asked if there is a provision in the contract to pay a lesser amount if there isn't much of a snowfall, as witnessed last winter.

Mr. Grice explained there are two ways to negotiate a snow plowing fee; one is per occurrence and inches of snow fall and the other a flat fee. This contract is a flat fee; however, there is a provision in the contract that for next year a per occurrence rate is possible.

Mr. Grice noted Opdyke Road is strictly horticultural; the grass mowing is done by each business owner. The downtown grass mowing is included.

Mr. McDaniel asked in this instance what type of due diligence was conducted to realize the lowest bidder would not be able to do the job.

Mr. Grice stated the bid requested five-year experience in snow plowing of parking structures, because the structures are treated differently than roadways. Upon contacting a references of the lower bidder it was determined they had only one year experience with parking structures. Also, rubber edged plows were requested for plowing the parking structure, and the low bidder didn't have any rubber edged snow removal equipment.

Responding to Mr. McDaniel, Mr. Grice stated yes, Green Meadows Lawnscape currently has the horticultural contract for downtown; and Mr. Grice and the field supervisor who oversees the contractor directly would give Green Meadows Lawnscape a C grade.

Mr. Grice explained the horticultural program was set by the horticultural architect and the City has maintained the program.

Moved by Knight; Seconded by Verbeke.

RESOLVED: To approve the three year Horticulture/Downtown Snow Removal Contract to Curbco, Inc., as recommended by the TIFA Board of Directors in the amount of \$364,577.00 and authorize the TIFA Executive Director to approve any necessary change orders to successfully fulfill the

requirements of the Contract. Funding is to be provided by TIFA A, Account No.251-735-800.199 and TIFA B, Account No. 252-736-800.199.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald, Verbeke

No: None

Motion carried (7-0)

RESOLUTION NO. 12.10.165

7e. Motion – Approve Vactor Discharge Station Bid

Ms. Doyle questioned if this item was included in the 2012 budget.

Mr. Melchert stated yes, it was included in the 2012 budget.

Moved by Knight; Seconded by Doyle.

RESOLVED: To approve the Vactor Discharge Station contract to the low bidder, Superior Excavating, Inc., of Auburn Hills, MI, in the amount of \$81,165.00 per the unit prices bid for the project, approval of OHM’s Scope of Construction Services in an amount not to exceed \$3,500.00, and materials testing estimated at \$1,000.00.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald, Verbeke

No: None

Motion carried (7-0)

RESOLUTION NO. 12.10.166

8. OLD BUSINESS - none

9. NEW BUSINESS

9a. Public Hearing/Motion – CDBG

Ms. Adcock presented a Power Point presentation explaining the CDBG is the Community Development Block Grant Fund. Federal funds are administered through the U.S. Department of Housing & Urban Development, locally administered through Oakland County Community and Home Improvement. The fiscal year runs from May 1st to April 31st. The funds provided are for housing, public facilities, public services and benefits low-income people, households and communities. CDBG afford communities to provide services to their residents that might not otherwise be able to do so. This public hearing is for the 2013 fiscal year money which should be received in June 2013.

The City has received this money since 2001 and it has dropped dramatically; from \$86,582.00 in 2001 down to \$54,468.00 in 2012. Public Services offered is Youth Assistance for Avondale and Pontiac as well as services for seniors including yard, lawn and snow plowing and can be no more than 30% of the total 2013 allocation. Other public services can be funded such as HAVEN, because they are the only domestic violence shelter in Oakland County.

The average homeowner that uses the lawn mowing service is a female, lives alone, is over the age of 80 and has lived in the community for many years; 255 City seniors have been assisted. With yard maintained, it doesn't identify the homeowner as being older, vulnerable or frail and not being a target for a crime.

This funding also helps with the minor home and mobile home repair programs. Currently there are 14 jobs being done.

Ms. Adcock explained the amount of money received from congress varies from year-to-year with no explanation. She also noted the SMART bus drivers are no longer paid from this fund; they are paid from the SMART budget.

Responding to Mr. Knight, Ms. Adcock explained CDBG money cannot be given to just any public service agency. If there is only one provider in the area money can be given; however, if there is more than one provider, there must be a bid process. Ms. Adcock noted she has not gone through that process and if it is something Council is interested in doing, the paperwork must be submitted to the State by the end of November.

Mr. Kittle noted last year Council designated some general fund money to subsidize some programs.

Mr. Auger explained Council requested some of the programs be subsidized because of the decrease in CDBG funds; those funds were taken by under-funding other projects, but he isn't sure from which account.

Mayor McDonald opened the public hearing at 7:50 p.m.

Jennifer Coleman, HAVEN representative, thanked Council and the City for the help and support that has been received in the past. HAVEN provides protection, shelter and counseling to abused individuals. Last year HAVEN provided services for 160 Auburn Hills' residents and supported 24 crisis calls. She is asking for \$2,500 of the CDBG grant to support the Auburn Hills residents who need the services of HAVEN.

Responding to Mr. Kittle, Ms. Coleman stated funding for HAVEN comes from municipalities, volunteer agencies and individuals and fortunately they are doing well financially.

Ms. Doyle understood that the need for HAVEN is on the rise and asked for clarification.

Ms. Coleman explained she is part of the 'first response' team for domestic violence and sexual assaults and confirmed they are on the rise, but she doesn't have any statistics.

Linda Riggs, a representative for Rochester Area Neighborhood House explained for the first time they have submitted a letter to Auburn Hills to request some funding from the CDBG grant. Neighborhood House has been in existence for approximately 40 years and helps families who are struggling financially. The first step is the basic needs program which makes sure people can stay in their home, have food and clothing. The long term goal with all of the families is to get them back on their feet with job counseling, budget coaching, mental health assistance, transportation and any other needs. In the past the Neighborhood House has helped some Auburn Hills' families, but in the last year with their outreach program, they've expanded to serve all of Auburn Hills.

Ms. Riggs continued stating the Neighborhood House receives some CDBG funds from Rochester Hills as well as some of the other communities they serve. Rochester Hills does put out to bid, for funding the clothes closet the Neighborhood House provides. Oakland Township in the past has also put out to bid the transportation service the Neighborhood House provides, but because their funding was cut drastically, they now just have a line item in their budget to continue supporting the transportation program. Since expanding to Auburn Hills, the increase of helping folks with their rent has gone from 22% last year to 31% this year and an increase for all needs has gone from 15% to 19%.

Responding to Mayor McDonald, Ms. Coleman noted over the last year the greatest needs have been food and money for rent.

Ms. Hammond noted the City has helped the Rochester Area Neighborhood House with money from employees wearing jeans on Friday and could continue helping in other ways besides using CDBG funds.

Ms. Coleman stated that is correct, and Neighborhood House has been very appreciative; also there have been other ways the community has been assisting the Neighborhood House.

Ms. Coleman confirmed all of Rochester, Rochester Hills, Auburn Hills (March 2012), Oakland Township and Addison Township is serviced by Rochester Area Neighborhood House. The contact phone number is 248.651.5836; the website is www.ranh.org which gives all the information of services that are offered as well as what is needed to apply for assistance. Neighborhood House has met with all the police and fire officials of the five communities to make them aware of the services available resulting from a house fire or other events.

Mary Stewart, Pontiac Youth Assistance representative and thanked City Council and City staff for their support and presented Council with the 2011 Annual Report.

Mike Kazyak, Avondale Youth Assistance Chairperson and Pontiac Youth Assistance Vice Chairperson, thanked the City for their continued support, noting how much it helps the kids. Mr. Kazyak presented a facts and figures report of the kids helped with skill building, sports and other programs in 2012.

Mayor McDonald closed the public hearing at 8:02 p.m.

Ms. Adcock noted the City is only allowed to support four projects; four projects per community and the projects can be no less than \$2,000.00. Snow removal and grass mowing is one project – yard services.

MOTION #1:

Moved by Doyle; Seconded by Verbeke.

RESOLVED: To accept the Conflict of Interest Resolution as part of the CDBG application and to authorize the City Mayor to sign the application and submit documents to Oakland County.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald, Verbeke

No: None

Motion carried (7-0)

RESOLUTION NO. 12.10.167

MOTION #2:

Moved by Verbeke; Seconded by Knight.

RESOLVED: To accept the Program Year 2013 Community Development Block Grant (CDBG) Subrecipient Agreement Between the County of Oakland and the City of Auburn Hills as part of the CDBG application and to authorize the City Mayor to sign the application and submit documents to Oakland County.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald, Verbeke

No: None

Motion carried (7-0)

RESOLUTION NO. 12.10.168

MOTION #3:

Moved by: Knight; Seconded by Hammond.

RESOLVED: To accept the Community Development Block Grant (CDBG) application budget line item Minor Home Repair in the amount of \$ 38,128 as part of the approximate amount of \$ 54,468 and authorize the City Mayor to sign the application and submit the documents to Oakland County.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald, Verbeke

No: None

Motion carried (7-0)

RESOLUTION NO. 12.10.169

MOTION #4:

Moved by Verbeke; Seconded by McDaniel.

RESOLVED: To accept the Community Development Block Grant (CDBG) application budget line item Yard in the amount of \$ 8,840 as part of the approximate amount of \$ 54,468 and authorize the City Mayor to sign the application and submit the documents to Oakland County.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald, Verbeke

No: None

Motion carried (7-0)

RESOLUTION NO. 12.10.170

MOTION #5:

Moved by McDaniel; Seconded by Kittle.

RESOLVED: To accept the Community Development Block Grant (CDBG) application budget line item Youth Assistance (Avondale and Pontiac) in the amount of \$5,000 as part of the approximate amount of \$ 54,468 and authorize the City Mayor to sign the application and submit the documents to Oakland County.

Mr. Knight requested to abstain from voting as he is the treasurer for the Avondale Youth Assistance.

Ms. Adcock confirmed for Ms. Verbeke that the \$5,000.00 is equally split between the two Youth Assistance programs.

VOTE: Yes: Doyle, Hammond, Kittle, McDaniel, McDonald, Verbeke

No: None

Abstain: Knight

Motion carried (6-0-1)

RESOLUTION NO. 12.10.171

Mr. Knight believed Council by-laws require a vote for a Council Member to abstain from voting.

Moved by Mr. McDaniel; Seconded by Verbeke.

RESOLVED: To all Mr. Knight to abstain from voting on the CDBG budget line item Youth Assistance (Avondale and Pontiac).

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald, Verbeke

No: None

Motion carried (7-0)

RESOLUTION NO. 12.10.172

MOTION #6:

Moved by Hammond; Seconded by Verbeke.

RESOLVED: To accept the Community Development Block Grant (CDBG) application budget line item Haven in the amount of \$2,500 as part of the approximate amount of \$ 54,468 and authorize the City Mayor to sign the application and submit the documents to Oakland County.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald, Verbeke

No: None

Motion carried (7-0)

RESOLUTION NO. 12.10.173

Ms. Adcock explained with the approximate amount of grant money, if there is an additional amount it is generally put into the Yard account and if the amount is less, then it is taken from the Minor Home Repair account.

9b. Public Hearing/Motion Revocation of Commercial Rehabilitation Certificate C2012-004 – 3900 Joslyn Road

Mr. Lohmeier explained this is the end of the year for abatement and exemption consideration with the State Tax Commission. They are due by the end of October for the 2013 tax year, thus the reason for the following eight items on the agenda; six of the eight are for the same property.

This property, 3900 Joslyn Road, the old Food Town building was purchased by the LaSorda Group and City Council approved a Commercial Rehabilitation District for the property to be used as a business incubator.

Pacific Holdings purchased the property from the LaSorda Group and is requesting the property be established as an Industrial Development District and Plant Rehabilitation District for a single-occupant tenant.

The State Tax Commission does not allow a property to have both a Commercial Rehabilitation Exemption Certificate and Plant Rehabilitation Certificate simultaneously, and per the Department of Treasury the Commercial Rehab must be revoked at least one day prior to the IFT being approved.

Therefore, Pacific Holdings is requesting City Council revoke the existing commercial rehabilitation exemption certificate so they may request an industrial rehabilitation exemption certificate at its October 15, 2012 meeting.

Mr. Lohmeier confirmed this was the property the LaSorda Group was going to use as a multi-tenant business incubator.

Mr. Lohmeier explained Mr. LaSorda hadn't done any work to the building and the certificate Council had previously approved did not affect the property taxes; the tax incentive would have begun in 2013, therefore the City has not lost anything.

Mr. Knight didn't see the need for the purchaser of this property to speak on the revocation of this certificate.

Mayor McDonald opened the public hearing at 8:15 p.m.

Jared Roth, JR Development, Pacific Holdings, stated he has acquired the property that was the old Food Town.

Mayor McDonald closed the public Hearing at 8:16 p.m.

Moved by Knight; Seconded by Verbeke.

RESOLVED: To revoke Commercial Rehabilitation Exemption Certificate, Certificate No. C2012-004 by adopting the attached resolution (Attachment A).

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald, Verbeke

No: None

Motion carried (7-0)

RESOLUTION NO. 12.10.174

9c. Public Hearing/Motion - Pacific Holdings – Request to establish a Plant Rehabilitation District (PRD)

Mr. Lohmeier explained this is a request to establish a Plant Rehabilitation District has been submitted by Pacific Holdings, LLC, for the property located at 3900 Joslyn Road.

The site is 13.08 acres zoned T&R, Technology and Research; the building was constructed in 1994, is 45,875 square feet, and has been vacant for over ten years.

Pacific Holdings intends to rehabilitate this property regardless of the user, but believes there is strong probability that the user would be of an industrial nature. The rehabilitation would include rehabilitating certain parts of the property, such as exterior façade, floors, electric, lighting, site improvements, and the like to make it user ready.

Pacific Holdings has a tenant in mind already for the property.

Mr. Lohmeier clarified because Mr. Roth will be using the building for production, he is applying to the State for a Plant Rehabilitation; Mr. LaSorda, because of his use was asking for a Commercial Rehabilitation Exemption. The State bases the exemptions on different uses.

Mayor McDonald opened the public hearing at 8:19 p.m.

Jared Roth introduced himself, noting this is his first project in Auburn Hills in quite some time. Continuing, Mr. Roth stated he has a signed lease agreement with Inalfa Roof Systems, and is renovating the existing building into a high-tech, class A, research and development facility. The renovation will cost approximately \$2.5 million; which work has already begun by removing the east and west portions of the building and replacing with brick and glass. The building's interior heating, lighting and electrical will also be replaced. The target date for occupancy is April 1st.

Mr. Roth continued explaining there will be no shared parking with Prefix, the site plan indicates separate parking for Inalfa. It is anticipated that the shared parking lot will become the home of a new building, and then it will be necessary to share parking with Prefix.

Mr. Roth confirmed there is a signed lease in place with Inalfa Roof Systems.

Responding to Ms. Hammond, Mr. Roth stated with this old of a building, it isn't possible to become LEED certified; however, when possible high-efficiency product replacements will be used.

Mr. Roth thanked Mr. Kittle for the compliment of the building renderings and building design team.

Mr. Roth explained Pacific Holdings is a family based partnership and has some other businesses in Auburn Hills, as well as his solely owned business JAR Group who has done many projects in the City.

Mayor McDonald closed the public hearing at 8:25 p.m.

Moved by Knight; Seconded by Kittle.

RESOLVED: To approve the request to establish a Plant Rehabilitation District for Pacific Holdings by adopting the attached resolution (Attachment B).

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald, Verbeke

No: None

Motion carried (7-0)

RESOLUTION NO. 12.10.175

9d. Public Hearing/Motion Pacific Holdings – Request to establish an Industrial Development District (IDD)

Mr. Lohmeier explained this is a request to establish an IDD, because Inalfa Roof Systems will be seeking a tax exemption for the personal property that will be installed in the building.

Mr. Lohmeier explained this request is similar to that of Prefix in which it is a Plant Rehabilitation District as well as an Industrial Development District.

Mayor McDonald opened the public hearing at 8:27 p.m.

Mr. Roth noted the IDD is requested for Inalfa Roof Systems as well as the possibility of needing the District when the new construction is completed.

Mayor McDonald closed the public hearing at 8:29 p.m.

Moved by Doyle; Seconded by McDaniel.

RESOLVED: To approve the request to establish an Industrial Development District for Pacific Holdings by adopting the attached resolution (Attachment C).

Mr. Kittle clarified the purpose of this request is a formality which will allow tenants of the building to request tax exemptions from local authorities as well as for State assistance.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald, Verbeke

No: None

Motion carried (7-0)

RESOLUTION NO. 12.10.176

9e. Public Hearing/Motion Inalfa Roofing Systems – Request for Rehabilitation Exemption Certificate

Mr. Lohmeier introduced members of the Inalfa Systems team; Michael Folster Group Vice President & Managing Director, Glen Holtz, Vice President of Technology and Sergio Cabada, CFO. The project investment is \$2,578,000 and is anticipated to result in retaining 80 jobs with an expected 71 new jobs. The signed, executed seven-year lease between Inalfa Roof Systems and Pacific Holdings would allow a five-year abatement plus a two-year clawback period. Also, there are no pending tax appeals with this property.

Mayor McDonald opened the public hearing at 8:31 p.m.

Mr. Folster thanked Council for consideration of the Rehabilitation Exemption request.

Mr. McDaniel asked once the certificate of occupancy is received, how soon the additional 71 jobs will be considered.

Mr. Holtz explained the hiring and recruiting process has already begun. Twenty-three new jobs have already been created this year. There is expectation that the company will be at their maximum capacity by the end of this year or very early next year, which makes it perfect timing with this new facility. The majority of jobs are professional jobs; program managers, project engineers, CAD designers, test engineers, advanced quality and advanced purchasing.

Mr., Kittle commended the company for weathering the economic storm and asked if the company's portfolio has expanded beyond the domestic auto industry.

Mr. Holtz explained they are a global company, with Ford Motor being their largest client worldwide and BMW being the second largest client; Nissan has been a continual customer as well as GM and Chrysler.

Mr. Holtz confirmed for Ms. Doyle the Inalfa has three facilities in Auburn Hills that employ approximately 600 people. The locations are Pacific Drive for production, the tech Center on Harman Road and a warehouse on Silverbell Road; the tech center on Harmon Road will be the moved to this new location.

Mr. Roth explained the building that will be vacated is also owned by him; however, he is optimistic with the market that it won't be vacant long.

Mr. Holtz agreed with Ms. Doyle that there is a shortage of young qualified technical engineers in the area at this time and yes, they are hiring seasoned, more experienced people.

Mayor McDonald closed the public hearing at 8:37 p.m.

Moved by McDaniel; Seconded by Verbeke.

RESOLVED: To approve the request for a 5-year IFEC pertaining to Rehabilitation for Inalfa Roof Systems, Inc. for a total real property investment of \$2,578,000.00 by adopting the attached resolution (Attachment D).

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald, Verbeke

No: None

Motion carried (7-0)

RESOLUTION NO. 12.10.177

9f. Public Hearing/Motion Inalfa Roofing Systems – Request for New IFEC Personal Property

Mr. Lohmeier noted the application involves personal property including testing and lab equipment and other personal property, such as phone furniture, phone switches, and servers, resulting in a total project investment of \$1,471,000. The request is for a five-year abatement with the two-year clawback.

Mayor McDonald opened the public hearing at 8:40 p.m., hearing no comment, closed the public hearing at 8:41 p.m.

Moved by McDaniel; Seconded by Kittle.

RESOLVED: To approve the request for a 5-year IFEC for Inalfa Roof Systems, Inc. for a total personal property investment of \$1,471,000.00 by adopting the attached resolution (Attachment E).

Mr. Kittle noted any items that could be purchased locally or made in the USA would greatly be appreciated.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald, Verbeke

No: None

Motion carried (7-0)

RESOLUTION NO. 12.10.178

9g. Public Hearing/Motion Pacific Holdings – Request to Transfer Commercial Rehab. Certificate

Mr. Lohmeier explained this Agenda Item becomes a moot issue because the exemptions were approved by Council for this property in the prior motions and can be removed from the Agenda.

9h. Public Hearing/Motion Dieomatic Inc dba P&F Systems – Request for New IFEC Personal Property

Mr. Lohmeier explained the total project investment is \$18,804,000 and is anticipated to result in an expected 195 new jobs. P & F Systems is a subsidiary of Magna International. There is an executed ten-year lease, which would allow for an eight-year abatement; however, the request is for a seven-year abatement. Mr. Lohmeier also noted there are no pending tax appeals from either the applicant or the property. Mr. Lohmeier explained Uni-Solar filed bankruptcy and the appeals of Uni-Solar's were settled months ago.

Mayor McDonald opened the public hearing at 8:44 p.m.

Frank Ervin, Director of Government Affairs for Magna, introduced himself and explained this project is a stamping project for a company located in the United States. With this new contract it was decided to open a stamping facility in the United States, here in Auburn Hills. This facility will do light stamping and sequencing, the heavy stamping will be done in Canada and then shipped to Auburn Hills for light stamping and assembly. It is intended that this facility will start production in the second quarter of 2013, with 160 employees by the end of 2013 and employ 230 people by the end of 2015.

Mr. Ervin further explained for every new job created, there are 4.8 jobs created in tier suppliers. He also noted, there is talk about expanding this location at a later date, but he isn't at liberty to discuss the plans.

Mr. Ervin explained he will not request an eight year abatement because the business plan only extends out to seven years; this request is based on guaranteed business from a six and a half year contract.

Mayor McDonald closed the public hearing at 8:58 p.m.

Mr. Ervin stated 70% of the jobs will be basic assembly, factory floor type workers, some mechanical engineers, maintenance and some managers. As with other facilities, they will be working through Michigan Works and try to first hire those from the community in which the facility is located. Mr. Ervin noted he could not speak to the fact if these would be union positions or not.

Moved by Verbeke; Seconded by Knight.

RESOLVED: To approve the request for a 7-year IFEC for Dieomatic Inc. dba P&F Systems for a total personal property investment of \$18,804,000.00 by adopting the attached resolution (Attachment F).

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald, Verbeke

No: None

Motion carried (7-0)

RESOLUTION NO. 12.10.179

9i. Public Hearing/Motion BAE Industries – Request to Extend IFEC 2006-260 real and personal property

Mr. Lohmeier noted BAE Industries was granted an IFEC in 2006 and is now requesting an extension of the tax abatement for an additional five years. A Tax Incentive Agreement has been signed, which BAE Industries agrees to remain at the property for an additional four years after the expiration of the abatement, which is line with the signed lease agreement. Mr. Lohmeier noted there are no current tax appeals for this company or property.

Ms. Doyle questioned the appeals that were from 2010, 2011 and 2012, and if all of the issues were resolved.

Mr. Lohmeier explained BAE Industries agreed to a stipulation for the first year and the other two years were waived.

Ms. Doyle asked for better clarification.

Mr. Lohmeier explained there was a meeting with both sides and after fact finding, both sides agreed to the new property assessment.

Mayor McDonald opened the public hearing at 8:53 p.m.

John Doyle, BAE Industries Director of Corporate Tax introduced himself and explained the request for the abatement extension is because BAE Industries were awarded an extension of their contract with their customer for an additional six years.

Mayor McDonald closed the public hearing at 8:55 p.m.

Moved by Kittle; Seconded by Knight.

RESOLVED: To approve the request for an additional five (5) years of abatement for BAE Industries Inc. and IFEC 2006-260 with the adoption of the attached resolution with the condition that BAE Industries Inc. agrees to operate the facility for an additional four (4) years after expiration of the certificate (Attachment G).

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald, Verbeke

No: None

Motion carried (7-0)

RESOLUTION NO. 12.10.180

9j. Public Hearing/Motion – Adopt 2013 Budget and Millage Rates

Mr. Barnes noted the millage has not been increased in seven years, and of the communities that participated in the Oakland County survey, Auburn Hills is seventh lowest in Oakland County and if the excluding the Library millage, Auburn Hills is third lowest. The average millage rate of the communities participating is 16.9 mills.

The tax values, the last increase in 2007 was up 3%; 2008 down 1%; 2009 down 3%; 2010 down 11%; 2011 down 6%; 2012 -5%. The collective decrease since 2007 is 25% tax values.

The total revenues for 2012 are over budget by approximately \$1.9 billion, with most of it from the Water and Sewer Department; the General Fund is up about \$800,000.

The 2013 total expense budget of \$59.8 million will be \$3.4 million higher than the 2012 projected expenses. While the 2013 budget includes \$9.9 million for capital outlay expenditures, \$2.0 million of matching City funds is for the potential I-75/University bridge project.

There will be two personnel added, one full time employee to Community development and one Public Safety Officer.

The fund balances in the governmental funds are budgeted to decline from \$22.6 million to \$20.6 million or almost \$2.0 million, virtually of which will be in the General fund. The General fund 2012 revenues will decline by \$664,000 of which \$500,000 is due to a decrease in tax revenues. The decline in the fund balance will occur even though the General fund's expenditures for 2013 budget are being reduced by \$2.4 million from the prior year. The component unit funds, composed of the TIFAs and Brownfield Authority, are budgeted to have a fund balance decline of approximately \$6.0 million. The decrease is largely due to the collective capital budget amount of \$5.7 million as well as the \$1.7 million non-capital expenses.

The proprietary funds consisting of the Water/Sewer fund and the Fieldstone Golf fund are expected to increase their cash fund balances by \$1.4 million. The Water/Sewer fund is projected to increase by \$500,000 while the Fieldstone Golf fund will increase by almost \$900,000 due to the final \$1.5 million transfer from the General fund in 2013. The golf fund will have satisfied the state approved deficit elimination plan in 2013, and the transfers in the future to support its operations during the remaining years of the outstanding bonds.

As a result of the continued declining tax revenues and less state and federal funding, the City has responded aggressively to control its operating costs, particularly payroll and benefit costs. The 2013 budget allows for the City's continued growth, maintains its financial health, and includes capital projects that will allow the City to prosper and be financially stronger in the future.

Responding to Mr. Kittle, Mr. Barnes explained the TIGER grants were to be a grant source for the I-75/University bridge, and those have expired. Mr. Auger noted there are still talks ongoing with Washington for grant money; however, it is a MDOT bridge and their decision.

Mr. Kittle asked why the bridge money is not used to balance the general budget and if the bridge project comes to fruition, then make an amendment to the balanced budget for the funds.

Mr. Auger explained when applying for grants, the money the City is contributing must be a budgeted item.

Mr. Knight noted Council has not been presented a Library budget and asked why Council should be approving the budget; however he agrees with approving the millage.

Mr. Beckerleg confirmed Council should approve the Library budget.

Mr. Barnes noted the Library budget is included in the budget book, under other funds.

Mr. McDaniel isn't in favor of budgeting for the I-75/University bridge, nor was he in favor of supporting it in the last budget.

Mr. Kittle asked if the City has any contingency plans if the personal property tax will be eliminated as being discussed in Lansing; which is 20% of the City's tax collection.

Mr. Auger explained many of the drafts that have been observed, believes it will be phased in during the next few years. Regarding the contingency plan, it is difficult to plan for the unknown and it will depend on how Lansing will help the communities that are losing that revenue.

Mayor McDonald opened the public hearing at 9:15 p.m.

Mr. Barnes explained the majority of maintenance is related to the DPS budget; roads, parks and buildings.

Mr. Auger noted when discussion first takes place regarding construction of a new facility; maintenance discussion is always included, which helps to determine design and concepts.

Mayor McDonald closed the public hearing at 9:20 p.m.

Moved by Knight; Seconded by Hammond.

RESOLVED: To accept and adopt the proposed 2013 budgets for the City and the Library, and to approve the proposed millages for the City and Library for the 2012 tax year.

Mr. McDaniel cannot support this budget, though he appreciates all the work that has been invested, but the I-75/University bridge is a MDOT project and he cannot support it at this time.

Mr. Kittle noted there are many small items he doesn't like in the budget; however, he will approve this budget. He also noted, he probably will not approve bridge money if the project moves forward. He would also like to see a more detailed/comprehensive budget that is possible with new software available.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDonald, Verbeke

No: McDaniel

Motion carried (6-1)

RESOLUTION NO. 12.10.181

9k. Motion - Proposed 2012 Budget Amendments

Mr. Barnes explained the annual financial report required and accordance with GASB standards includes a detailed financial report of the General Fund's revenues and expenditures. Material variances from the budgeted amounts must also be reported with clarifications and/or reasons for any unfavorable variances. In addition, the Treasury Department at the State of Michigan requires municipalities to file a separate report if the General Fund's actual amounts are unfavorable to the adopted budget amounts. The schedule lists two transfer changes \$225,000 from Wayne Disposal to Local Roads and \$350,000 from the General Fund to Fieldstone. There are also seven property parcel acquisitions (that will be in part or in their entirety be completely executed in 2012) that were not included in the City's adopted 2012 budget. Because of the magnitude of the expense amounts, there is a strong possibility that the General Fund's actual expenditures will exceed the adopted 2012 budget amount.

Mr. Barnes confirmed for Ms. Doyle there will not be a line item for property acquisition in the 2013 budget, the City will continue by approving a budget amendment.

Moved by McDaniel; Seconded by Hammond.

RESOLVED: Move to approve all of the items on the attached schedule as 2012 budget amendments which in total increase the City's government fund revenues/transfers by \$575,000 and increase the City's government fund expenditures/transfers by \$1,416,459.

VOTE: Yes: Doyle, Hammond, Kittle, Knight, McDaniel, McDonald, Verbeke

No: None

Motion carried (7-0)

RESOLUTION NO. 12.10.182

10. COMMENTS AND MOTIONS FROM COUNCIL

Mr. Knight:

- Recommended the road signs be updated to reflect current changes; i.e. Entrepreneurial City, Tree City, etc.
- Would like to make a public issue of the Post Office not delivering all of the Absentee Ballots
- Suggested donating \$500 from the General Fund to Neighborhood House next year.
- Thanked Ms. Carroll and others for keeping the Farmer's Market running for the season.

Ms. Doyle:

- Agreed with Mr. Knight regarding the Farmer's Market and keep it going. She met the new Market Master and many of the vendors were pleased to see a new Market Master for next year's season.
- Congratulated the Parks and Recreation workers on the Fall Festival held at Hawkwoods.

Ms. Hammond:

- Questioned Mr. Melchert if the watering system downtown was up and running. Mr. Melchert confirmed the system is working and completed.
- Attended the Gibb's event and is very pleased they will be opening up their second production.

Mr. Kittle:

- Is looking forward to the November 29th workshop
- Commented about the checks over \$2,500 report. He would like to see a printout indicating how much the various vendors are being paid throughout the year and a total.

Mr. Auger noted the \$2,500 report is supplied to Council as stated in the purchasing ordinance.

Mr. McDaniel:

- Noted on that \$2,500 report there may be an amount to a credit card company; he would like it indicated on who the charge was made to.

Mr. Barnes explained many times the amount is a collective amount of many credit cards.

Mr. Auger stated if there is a single credit card purchase of \$2,500 or more, a note will be included on the report.

Mayor McDonald:

- Asked Ms. Kowal to explain the absentee ballot mail situation.

Ms. Kowal explained 1,500 ballots were taken by the Clerk's Office to the post office, October 3rd. The Office has received numerous calls of some members of a household receiving their absentee ballot and others who have not. After 12 days, Mayor McDonald and Mr. Knight still have not received their ballots. It took three or four days to determine responsibility for the missing ballots, which is the Detroit processing center. At the suggestion of Mr. Auger and Mr. Tanghe, Congressman Peter's staff was able to provide a contact number at the Detroit processing plant. Ballots that were sent to other zip codes, including those out-of-state and to different countries have been delivered, with some of those already being returned. The problem has been ongoing, with mail being returned to the City in September that was mailed in July and August. The Auburn Hills post office is only a retail office; delivery for Auburn Hills is through the Bloomfield office. The office has had to spoil and reissue ballots for those residents who are going out of town and with such a busy election there is a possibility of running out of ballots if many must be reissued.

- Questioned the timing of the traffic signal at M-59/Squirrel Road and the signal at Hamlin Road/ Squirrel Road northbound.

Director Olko explained the Hamlin Road light is a county light and she will check to see if the lights are coordinated between the SCAT system and the MDOT system.

11. CITY ATTORNEY'S REPORT – none.

12. CITY MANAGER'S REPORT

- Attended the ICMA conference in Arizona and many states across the country are in the same boat as Michigan with the State is not funding local units.
- With the new legislation of Obama Care, beginning in January employees working 30 or more hours is entitled to health care. This new law will affect the Recreation Department, DPS seasonal employees and Fieldstone employees.
- Six candidates celebrated first Employee of the Year with lunch at the Palace. Mikey Gorak, Recreation is the first recipient of the award.

13. ADJOURNMENT

Meeting adjourned at 9:48 p.m.

James D. McDonald, Mayor

Terri Kowal, City Clerk

Attachment A

**CITY OF AUBURN HILLS
RESOLUTION 12.10.173
REVOKING A COMMERCIAL REHABILITATION EXEMPTION CERTIFICATE
FOR TD JOSLYN ROAD, LLC**

At a regular meeting of the City Council of the City of Auburn Hills, Oakland County, Michigan, held in the Council Chambers at 1827 N. Squirrel Road, Auburn Hills MI 48326 on the **15th day of October, 2012**.

The following resolution was offered by Councilperson Knight and supported by Councilperson Verbeke.

WHEREAS, TD Joslyn Road, LLC was issued **Commercial Rehabilitation Exemption Certificate 2012-004** for the property identified as:

Address: 3900 Joslyn Road, Auburn Hills, MI 48326

Assessment parcel 02-14-04-476-013

Legal Description: T3N, R10E, SEC 4 PONTIAC ACRES SUB PART OF LOTS 1 TO 7 INCL, ALSO PART OF LOT 15, ALSO ALL OF LOT 16, ALSO PART OF LOT 17, ALSO PART OF SE 1/4 ALL DESC AS BEG AT PT DIST N 02-42-27 W 60 FT & S 87-27-26 W 894.36 FT FROM SE SEC COR, TH S 87-27-26 W 175.64 FT, TH N 08-58-12 W 420.79 FT, TH S 81-01-48 W 18.76 FT, TH N 08-58-12 W 160.75 FT, TH S 81-01-48 W 436.72 FT, TH N 08-58-12 W 567.64 FT, TH N 81-01-48 E 7.56 FT, TH N 74-33-21 E 507.17 FT, TH N 81-00-24 E 234.27 FT, TH N 87-27-26 E 22.23 FT, TH S 02-32-34 E 1231.38 FT TO BEG 10-26-11 FR 011, 012 & 452-016

WHEREAS, TD Joslyn Road, LLC has failed to begin and end the work in which the exemption certificate was provided, and

WHEREAS, TD Joslyn Road, LLC has sold the property, and

WHEREAS, TD Joslyn Road, LLC has failed to proceed in good faith with the operation of the qualified facility in a manner consistent with Public Act 210 of 2005, as amended, and

WHEREAS, before acting on said application, the City Council of Auburn Hills held a hearing on the **15th day of October, 2012** at a regularly scheduled meeting, at which time the owner, the assessor, and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

NOW, THEREFORE, BE IT RESOLVED that the City Council of Auburn Hills hereby determines that **Commercial Rehabilitation Exemption Certificate 2012-004** including real property be revoked according to the provisions of Section 12, Public Act 210, of 2005, as amended, and

That the City Assessor submits a copy of this resolution to the State Tax Commission with a request to revoke the certificate.

AYES: Mayor McDonald, Mayor Pro Tem Hammond, Council Members Doyle, Kittle, Knight, McDaniel, Verbeke
NAYS: None
ABSENT: None
ABSTENTIONS: None

RESOLUTION 12.10.173 APPROVED (7-0)

STATE OF MICHIGAN)

)SS

COUNTY OF OAKLAND)

I, the undersigned, the duly appointed City Clerk for the City of Auburn Hills, Oakland County, Michigan do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the Auburn Hills City Council held on the **15th day of October, 2012**.

IN WITNESS WHEREOF, I have hereunto affixed my official signature on **this 16th day of October, 2012**.

Terri Kowal, City Clerk

Attachment C

**CITY OF AUBURN HILLS
RESOLUTION 12.10.175
ESTABLISHING A INDUSTRIAL DEVELOPMENT DISTRICT
FOR PACIFIC HOLDINGS**

At a meeting of the City Council held on the **15th day of October, 2012** at the City Council Chambers at 1827 N. Squirrel Rd., Auburn Hills MI 48326

It was moved by Council Member Doyle and supported by Council Member McDaniel.

WHEREAS, Act 198 of the Public Acts of 1974, as amended, authorizes the City Council of Auburn Hills to establish an Industrial Development District; and

WHEREAS, **Pacific Holdings, LLC** has petitioned this City Council to establish an Industrial Development District on the property herein described; and

WHEREAS, construction, acquisition, alteration, or installation of a proposed facility within the district has not commenced as of this date of the filing of the request to establish the district; and

WHEREAS, the City Council of the City of Auburn Hills, has given written notice by certified mail to the owners of real property within the proposed Industrial Development District and to the public by newspaper advertisement in the Oakland Press, and public posting of the hearing on the establishment of the proposed district; and

WHEREAS, a public hearing was held on **October 15, 2012** at which all of the owners of real property within the proposed Industrial Development District and all residents and taxpayers of Auburn Hills were afforded an opportunity to be heard; and

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

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

Parcel identification: 02-14-04-476-013

Legal description: T3N, R10E, SEC 4 PONTIAC ACRES SUB PART OF LOTS 1 TO 7 INCL, ALSO PART OF LOT 15, ALSO ALL OF LOT 16, ALSO PART OF LOT 17, ALSO PART OF SE 1/4 ALL DESC AS BEG AT PT DIST N 02-42-27 W 60 FT & S 87-27-26 W 894.36 FT FROM SE SEC COR, TH S 87-27-26 W 175.64 FT, TH N 08-58-12 W 420.79 FT, TH S 81-01-48 W 18.76 FT, TH N 08-58-12 W 160.75 FT, TH S 81-01-48 W 436.72 FT, TH N 08-58-12 W 567.64 FT, TH N 81-01-48 E 7.56 FT, TH N 74-33-21 E 507.17 FT, TH N 81-00-24 E 234.27 FT, TH N 87-27-26 E 22.23 FT, TH S 02-32-34 E 1231.38 FT TO BEG 10-26-11 FR 011, 012 & 452-016

be and here is established as a Industrial Development District pursuant to the provisions of Act 198 of the Public Acts of 1974 to be known as the **Pacific Holdings Industrial Development District**.

AYES: Mayor McDonald, Mayor Pro Tem Hammond, Council Members Doyle, Kittle, Knight, McDaniel, Verbeke

NAYS: None

ABSENT: None

ABSTENTIONS: None

RESOLUTION 10.12.175 ADOPTED

STATE OF MICHIGAN)
) SS
COUNTY OF OAKLAND)

I, the undersigned, the duly qualified and appointed City Clerk of the City of Auburn Hills, Oakland County, Michigan do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the City Council held on the **15th day of October, 2012**, the original of which is on file in my office.

IN WITNESS WHEREOF, I have hereunto affixed my official signature on this 16th day of October 2012.

Terri Kowal, City Clerk

**CITY OF AUBURN HILLS
RESOLUTION 12.10.176
APPROVING AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
FOR INALFA ROOF SYSTEMS, INC**

At a regular meeting of the City Council of the City of Auburn Hills, Oakland County, Michigan, held in the Council Chambers at 1827 N. Squirrel Road, Auburn Hills MI 48326 on the **15th Day of October, 2012**.

The following resolution was offered by Councilperson McDaniel and supported by Councilperson Verbeke.

WHEREAS, pursuant to P.A. 198, 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on the , **15th Day of October, 2012** the City Council of Auburn Hills established a Plant Rehabilitation District, commonly referred to as the **Pacific Holdings** Plant Rehabilitation District; and

WHEREAS, **Inalfa Roof Systems, Inc.** has filed an application for an Industrial Facility Exemption Certificate with the Clerk of the City of Auburn Hills with respect to a proposed rehabilitation facility within the **Pacific Holdings** Plant Rehabilitation District; and

WHEREAS, before acting on said application, the City Council of Auburn Hills held a hearing on **15th Day of October, 2012**, at a regularly scheduled meeting, at which time the applicant, the Assessor, and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, rehabilitation of the facility had not begun earlier than six (6) months before **September 4, 2012**, the date of the acceptance of the application for the Industrial Facility; and

WHEREAS, completion of the facility is calculated to and will at the time of issuance of the certificate have the reasonable likelihood to retain, create or prevent the loss of employment in Auburn Hills; and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within the City of Auburn Hills after granting this certificate **will exceed 5%** of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE, BE IT RESOLVED BY the City Council of Auburn Hills that:

1. The City Council of Auburn Hills finds and determines that the granting of this Industrial Facilities Exemption Certificate, together with the aggregate amount of the Industrial Facilities Exemption Certificates previously granted and currently in force, under Act No. 198 of the Public Acts of 1974, **shall not** have the effect of substantially impeding the operation of the City of Auburn Hills, or of impairing the financial soundness of a taxing unit which levies an ad valorem property tax in the City of Auburn Hills.

2. The application for an Industrial Facilities Exemption Certificate with respect to a rehabilitation facility on the following described parcel of real property situation within the **Pacific Holdings** Plant Rehabilitation District to wit:

T3N, R10E, SEC 4 PONTIAC ACRES SUB PART OF LOTS 1 TO 7 INCL, ALSO PART OF LOT 15, ALSO ALL OF LOT 16, ALSO PART OF LOT 17, ALSO PART OF SE 1/4 ALL DESC AS BEG AT PT DIST N 02-42-27 W 60 FT & S 87-27-26 W 894.36 FT FROM SE SEC COR, TH S 87-27-26 W 175.64 FT, TH N 08-58-12 W 420.79 FT, TH S 81-01-48 W 18.76 FT, TH N 08-58-12 W 160.75 FT, TH S 81-01-48 W 436.72 FT, TH N 08-58-12 W 567.64 FT, TH N 81-01-48 E 7.56 FT, TH N 74-33-21 E 507.17 FT, TH N 81-00-24 E 234.27 FT, TH N 87-27-26 E 22.23 FT, TH S 02-32-34 E 1231.38 FT TO BEG 10-26-11 FR 011, 012 & 452-016

The real property is also identified as 02-14-04-476-013, having an address of 3900 Joslyn Road, Auburn Hills, MI 48326

is hereby approved.

3. **The Industrial Facilities Exemption Certificate shall remain in force and effect for a period of 5 years, and the starting date for the certificate is December 31, 2012 and the ending date is December 30, 2017.**

4. The project cost approved is **\$2,578,000** for real property.

5. **Inalfa Roof Systems, Inc** agrees to continue operation of the facility for the full term of the certificate and for an additional two years after expiration of the certificate.

AYES: Mayor McDonald, Mayor Pro Tem Hammond, Council Members Doyle, Kittle, Knight, McDaniel, Verbeke
NAYS: None
ABSENT: None
ABSTENTIONS: None

RESOLUTION 12.10.176 ADOPTED (7-0)

STATE OF MICHIGAN)

)SS

COUNTY OF OAKLAND)

I, the undersigned, the duly appointed City Clerk for the City of Auburn Hills, Oakland County, Michigan do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the Auburn Hills City Council held on the **15th Day of October, 2012.**

IN WITNESS WHEREOF, I have hereunto affixed my official signature on this 16th day of October, 2012.

Terri Kowal, City Clerk

**CITY OF AUBURN HILLS
RESOLUTION 12.10.177
APPROVING AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
FOR INALFA ROOF SYSTEMS**

At a regular meeting of the City Council of the City of Auburn Hills, Oakland County, Michigan, held in the Council Chambers at 1827 N. Squirrel Road, Auburn Hills MI 48326 on the **15th day of October, 2012**.

The following resolution was offered by Councilperson McDaniel and supported by Councilperson Kittle.

WHEREAS, pursuant to P.A. 198, 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on the **15th Day of October, 2012**, the City of Auburn Hills, established an Industrial Development District, commonly referred to as the **Pacific Holdings Industrial Development District**; and

WHEREAS, **Inalfa Roof Systems, Inc.** has filed an application for an Industrial Facility Exemption Certificate with the Clerk of the City of Auburn Hills with respect to proposed **personal property** to be acquired and installed within the **Pacific Holdings Industrial Development District**; and

WHEREAS, before acting on said application, the City Council of Auburn Hills held a hearing on the **15th day of October, 2012** at a regularly scheduled meeting, at which time the applicant, the assessor, and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, construction and installation of the facility has not begun earlier than six (6) months before **September 4, 2012**, the date of the acceptance of the application for the Industrial Facility Exemption Certificate; and

WHEREAS, completion of the facility is calculated to and will at the time of issuance of the certificate have the reasonable likelihood to retain, create or prevent the loss of employment in Auburn Hills; and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within the City of Auburn Hills after granting this certificate **will exceed 5%** of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE, BE IT RESOLVED BY the City Council of Auburn Hills that:

1. The City Council of Auburn Hills finds and determines that the granting of this Industrial Facilities Exemption Certificate, together with the aggregate amount of the certificates previously granted and currently in force, under PA 198 of 1974, and PA 225 of 1978, shall not have the effect of substantially impeding the operation of the City of Auburn Hills, or of impairing the financial soundness of a taxing unit which levies an ad valorem property tax in the City of Auburn Hills.
2. The application for an Industrial Facilities Exemption Certificate with respect to a **New Facility** on the following described parcel of real property situated within the **Pacific Holdings Industrial Development District**; to wit;

Legal Description

T3N, R10E, SEC 4 PONTIAC ACRES SUB PART OF LOTS 1 TO 7 INCL, ALSO PART OF LOT 15, ALSO ALL OF LOT 16, ALSO PART OF LOT 17, ALSO PART OF SE 1/4 ALL DESC AS BEG AT PT DIST N 02-42-27 W 60 FT & S 87-27-26 W 894.36 FT FROM SE SEC COR, TH S 87-27-26 W 175.64 FT, TH N 08-58-12 W 420.79 FT, TH S 81-01-48 W 18.76 FT, TH N 08-58-12 W 160.75 FT, TH S 81-01-48 W 436.72 FT, TH N 08-58-12 W 567.64 FT, TH N 81-01-48 E 7.56 FT, TH N 74-33-21 E 507.17 FT, TH N 81-00-24 E 234.27 FT, TH N 87-27-26 E 22.23 FT, TH S 02-32-34 E 1231.38 FT TO BEG 10-26-11 FR 011, 012 & 452-016

The real property parcel is also identified as 02-14-04-476-013, having an address of 3900 Joslyn Road, Auburn Hills, MI 48326

is hereby approved for Personal Property Improvements only.

3. The Industrial Facilities Exemption Certificate shall remain in force and effect for a period of **five (5) years**, and the starting date for the certificate is **December 31, 2012** and the ending date is **December 30, 2017**.
4. The total project investment approved is **\$1,471,000**.

5. **Inalfa Roof Systems, Inc.** agrees to operate the facility for which the Industrial Facilities Exemption Certificate is granted for the term of the certificate, plus an additional **two years** after the date of the expiration.

AYES: Mayor McDonald, Mayor Pro Tem Hammond, Council Members Doyle, Kittle, Knight, McDaniel, Verbeke

NAYS: None

ABSENT: None

ABSTENTIONS: None

RESOLUTION 12.10.177 ADOPTED (7-0)

STATE OF MICHIGAN)

)SS

COUNTY OF OAKLAND)

I, the undersigned, the duly appointed City Clerk for the City of Auburn Hills, Oakland County, Michigan do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the Auburn Hills City Council held on the **15th day of October, 2012.**

IN WITNESS WHEREOF, I have hereunto affixed my official signature on this 16th day of October, 2012.

Terri Kowal, City Clerk

**CITY OF AUBURN HILLS
RESOLUTION 12.10.179
APPROVING AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
FOR DIEOMATIC INC. DBA P&F SYSTEMS**

At a regular meeting of the City Council of the City of Auburn Hills, Oakland County, Michigan, held in the Council Chambers at 1827 N. Squirrel Road, Auburn Hills MI 48326 on the **15th day of October, 2012**.

The following resolution was offered by Councilperson Verbeke and supported by Councilperson Knight.

WHEREAS, pursuant to P.A. 198, 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on the **18^h Day of November, 1985**, the City of Auburn Hills, established an Industrial Development District, commonly referred to as the **Gardiner Brothers Industrial Development District**; and

WHEREAS, pursuant to P.A. 198, 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on the **23rd Day of October, 2000**, the City of Auburn Hills, established an Industrial Development District, commonly referred to as the **Bekaert ECD Solar Systems LLC Industrial Development District**; and

WHEREAS, **Dieomatic Inc. DBA P&F Systems** has filed an application for an Industrial Facility Exemption Certificate with the Clerk of the City of Auburn Hills with respect to proposed **personal property** to be acquired and installed within the **Gardiner Brothers Industrial Development District** and the **Bekaert ECD Solar Systems LLC Industrial Development District**; and

WHEREAS, before acting on said application, the City Council of Auburn Hills held a hearing on the **15th day of October, 2012** at a regularly scheduled meeting, at which time the applicant, the assessor, and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, construction and installation of the facility has not begun earlier than six (6) months before **August 3, 2012**, the date of the acceptance of the application for the Industrial Facility Exemption Certificate; and

WHEREAS, completion of the facility is calculated to and will at the time of issuance of the certificate have the reasonable likelihood to retain, create or prevent the loss of employment in Auburn Hills; and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within the City of Auburn Hills after granting this certificate **will exceed 5%** of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE, BE IT RESOLVED BY the City Council of Auburn Hills that:

1. The City Council of Auburn Hills finds and determines that the granting of this Industrial Facilities Exemption Certificate, together with the aggregate amount of the certificates previously granted and currently in force, under PA 198 of 1974, and PA 225 of 1978, shall not have the effect of substantially impeding the operation of the City of Auburn Hills, or of impairing the financial soundness of a taxing unit which levies an ad valorem property tax in the City of Auburn Hills.
2. The application for an Industrial Facilities Exemption Certificate with respect to a **New Facility** on the following described parcel of real property situated within the **Gardiner Brothers Industrial Development District** and the **Bekaert ECD Solar Systems LLC Industrial Development District**; to wit;

Legal Description

T3N, R10E, SEC 2 PART OF SE 1/4 BEG AT PT DIST N 01-45-29 W 1621.65 FT & N 88-26-30 E 455.36 FT FROM S 1/4 COR, TH N 01-33-30 W 350 FT, TH N 88-26-30 E 898.13 FT, TH S 01-25-45 E 613.79 FT, TH S 88-26-30 W 797.25 FT, TH N 01-25-45 W 263.80 FT, TH S 88-26-30 W 100.09 FT TO BEG 12.04 A8-17-89 FR 008, 009, 026, 027 & 028

The real property parcel is also identified as 02-14-02-401-031, having an address of 3800 Lapeer Road, Auburn Hills, MI 48326

is hereby approved for Personal Property Improvements only.

3. The Industrial Facilities Exemption Certificate shall remain in force and effect for a period of **seven (7) years**, and the starting date for the certificate is **December 31, 2012** and the ending date is **December 30, 2019**.

4. The total project investment approved is **\$18,804,000**.

5. **Dieomatic Inc. DBA P&F Systems** agrees to operate the facility for which the Industrial Facilities Exemption Certificate is granted for the term of the certificate, plus an additional **two years** after the date of the expiration.

AYES: Mayor McDonald, Mayor Pro Tem Hammond, Council Members Doyle, Kittle, Knight, McDaniel, Verbeke

NAYS: None

ABSENT: None

ABSTENTIONS: None

RESOLUTION 12.10.179 ADOPTED (7-0)

STATE OF MICHIGAN)

)SS

COUNTY OF OAKLAND)

I, the undersigned, the duly appointed City Clerk for the City of Auburn Hills, Oakland County, Michigan do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the Auburn Hills City Council held on the **15th day of October, 2012**.

IN WITNESS WHEREOF, I have hereunto affixed my official signature on this 16th day of October, 2012.

Terri Kowal, City Clerk

**CITY OF AUBURN HILLS
RESOLUTION 12.10.180
APPROVING ADDITIONAL YEARS
FOR THE FACILITY
UNDER INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
2006-260 for BAE INDUSTRIES INC.**

At a regular meeting of the City Council of the City of Auburn Hills, Oakland County, Michigan, held in the Council Chambers at 1827 N. Squirrel Road, Auburn Hills MI 48326 at 7:00 p.m. on the **15th day of October, 2012**.

The following resolution was offered by Councilperson Kittle and supported by Councilperson Knight:

WHEREAS, the City of Auburn Hills and the State Tax Commission approved an Industrial Facility Exemption Certificate in the year **2006 for BAE Industries Inc.** for a facility located at **1426 Pacific Drive**, and

WHEREAS, the certificate, known as Industrial Facility Exemption Certificate **2006-260** , was approved for **6 years for real property and personal property**, and

WHEREAS, **BAE Industries Inc.** has requested that another certificate be granted for additional years for the facility under Industrial Facility Exemption Certificate **2006-260** as provided by Public Act 198, of 1974, Sec 16a, and

WHEREAS, the Clerk has notified in writing the Assessor of the City of Auburn Hills and the legislative body of each taxing unit which levies ad valorem property tax within the City of Auburn Hills and given notice to the general public so that they shall be afforded an opportunity to be heard at this public hearing to determine whether the extension of the Industrial Facilities Exemption Certificate shall be approved or disapproved; and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within the city of Auburn Hills after granting this certificate **will exceed 5%** of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property exempted.

WHEREAS, it is hereby found and determined by the City of Auburn Hills Council that the granting of another certificate for the facility previously approved under Industrial Facility Exemption Certificate **2006-260** is reasonable and proper, and

NOW, THEREFORE, BE IT RESOLVED that the request for another certificate to extend the years approved under Industrial Facilities Exemption Certificate **2006-260 for real property and personal property** for the facility located at **1426 Pacific Drive** is hereby approved, and

The City Council of Auburn Hills finds and determines that granting of this Industrial Facilities Exemption Certificate, together with the aggregate amount of the certificates previously granted and currently in force, under PA 198 of 1974 and PA 255 of 1978, **shall not** have the affect of substantially impeding the operating of the City of Auburn Hills, or of impairing the financial soundness of a taxing unit which levies an ad valorem property tax in the City of Auburn Hills.

That another certificate be granted to extend the years approved under Industrial Facility Exemption Certificate **2006-260** for an additional **five (5) years for real property and personal property**, and

That BAE Industries Inc. hereby agrees to occupy and operate the facility approved for the new Industrial Facility Exemption Certificate and located at 1426 Pacific Drive for an additional **four (4) years** beginning on 12/30/2017.

The clerk shall send an original copy of this resolution to the State Tax Commission.

AYES: Mayor McDonald, Mayor Pro Tem Hammond, Council Members Doyle, Kittle, Knight, McDaniel, Verbeke

NAYS: None

ABSENT: None

ABSTENTIONS: None

RESOLUTION 12.10.180 APPROVED (7-0)

STATE OF MICHIGAN)
)SS
COUNTY OF OAKLAND)

I, the undersigned, the duly qualified and appointed Clerk of the City of Auburn Hills, Oakland County, Michigan do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the City Council held on the **15th day of October, 2012** the original of which is on file in my office.

IN WITNESS WHEREOF, I have hereunto affixed my official signature on this 16th day of October, 2012.

Terri Kowal, City Clerk