



The City of Auburn Hills

City Council Meeting

Minutes

August 20, 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
Absent: None
Also Present: City Manager Auger, Director Olko, City Assessor Micheal Lohmeier, Deputy DPW Director Grice, Water Resources Director Keenan, City Clerk Kowal, Economic Development Coordinator Renaud (Johnson), City Attorney Hampton, City Engineer Juidici
18 Guests

4. APPROVAL OF MINUTES

4a. City Council Meeting – August 13, 2012

Moved by Verbeke; Seconded by Doyle.

Mr. Knight asked that hospital be put next to his name for the last Council meeting; this is only the second meeting he has missed in the last five or six years.

RESOLVED: To approve the minutes of August 13, 2012 City Council Meeting, with the addition of “hospital” next to Councilman Knight’s “absent”.

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

No: None

Motion carried (7-0)

RESOLUTION NO. 12.08.117

5. APPOINTMENTS & PRESENTATIONS

6. PUBLIC COMMENT

Shawn Bright, 3866 Forester Blvd., with the one-year anniversary of the Forester Square SAD, he wanted to share the vast improvement, though the project is not completed. Working with the contractor Pro-Line, DPS Director Melchert and OHM Representatives has been very positive. Since the SAD, there have been 50 residents of the 205 that have paid in full and 29 residents have not made a first annual payment. From information he received last week, the total amount paid on principle thus far has been \$393,273. Also, based on information he received from Mr. Melchert and OHM representatives, he understands the project is coming in below budget and once finalized he would like to learn how those residents who have paid in full, will/or if, be refunded the difference on what was projected.

Mayor McDonald thanked Mr. Bright for his report.

7. CONSENT AGENDA

Ms. Hammond requested Item 7b., be removed from the Consent Agenda.

7a. Board and Commission Minutes

7a.1. Zoning Board of Appeals August 9, 2012

7a.2. Tax Increment Finance Authority – August 14, 2012

Moved by McDaniel; Seconded by Hammond.

RESOLVED: To approve the Consent Agenda Item 7a.

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

No: None

Motion carried (7-0)

RESOLUTION NO. 12.08.118

7b. Motion – Approval for Downtown Irrigation Controller Upgrades and Improvements

Ms. Hammond asked Mr. Grice where this irrigation will be upgraded.

Mr. Grice explained the irrigation will be untouched; the manual controls will be upgraded so the irrigation can be controlled remotely through the computer system as well as receiving reports of anything out of the ordinary, which may indicate a broken sprinkler heads or leaks. Currently, staff must drive downtown and manually make any changes that are needed and/or inspections of equipment. This upgrade will encompass the entire irrigation system downtown; the planters, hanging baskets, the trees and turf areas.

Ms. Hammond suggested the planters contain perennial plants as opposed to annuals and the need for the irrigation would be reduced.

Mr. Grice explained the planters originally were intended to have annual plantings so there would be continuous color from early spring to late fall. There has been discussion to use perennials, however, if perennials are used,

there would be more time needed to maintain and cleanup the plants at each of their different stages of blooming and resting.

Moved by Hammond, Seconded by Kittle.

RESOLVED: To approve the Downtown Irrigation Controller Upgrades and Improvements as recommend by the TIFA Board of Directors to Trost Irrigation, Inc., of Orion, Michigan in the amount of \$24,600.00 and authorize the TIFA Executive Director to approve any necessary change orders to bring the project to a successful conclusion. Funding is to be provided by TIFA A, Account No. 251-735-970-000.

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

No: None

Motion carried (7-0)

RESOLUTION NO. 12.08.119

8. OLD BUSINESS

8a. Public Hearing/Motion – Adoption of Amendments to Chapter 14, Animals, of the Auburn Hills City Code.

Mr. Keenan explained there has been a change to the amendment since the last meeting; a revision of Section 14 – 2A, which now includes the ability for those chicken farmers to use the chicken manure for composting, which is high-lighted. Mr. Keenan suggested since the amendment, it has been determined that ‘offal’ has more than one meaning; it can also mean ‘*parts of a butchered animal*’ and ‘*parts of a butchered animal removing and dressing*’; and should not be included in Section 14 – 2A.

Mr. Keenan asked Ms. Doyle if she was content with the removal of the ‘*or offal*’ from the amendment, since she had suggested the use at the last meeting.

Ms. Doyle approved of the elimination of the word and also suggested the spelling be checked on the word *malodors*, she believed it to be malodorous.

Mr. Knight noted he was not in attendance at the last meeting and questioned the chicken coop structures.

Mr. Keenan explained the ordinance states chickens should be kept within an enclosure that includes both a coup and connected fenced run at all times. The total size of the enclosure is 36 square feet in size and the coup will be elevated a minimum of 18 inches off the ground. The enclosure shall not exceed five (5) feet in height.

Ms. Doyle asked how and if the chickens need to be kept warm during the cold months.

Mr. Keenan explained the coop is generally constructed to give each chicken one square foot of space, which will generate enough body heat amongst them to stay warm in the winter months. If the space is larger than 1.5 square foot per chicken, additional heat will be needed.

Ms. Hammond explained at the last meeting Ms. Verbeke had asked Mr. Beckerleg what could be done if a resident was not in compliance with the ordinance and when renewal time arrived, they met the ordinance requirements. She asked if the ordinance should include language that would address those issues.

Mr. Keenan agreed it is a valid concern and suggested that the ordinance be revisited and amended if it becomes a problem.

Mr. Auger agreed with Mr. Keenan, noting if this becomes an issue, then the ordinance can be amended.

Mr. Hampton reminded Council, the ordinance includes ‘*Section 11. - Any person keeping hens shall remain subject to public nuisance and other associated codes and ordinances, including but not limited to noise, odor, and blight.*’ The City will be able to take action against offenders based on that section. The process is very simple, a citation is issued and the offender goes before a magistrate and it ends there; generally it would never go before a judge and there would be no real expense to the City.

Mr. Auger stated if language was included in the ordinance as Ms. Hammond suggests, it could have the opposite affect; that the City has denied the right of someone from keeping chickens because of something that has happened in their past.

Mayor McDonald opened the public hearing at 7:26 p.m.

Sarah Finks, 2683 James Road stated she has had chickens for nearly ten years and asked if there was a grandfather clause since she currently owns more chickens than allowed and roosters. What time frame will she have to become compliant with the ordinance.

Mr. Hampton stated the ordinance is clear that there will be no roosters.

Mayor McDonald stated the City won’t be going door-to-door checking for chickens; the City is contacted when a neighbor makes a complaint noting either someone is not in compliance with an ordinance or are complaining about a nuisance.

Ms. Finks asked once she applies for the permit, what time frame she will have to become compliant with the ordinance, noting her coop does not meet ordinance requirements.

Responding to Mr. McDaniel, Ms. Finks stated she currently has 19 chickens.

Ms. Verbeke asked Ms. Fink how long a chicken lives and/or how often are they replaced.

Ms. Finks stated she currently has one that is eight years old; however, some can live to be 10 or so years old.

Mr. Hampton noted the ordinance states one will have a reasonable amount of time to come into compliance with the ordinance. Mr. Hampton also noted this is an amendment to the existing City code and there is *no grandfathering*.

Mr. Keenan agreed with Ms. Hammond, currently chickens are only allowed on property of 2 acres or more as stipulated in the zoning ordinance; chickens have not been allowed in residential areas.

Mr. Auger stated if this ordinance is approved, staff will work with Ms. Finks to work out a reasonable amount of time.

Ms. Doyle asked Ms. Finks how she keeps her chickens warm during the winter months and what type and size of chicken coop does she have.

Ms. Finks explained currently she has an old box type camper backed up to the house and has a chicken wire fenced area. On very bitter cold winter days she has run an extension cord from her garage to the chicken coop where there is a heat lamp to help keep the chickens warm. During the winter she also has heated water bowls for the chickens. The electrical items are low voltage and fire safe equipment for chicken coops. When she is home, she allows her chickens free range; she has not had any complaints from the neighbors.

Responding to Ms. Verbeke she does share her eggs with the neighbors, though she has 19 chickens the Bantam chicken eggs are very small. Also, because of the roosters she has some baby chicks.

Heather Barta, 156 Guanonocque, thanked Council for making this an option for the residents and noted she currently does not have chickens but will be getting some.

Ms. Doyle asked Ms. Barta how she would keep her chickens warm.

Ms. Barta stated she will have larger, more substantial chickens that should be able to keep themselves warm as well as insulating the coop.

Mayor McDonald closed the public hearing at 7:35 p.m.

Moved by McDaniel, Seconded by Verbeke.

RESOLVED: To adopt amendments to Chapter 14. Animals, of the Auburn Hills City Code. The amended ordinance shall be referenced as Ordinance No. 12-842, with the removal of the words “or offal” from section 10.

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

No: None

Motion carried (7-0)

RESOLUTION NO. 12.08.120

9. NEW BUSINESS

9a. Public Hearing/Motion – Request to Approve New IFEC – LXR Biotech, LLC

Mr. Lohmeier explained LXR Biotech, LLC, was before City Council in July seeking a transfer and extension of the existing real property IFEC involving the building improvement. This application is for new personal property only which involves the furnishing of equipment for its manufacturing, warehousing and distribution of energy drinks. The total project investment is estimated at \$4,150,000, resulting in approximately 90 new jobs to this facility.

Continuing, Mr. Lohmeier noted the request is for an eight year abatement; however, after reviewing the building lease agreement, it was determined the lease will expire mid-year. Therefore, TIRC's approval of the application has recommended a seven year abatement based on the City's current policy.

Ms. Renaud introduced LXR Biotech, LLC, explaining they are requesting a PA328 tax abatement and will be bringing 90 new jobs to the City and are investing \$4,150,000.

Mayor McDonald opened the public hearing at 7:38 p.m.

William Oliver, legal counsel for LXR Biotech, explained currently there are 15 employees and at peak production there should be 90 employees.

Mr. McDaniel asked when the company will be at peak production.

Mr. Oliver stated by 2014, but possibly by mid 2013.

Responding to Ms. Doyle, Mr. Oliver stated one new development is the national product roll-out at Wal-Mart was moved up to August 1st; everything has been very positive. There have been other contracts signed with large box retailers, which will be announced at a later date.

Mr. McDaniel asked Mr. Oliver what competing company will be second after Five Hour Energy.

Mr. Oliver stated this product would be second based on volume; however, that hasn't been published as of yet. The publication comes out annually in June and LXR Biotech had not yet gone national.

Mayor McDonald closed the public hearing at 7:42 p.m.

Moved by McDaniel, Seconded by Verbeke.

RESOLVED: To approve the request for a 7-year year IFEC for LXR Biotech, LLC for a total personal property investment of \$4,150,000 by adopting the attached resolution (Attachment A).

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

No: None

Motion carried (7-0)

RESOLUTION NO. 12.08.121

9b. Public Hearing/Motion – Request to Approve an Amendment to the IFEC – US Farathane 2011-315

Mr. Lohmeier explained US Farathane was approved by City Council and the State Tax Commission in 2011 for a personal property investment of \$10,511,020 for its facility located at 2700 High Meadow Circle.

The estimated cost on the application was for \$10,511,020; however, the amended application is \$30,000,000 for personal property, due in part, to new business awarded from GM and Chrysler.

Continuing, Mr. Lohmeier noted the Michigan State Tax Commission requires that if the *“final cost of a project, either the real or tangible personal property components, will exceed 10% of the estimated amount indicated on the original application form, a certificate holder shall request in writing that the local governmental unit approve the additional cost.”* Rule 209.54.

Ms. Renaud introduced Rick Knapp, CFO of US Farathane.

Mayor McDonald opened the public hearing at 7:45 p.m.

Mr. Knapp noted the new cost in part is because there aren't used machines available, therefore it is necessary to purchase brand new machinery, which is quite a bit more costly. Continuing, Mr. Knapp also noted the original application mentioned the addition of 50 new jobs, and with the amended application there will be an addition of 216 new jobs as well as retaining the current 200 jobs.

Mr. Kittle disclosed the CEO of US Farathane, Amy Greenley, is a good friend of his, and contributed to his last campaign for Council. Continuing, he asked how this equipment will fit into the original footprint of the building, or was there forethought to include additional space.

Mr. Knapp explained with this additional machinery the building will be full, with the exception of some office space. When constructing the building, it was thought there would be sufficient space to take them through 2014, or so.

Ms. Verbeke asked for clarification of the number of employees that are currently working.

Mr. Knapp stated through the middle of July, there were 368 employees and will eventually grow to 410 jobs.

Responding to Ms. Doyle, Mr. Knapp explained there is sufficient room for expansion in their Michigan locations; however, with additional launches in 2014 – 2015, the company will begin to explore different facilities. The other Michigan facilities: one in Orion Township, two in Sterling Heights, one in Shelby Township, one in Westland, and one in Troy.

Mayor McDonald closed the public hearing 7:49 p.m.

Moved by Knight, Seconded by McDaniel.

RESOLVED: Move to approve the request for the amendment of IFEC 2011-315 for US Farathane Corporation for a total personal property investment of \$30,000,000 by adopting the attached resolution (Attachment B).

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

No: None

Motion carried (7-0)

RESOLUTION NO. 12.08.122

9c. Public Hearing/Motion – Request to Approve New IFEC – Weber Automotive Corporation

Mayor McDonald asked Mr. Lohmeier to distinguish between an IFEC and a PA 128.

Mr. Lohmeier explained the first request by Weber Automotive is an Industrial Facilities Exemption Certificate under PA 198 which relieves the company approximately 50% of the financial burden of property taxes. Public Act 328 relieves the company of 100% of personal property tax. The difference between the 198 and the 328 is the financial incentive resulting from the investment.

Mr. Kittle requested that he be allowed to abstain from voting on 9c. and 9d. due to a financial relationship with this corporation.

Motion by Doyle, Seconded by McDaniel.

RESOLVED: That Councilman Kittle be excused from discussion and voting on items 9c. and 9d.

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

No: None

Motion carried (7-0)

RESOLUTION NO. 12.08.123

Ms. Doyle asked for clarification noting PA 198 is 50% abatement and the PA 328 is 100% abatement.

Mr. Lohmeier explained the PA 198 request is for a six-month look back on the personal property that was purchased prior to an application being submitted to the City; the PA 328 is for new future investments of personal property to be purchased.

Mr. Knight questioned the claw-back, noting he didn't believe they have been granted to others and asked if a precedent isn't being set.

Mr. Lohmeier explained the Tax Incentive Review Committee looked at the large investment that would be made and the keeping of 80 jobs. Weber Automotive also agreed to withdraw the tax appeals that are currently active.

Mr. Knight stated he understands this abatement; however, the 100% abatement he isn't sure of.

Mayor McDonald opened the public hearing at 7:57 p.m.

Ms. Renaud explained Weber Automotive is a manufacturer of power train components and automotive products. Weber Automotive worked very diligently taking over Goertz & Schiele when the company went bankrupt. The state allows a six month look-back, unlike the City, and that is where the confusion came in for Weber Automotive.

Peter Rosenfeld, CEO, explained Weber Automotive took over the company that was in foreclosure and renovated the building and refurbished the existing machinery that had not been maintained for a number of years. There have been 100 people hired and the company is ahead of schedule. Many of those that have been hired are temporary until the skilled labor that is being sought, is found. Thus far, there has been over \$20 million invested in the facility and they continue to gain more business.

Weber Automotive has been working with TIRC, the City Assessor and the City Attorney and believes they have reached a solution with the PA 198.

Ms. Verbeke asked Mr. Rosenfeld if his company was aware of the City's process being different from the State.

Mr. Rosenfeld explained when the company had received the original abatements, they thought those abatements would include moving forward, but those abatements were for the existing property. The State tax laws have the six month look back, so they thought it applied. Had Weber Automotive not made the investment when they had, they would have lost business and jobs. In the discussion with TIRC and the city attorney, Weber Automotive has agreed to drop tax appeals and work through the PA 198.

Ms. Doyle thanked Mr. Rosenfeld for dropping the appeals, noting Council would not have considered the PA 198 had the appeals not been dropped. As written in the Tax Incentive Agreement, it is listed there are two real property and two personal property appeals and asked if all are being withdrawn.

Mr. Lohmeier explained sub-section 9 was added to the Tax Incentive Agreement by Mr. Beckerleg, which includes two docket numbers; each of those dockets includes two appeals. Section 9 states after approval by Council of this request, the petitioner have seven days to withdraw their appeal from the State.

Mayor McDonald closed the public hearing at 8:03 p.m.

Moved by Knight, Seconded by Verbeke.

RESOLVED: To approve the request for an 8-year year Act 198 IFEC for Weber Automotive Corporation for a total personal property investment of \$7,500,000 by adopting the attached resolution (Attachment C).

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

No: None

Abstain: Kittle

Motion carried (6-0-1)

RESOLUTION NO. 12.08.124

9d. Public Hearing/Motion – Request to Approve New IFEC – Weber Automotive Corporation

Mr. Lohmeier explained this request is for a six year abatement involving a \$26,586,000 investment. The PA 328 can have a term of one year to 20 years or longer; it can be for any length of time. Weber Automotive is requesting a six year exemption.

Mayor McDonald opened the public hearing at 8:05 p.m.

Ms. Renaud again, introduced Mr. Rosenfeld.

Mr. Rosenfeld thanked Council for the PA 198 and explained the PA 328 is for \$26 million, and estimates an additional 45 to 50 jobs. The business that was taken over dealt with domestic companies, now the company will deal with not only domestic but foreign companies. A high-performance Italian auto maker is looking at

producing engine components at this facility, their first outsourcing of engine components to the United States. If all goes well, this could be a good indication of generating business from other foreign auto makers.

Mr. Knight is happy with the \$26 million being invested in the City and generating jobs; however, he feels the State has dumped on the cities the PA 328, abating 100% of the taxes and there is the possibility of losing the personal property tax as well. The six year abatement allows for value depreciation of the equipment and putting the burden on the residents and other businesses that pay their fair share of taxes.

Ms. Hammond agrees with Mr. Knight, and asked Mr. Rosenfeld since being welcomed with open arms into Auburn Hills, will Weber Automotive be a good corporate citizen and back and lend a helping hand when needed.

Mr. Rosenfeld stated definitely yes, the company plans to be a good corporate citizen.

Ms. Verbeke asked Mr. Lohmeier if the PA 328 must be 100%.

Mr. Lohmeier stated it must be 100% exemption, but there is flexibility in the number of years.

Ms. Doyle asked if Council granted a three year exemption, and Weber Automotive has demonstrated being a good corporate citizen, could they then come back and get a PA 328 extension.

Mr. Lohmeier stated no extensions are allowed for PA 328, but extensions are allowed for PA 198's up to a total of 12 years.

Ms. Doyle asked what other taxing units are affected by these tax exemptions of PA 328 and PA 198.

Mr. Lohmeier explained PA 198 affects all taxing authorities and the PA 328 only affects the City. Public hearing notices are sent to all taxing authorities and they have the option of voicing their opinion on these tax exemptions.

Mr. Auger explained taxing authorities that would be affected is the zoo, the DIA, and several more; however, the schools are made whole by the State. Continuing, Mr. Auger stated the schools have the option of objecting to these exemptions if they choose.

Mayor McDonald asked Mr. Rosenfeld if he would like to reconsider and ask for a four-year PA 328 as opposed to the six years.

Mr. Rosenfeld explained comparing numbers between here and South Carolina, and without the six-year abatement he isn't sure the expansion can be in Auburn Hills. The company would prefer to stay in Auburn Hills especially because of the possible new business from the Italian auto company, but the financial aspect of the business must be the main consideration.

Mr. Auger explained the six year frame was determined by Weber Automotive and City staff, which will allow the company to get up and running and make a profit so they remain in the City for a very long time. There have been a lot of negotiations and renegotiations on this agreement so the company can get a good solid start. A lot of time and effort has been provided so Weber Automotive can be the company it is today. The State had policies which needed amending and difficulties resulting from the bankrupt company were overcome.

Mr. Rosenfeld explained because this was a bankrupt company that Weber Automotive purchased, he and City staff had to track down those foreign entities who owned the machinery to get the taxes that were owed to the City and the State paid. Many of those didn't realize Goertz & Schiele had gone into foreclosure.

Mr. McDaniel asked Mr. Knight what his concerns were with granting the six year exemption.

Mr. Knight said his concern is there is no revenue coming to the City on \$26 million, and the City provides many services; there isn't a dime coming to support it. Other businesses and residents are helping to make Weber Automotive successful, it's too much. Where does the City stop, every time a business comes to the City it must compete with the risk that a business may move elsewhere if the abatements are not granted. There is also the real possibility that the personal property tax will be eliminated in the next year or two.

Ms. Hammond asked Mr. Lohmeier what the real property taxes will be on this property.

Mr. Lohmeier stated he didn't know the number; however, the City collects a half mil on the PA 198 property and any other property that currently exists.

Mr. Knight noted he could approve this petition, but he would like a resolution to state the City grant only four years on a PA 328 unless there are extenuating circumstances.

Ms. Verbeke suggested a 12 year PA 198 at 50% and a lesser amount for the PA 328. The 12 year abatement may keep the business in the City longer.

Ms. Renaud explained there are different rules for different states when competing to get a business located in Michigan. South Carolina has already awarded Weber Automotive, a 20 year PA 198 for the building. What the City is trying to do is to fill the gap, to make Michigan, Auburn Hills, a good choice, a good business case. Weber Automotive has shown the City how they have invested in Auburn Hills.

Mr. McDaniel stated it makes sense to move forward with the exemption as requested because it will add 45 high-paying jobs within the first year or two.

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

Moved by McDaniel; Seconded by Doyle.

Ms. Doyle stated she shares Mr. Knight's concern and asked if there should be a separate motion to include a resolution that would give some direction on approving PA 328's.

RESOLVED: To approve the request for a 6-year year exemption pursuant to PA 328 for Weber Automotive Corporation for a total personal property investment of \$26,586,000 by adopting the attached resolution (Attachment D).

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

No: Knight

Abstains: Kittle

Motion carried (5-1-1)

RESOLUTION NO. 12.08.125

9e. Public Hearing / Motion to request an extension of one year for construction and the IFEC term for Magna IFEC 2010-117 by adopting the attached resolution.

Mr. Lohmeier explained the City received a letter from Magna E-Car requesting a one year extension of the completion date for the certificate in accordance with State Tax Commission Rule 209.53. - A request for an extension of time for completion of a project, not to exceed 1 year, including the installation of all tangible personal property, provided for in section 15(2) 1974 PA 198, MCL 207.565(2), shall be filed with the local unit of government within the final year of the 2-year construction period. Magna E-Car's reasoning included "due to longer construction periods."

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

Ms. Renaud explained construction is taking longer than anticipated. Magna only asks for what they need; however, with the construction going over the time limit, the extra year is needed.

Ms. Carolyn Sawsan asked for an additional year for the construction period as well as an additional year for the certificate.

Mr. Lohmeier stated the request he had received was for the construction period only, not an extension of the certificate.

Ms. Sawsan noted she sent a second letter amending the request to include the certificate as well.

Mayor McDonald asked if this was a time sensitive item or if it was possible to bring back to another Council meeting.

Mr. Lohmeier stated he would review the letter he was just handed, dated August 2nd, and bring it back to the next Council meeting.

Ms. Sawsan agreed it would be fine for the next meeting.

Mr. Kittle was perplexed when reading the memo that there wasn't a request to extend the certificate for an additional year as well. Mr. Kittle asked if this would be something that could be done administratively as opposed to bringing it back to Council.

Mr. Lohmeier stated it can be done administratively by Council and he can revise the resolution to reflect the decision. Based on the letter Ms. Sawsan had just handed him, Mr. Lohmeier stated yes, he would recommend the extension based on the State policy.

Mr. Auger noted Magna has been one of the City's largest cheerleaders over the last three years, by bringing other businesses in Auburn Hills. They have also been heard telling other businesses that they are foolish for not moving to Auburn Hills. They are an outstanding company that Auburn Hills needs to keep.

Mayor McDonald closed the public hearing at 8:34 p.m.

Moved by Doyle, Seconded by Verbeke.

RESOLVED: To approve the request for the extension of construction period and term of the IFEC for one-year for IFEC 2010-117, to end on 12-30-2015, by adopting the attached resolution (Attachment E).

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

No: None

Motion carried (7-0)

RESOLUTION NO. 12.08.126

Mr. Hampton suggested the TIRC review the possibility of visiting length of terms for the PA 328 as discussed.

Mayor McDonald stated that may be a topic for Council's study work session.

Mr. Kittle asked if this might be something the MML could fight for the cities; also the elimination of the personal property tax.

Mr. Auger explained the State will do what it wants and the City will have no control, but the City can offer their influence and give the State examples which we will continue to do. Continuing, Mr. Auger suggested he and the other staff members will better explain to Council how and why the number of years for the PA 328 is arrived at; the considerations that are taken into account. There are many negotiations behind the scenes that take place; there is no arbitrary number.

9f. Motion – Accepting PM Environmental, Inc. Report First and Second Quarter 2012 Monitoring Network.

Mr. Keenan noted the packet contains the first and second quarter monitoring reports for the Oakland Heights Land Development.

Andy Foerg, PM Environmental, explained the issues are non-issues. The ground water monitoring of MW-8 and MW-20R is ongoing, but the water is declining.

Continuing, Mr. Foerg noted low concentrations of vinyl chloride were detected in the background samples from MW-47S. MW-47S is a new well installed in Expansion Cell F. It should be noted that waste has not been placed in Cell F at the time the samples were taken. The test has been taken on four occasions and all four samples detected the low concentrations of the non-natural made compound, and all at different levels. Of all the wells, this is the only one that shows this compound. He has discussed this with the landfill consultants and believes this problem should be investigated as well as continued monitoring. The source of the compound should be determined, if at all possible; though the source doesn't appear to be a source of the landfill.

Ms. Hammond asked how this problem will be investigated and who investigates.

Mr. Foerg explained the landfill is required by the State to investigate and determine the cause.

Responding to Ms. Hammond, Mr. Foerg stated making a determination of where the compound is coming from and what is causing it could be a lengthy process or it could be determined quickly. The first course of action is to look into records of the landfill and go from there.

Ms. Hammond stated she expects Mr. Foerg to stay in contact with the landfill and the progress of the investigation and to keep Mr. Keenan and Council informed of the findings.

Mr. Foerg confirmed that is what he will be doing.

Mr. Kittle questioned how the current report is so brief, when in the past there have been numerous pages.

Ms. Hammond explained when she was part of the interviewing team for a new environmental company, it was requested that the amount of information be condensed to highlight the important findings.

Mr. Kittle stated he appreciated the shortened, concise report.

Ms. Hammond asked when the cause is determined, how is that verified.

Mr. Foerg explained there is no solid answer, other than experience. A list is compiled of suspects and then the list is narrowed down and may be determined the cause isn't coming from the landfill; and if that is the case, then that would complete the investigation.

Joe Warburton, Brown and Caldwell, consultants for Oakland Heights Development Landfill, explained they don't believe the compound is coming from the landfill, but must make the determination of where the compound may be coming from. Mr. Warburton explained Mr. Foerg will be informed of the progress that is being made and the conclusion must be submitted and approved by the State. Currently they have started a preliminary investigation and have a FOIA request submitted to MDEQ. The MDEQ has numerous files relating to the landfill that existed on the other side of Lapeer Road.

Currently with the two wells it has been determined the ground water runs from east to west, but they aren't sure if it is north or south. There may be a need to put in an additional well to determine the water flow. The DEQ has been monitoring the landfill across the street which for methane gas, including some of the buildings on that site. Landfill gas can be a factor, carry volatiles from decaying waste. Having vinyl chloride show up as a result of landfill gas migration is not unheard of. A cursory review has been done of sites in the area, which includes other landfills and previous industrial businesses in the area. Prior to using the new cell, it must be approved by the State so work must be done quickly to determine the cause.

Mr. Warburton told Ms. Doyle he wasn't sure if the State would prohibit them from using the new cell prior to the findings; however, the State does have the report and are aware of the problem.

Mayor McDonald appreciated candidness of the matter and the quickness of determining the problem and asked that Council be kept up-to-date on the progress.

Moved by Knight, Seconded by Hammond.

RESOLVED: To receive the report from PM Environmental for First and Second Quarter Monitoring Network.

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

No: None

Motion carried (7-0)

RESOLUTION NO. 12.08.127

9g. Motion – Request from the Clerk to Relocate Voting Precinct 2

Ms. Kowal explained that the Avondale Administration Building, or Academy, will no longer be able to be used as a precinct as the district is closing it permanently. One option was to move Precinct 2 to the Boys and Girls Club, giving the Club more exposure; however, Avondale Schools offered to have another precinct located in the high school. The benefit of having two precincts in the high school will be that for smaller elections the precincts can be combined; therefore saving the City between \$2,500 and \$3,000.

Mayor McDonald asked where in the high school the precinct would be located, noting the current precinct workers are very pleased where they are currently located; it hasn't always been in a good location.

Ms. Kowal stated the gymnasium was offered if combining the two precincts or two separate spaces if preferred.

Mr. Kittle asked why the Public Safety and the Library precincts are not consolidated.

Ms. Kowal explained a combined precinct cannot exceed 5,000 voters, she would need to investigate.

Moved by Verbeke, Seconded by Doyle.

RESOLVED: To authorize the City Clerk to relocate Voting Precinct 2 to Avondale High School for all elections, provided proper notification is given to the voters.

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

No: None

Motion carried (7-0)

RESOLUTION NO. 12.08.128

10. COMMENTS AND MOTION FROM COUNCIL

Mr. McDaniel:

- Was asked why the standing water at funeral home's property is not connected to the storm water drain; an answer can be reported to him when available.

Mr. Kittle:

- Asked for an update on the Tienken Road construction.
- What happens with Shimmons Road beyond Oakland Schools, with all of the curves, heading towards Dexter. He believed there was to be some road straightening.

Mr. Grice explained the cement work is being done on both Shimmons and Tienken Roads, for the next couple of days; sidewalks and driveway approaches along Shimmons Road and curbs at the two main subdivision entrances on Tienken Road. The paving should be completed by Labor Day weekend, providing the weather cooperates. Nothing is planned for the curve at Dexter Road.

- Stated he was taking advantage of the complimentary Plante Moran accounting and financial planning seminar.

Mr. Knight:

- TIFA is proceeding to make plans to renovate the mansion with a cost of approximately \$700,000. He understands TIFA funds are different, but there is a roofed patio at Fieldstone that could be enclosed and completed and achieve the same uses as the mansion. With the mansion completed there will be constant maintenance and Fieldstone will be supporting the catering services, so why have both.
- The sidewalks on Shimmons Road will make the residents very unhappy, because it will be necessary to shovel the snow; they should be pathways to eliminate the need of snow shoveling.

Ms. Doyle:

- A follow-up question regarding the budget and Squirrel Road, if any other Council Members are interested in adding it to the workshop list.

Mayor McDonald confirmed it would be added.

11. CITY ATTORNEY'S REPORT – none.

12. CITY MANAGER'S REPORT

- Will be providing an updated list of outside vendors noting what type of work is provided, start date, last bid, and expiration dates.

- E-mails were sent regarding a list of 19 issues to be reviewed that were mentioned at the last workshop and asked if there are any more issues to be added to the list; with a prioritized list will be compiled.
- Where else but in Auburn Hills, at one meeting can a chicken ordinance be passed and deal with \$40 million worth of investments.

13. ADJOURNMENT

Hearing no objections, the meeting adjourned at 9:11 p.m.

James D. McDonald, Mayor

Terri Kowal, City Clerk

**CITY OF AUBURN HILLS
RESOLUTION
APPROVING AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
FOR LXR BIOTECH, 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 **20th day of August, 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 **21st Day of October, 1985**, the City of Auburn Hills, established an Industrial Development District, commonly referred to as the **Anirjot Investment Company Industrial Development District**; and

WHEREAS, **LXR Biotech, LLC** has filed an application for an Industrial Facility Exemption Certificate with the Clerk of the City of Auburn Hills with respect to proposed new **personal property** to be acquired and installed within the **Anirjot Investment Company Industrial Development District**; and

WHEREAS, before acting on said application, the City Council of Auburn Hills held a hearing on the **20th day of August, 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 **June 5, 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 **Anirjot Investment Company Industrial Development District**; to wit;

Legal Description:

T3N, 10E, SEC 4 OAKLAND COUNTY CONDOMINIUM PLAN NO 2023, EDSON CONDOMINIUM,
UNIT 1, L 44191 P 464, 5-17-12 FR 200-032

The real property parcel is also identified as 02-14-04-201-001, having an address of 4225 N. Atlantic Blvd., Auburn Hills, MI 48326

is hereby approved.

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 **\$4,150,000**.

5. LXR Biotech, LLC. 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 12.08.121 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 **20th day of August, 2012.**

IN WITNESS WHEREOF, I have hereunto affixed my official signature on this 21st day of August, 2012.

Terri Kowal, City Clerk

**CITY OF AUBURN HILLS
RESOLUTION
APPROVING AN AMENDMENT FOR
US FARATHANE CORPORATION
INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE 2011-315**

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 20th day of August 2012

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

WHEREAS, the City of Auburn Hills and the State Tax Commission approved an Industrial Facility Exemption Certificate in the year 2011 for US Farathane Corporation for a facility located at 2700 High Meadow Circle, and

WHEREAS, the certificate, known as Industrial Facility Exemption Certificate 2011-315, was approved with an estimated project cost of \$10,511,020 for personal property, and

WHEREAS, before acting on said application, the City Council of Auburn Hills held a hearing on the **20th day of August, 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, Us Farathane Corporation has filed an application for an amendment to reflect the revised estimated costs for personal property, and

WHEREAS, Rule 54 of the State Tax Commission allows a local unit to approve the revised cost of an Industrial Facility, and

WHEREAS, it is hereby found and determined by the City of Auburn Hills Council that the granting of the revised cost for Industrial Facility Exemption Certificate 2011-315 is reasonable and proper, 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.

NOW, THEREFORE, BE IT RESOLVED that the request for revised costs in the amount of **\$30,000,000** for personal property for Industrial Facilities Exemption Certificate **2011-315**, 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.

The Clerk shall send an original copy of this resolution to the US Farathane Corporation and 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 12.08.122 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 **20th day of August, 2012.**

IN WITNESS WHEREOF, I have hereunto affixed my official signature on this **21st day of August, 2012.**

Terri Kowal, City Clerk

**CITY OF AUBURN HILLS
RESOLUTION
APPROVING AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
FOR WEBER AUTOMOTIVE CORPORATION**

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 **20th day of August, 2012**.

The following resolution was offered by Councilperson Knight 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 **October 21, 1985**, the City of Auburn Hills, established an Industrial Development District, commonly referred to as the **Anirjot Investment Company Industrial Development District**; and

WHEREAS, **Weber Automotive Corporation** has filed an application for an Industrial Facility Exemption Certificate with the Clerk of the City of Auburn Hills with respect to proposed new **personal property** to be acquired and installed within the **Anirjot Investment Company Industrial Development District**; and

WHEREAS, before acting on said application, the City Council of Auburn Hills held a hearing on the **20th, of August 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 **May 22, 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 **Anirjot Investment Company Industrial Development District**; to wit;

Legal Description

T3N, R10E, SEC 3 PART OF NW 1/4 BEG AT PT DIST S 02-45-48 E 1932.32 FT FROM N 1/4 COR, TH S 02-45-48 E 339 FT, TH S 87-14-12 W 1314.57 FT, TH N 02-43-58 E 556.56 FT, TH N 87-14-12 E 285.01 FT, TH S 47-45-48 E 205.68 FT, TH ALG CURVE TO LEFT, RAD 65 FT, CHORD BEARS S 59-33-45 E 125.16 FT, DIST OF 168.16 FT, TH ALG CURVE TO RIGHT, RAD 56.67, CHORD BEARS N 66-40-50 E 39.79 FT, DIST OF 40.66 FT, TH N 87-14-12 E 508.82 FT, TH S 80-40-07 E 71.59 FT, TH N 87-14-12 E 110 FT TO BEG 12.22 A11-10-04 FR 045, 046 & 049

Also Known as parcel identification Number 02-14-03-100-052, having an address of 1750 Summit Drive, Auburn Hills, MI 48326

is hereby approved.

3. The Industrial Facilities Exemption Certificate shall remain in force and effect for a period of **eight years**, and the starting date for the certificate is **December 31, 2012** and the ending date is **December 30, 2020**.

4. The total project investment approved is **\$7,500,000**.

5. Weber Automotive Corporation 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, Knight, McDaniel, Verbeke

NAYS: None

ABSENT: None

ABSTENTIONS: Council Member Kittle

RESOLUTION 12.08.124 ADOPTED (6-0-1)

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 **20th day of August, 2012.**

IN WITNESS WHEREOF, I have hereunto affixed my official signature on this 21st day of August, 2012.

Terri Kowal, City Clerk

**CITY OF AUBURN HILLS
RESOLUTION
APPROVING AN APPLICATION FOR EXEMPTION
OF NEW PERSONAL PROPERTY
FOR
WEBER AUTOMOTIVE CORPORATION**

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 **20th day of August, 2012**

The following resolution was offered by Councilperson McDaniel and supported by Councilperson Doyle:

WHEREAS, **Weber Automotive Corporation** has made application for Exemption of New Personal Property located at 1750 Summit Drive with the Clerk of the City of Auburn Hills pursuant to the requirements of Act No. 328, Public Acts of 1998, as amended, 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 so that they shall be afforded an opportunity to be heard at this public hearing to determine whether the Exemption of New Personal Property shall be approved or disapproved; and

WHEREAS, said public hearing having been held on the **20th day of August, 2012** at a regularly scheduled meeting; and

WHEREAS, comments on granting of the Exemption of New Personal Property were heard and considered; and

WHEREAS, the City of Auburn Hills established an Industrial Development District know as the **Anirjot Investment Company Industrial Development District**, on **October 21, 1985**, following a public hearing, as required by PA 198 of 1974, as amended, and

WHEREAS, the Anirjot Investment Company Industrial Development District is an Eligible district as defined in Act No. 328, Public Acts of 1998, as amended, and

WHEREAS, The City of Auburn Hills meets the definition of an “Eligible Local Assessing District” by virtue of containing an eligible distressed area as defined by PA 328 of 1998, as amended,

WHEREAS, it is hereby found and determined by the City of Auburn Hills Council that **Weber Automotive Corporation** is qualified as an **Eligible Business** as defined in Act No. 328, Public Acts of 1998, as amended and **is engaged primarily in manufacturing operations at 1750 Summit Drive, Auburn Hills, and**

WHEREAS, the new personal property was not placed in the facility within the qualified district prior to approval of the exemption by the City Council of Auburn Hills, and

WHEREAS, the applicant is not delinquent in any taxes related to the facility, including taxes owed on existing personal property, and

WHEREAS, City Council has further determined that the granting of the Exemption of New Personal Property is necessary to reduce unemployment, promote economic growth, and increase capital investment; 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.

NOW, THEREFORE, BE IT RESOLVED that the application for Exemption of New Personal Property is hereby approved with the following conditions:

That the period of time for which the Exemption of New Personal Property shall remain in force and effect shall **be 6 years**.

And that the starting date for the certificate is **December 31, 2012** and the ending date is **December 30, 2018**.

The City Council of Auburn Hills finds and determines that granting of Exemption Certificate, together with the aggregate amount of the certificates previously granted and currently in force, under PA 328 of 1998, PA 198

**RESOLUTION
APPROVING EXTENSION OF COMPLETION DATE
AND
APPROVING ADDITIONAL ONE YEAR
FOR THE FACILITY
UNDER INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
2010-117 for MAGNA E-CAR SYSTEMS OF AMERICA**

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 **20th day of August, 2012.**

The following resolution was offered by Council Member Doyle and supported by Council Member Verbeke:

WHEREAS, the City of Auburn Hills and the State Tax Commission approved an Industrial Facility Exemption Certificate in the year **2010 for Magna E-Car Systems of America** for a facility located at **4121 N. Atlantic Blvd.**, identified specifically as **IFEC 2010-117**, and

WHEREAS, the certificate, known as Industrial Facilities Exemption Certificate 2010-117, was approved for 4 years for real and 4 years for personal property, and

WHEREAS, Magna E-Car Systems of America has requested a one year extension of the completion date and a one year extension of the ending dates per State Tax Commission Rule 209.53(2)(c), 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 a one year extension of the completion date and one year extension of its ending dates for the facility previously approved under Industrial Facility Exemption Certificate **2010-117** for real and personal property is reasonable and proper, and

NOW, THEREFORE, BE IT RESOLVED that the request for a one year extension of the completion date and one year extension of its ending dates to December 30, 2015 for Industrial Facilities Exemption Certificate 2010-117 for the facility located at 4121 N. Atlantic Blvd. 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.

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, Knight, McDaniel, Verbeke**
- NAYS: None**
- ABSENT: None**
- ABSTENTIONS: Council Member Kittle**

RESOLUTION 12.08.126 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 **20th day of August, 2012** the original of which is on file in my office.

IN WITNESS WHEREOF, I have hereunto affixed my official signature on this **21st day of August, 2012**.

Terri Kowal, City Clerk