



# The City of Auburn Hills

## City Council Meeting

### Minutes

September 8, 2014

**CALL TO ORDER:** by Mayor McDaniel at 7:07 p.m.

**LOCATION:** City Council Chamber, 1827 N. Squirrel Road, Auburn Hills, MI 48326

**Present:** Mayor McDaniel, Mayor Pro Tem Kittle, Council Members Burmeister, Hammond, Knight, Mitchell, Verbeke

**Absent:** None

**Also Present:** Acting City Manager Tanghe, Acting Assistant City Manager Grice, Deputy Director/Police Hardesty, Deputy Director/Fire Manning, City Clerk Kowal, Community Development Director Cohen, DPW Director Melchert, Finance Director Barnes, City Assessor Lohmeier, Treasurer Buschmohle, Senior Director Adcock, Recreation Director Marzolf, Fieldstone Golf Club Manager/PGA Pro Marmion, Library Director McCoy, Deputy Finance Director Schulz, Deputy Treasurer Keiser, Roads & Fleet Manager Brisson, Community Relations Coordinator Carroll, City Attorney Beckerleg, City Engineer Stevens.

43 Guests

#### 4. APPROVAL OF MINUTES

4a. Regular City Council – August 25, 2014

**Moved by Verbeke; Seconded by Burmeister.**

**RESOLVED: To approve the August 25, 2014 City Council meeting minutes.**

**VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Mitchell, Verbeke**

**No: None**

**Motion Carried (7-0)**

**Resolution No. 14.09.165**

#### 5. APPOINTMENTS AND PRESENTATIONS

5a. Appointment of City Manager

Mayor McDaniel noted Mr. Tanghe was unanimously appointed Acting City Manager, which he has done well over the last 90 days. It was apparent City Council wished to fill the position from within and not to an executive search. The proposed agreement has been reviewed by City Council, and asked for any Council discussion or comments.

Ms. Mitchell noted after doing research of the southeastern Michigan area of possible candidates for the position, she didn't believe there were any candidates that exceeded Mr. Tanghe's qualifications. She heard from residents who were in support of Mr. Tanghe and those residents who preferred a search. She believes continuity in the City is important to both the residential and business community and is supportive of Mr. Tanghe for City Manager.

Mr. Knight stated knowing Mr. Tanghe since coming to the City, he is always straight forward and always has a smile. He highly supports Mr. Tanghe's consideration to be appointed as City Manager.

Mayor McDaniel stated he's been fortunate to work with Mr. Tanghe in many capacities; being a resident, the interviewing process when he became a police officer and working with him as an employee, resident, Council Member, and now as the Mayor. He has always treated people with respect, and is fair. He manages with the City's best interest in mind and has been responsible for managing the City's day-to-day operation for the last two or three years. He thanked Mr. Tanghe for his willingness to serve the residents as the next City Manager.

**Moved by Mitchell; Seconded by Knight.**

**RESOLVED: To approve the appointment of Thomas A. Tanghe as City Manager effective September 8, 2014 and authorize the Mayor and City Clerk to sign the contract as submitted.**

**VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Mitchell, Verbeke**

**No: None**

**Motion Carried (7-0)**

**Resolution No. 14.09.166**

Ms. Kowal administered the Oath of Office, for Mr. Tanghe as the next City Manager.

Mr. Tanghe thanked everyone in the audience for attending, and thanked the Mayor and City Council for the appointment of City Manager. He promised to serve the residents of the community to the best of his ability. He also thanked his family and dear friends for their love, support, and encouragement. He also thanked his professional colleagues as well as staff, looking forward to working with them for many more years.

*The meeting recessed for a brief reception at 7:20 p.m. and resumed at 7:50 p.m.*

## 6. PUBLIC COMMENT

**Mr. Moceri** noted his business has been located in Auburn Hills for the past 20 years, and Mr. Tanghe has been very proactive and optimistic in his role as Assistant City Manager and portraying the City in the best light possible.

**Randy Stephens**, 141 S. Opdyke Road, owner of the sports dome, expressed his pleasure in working with Mr. Cohen and staff through the process of updating his property. He reported a new dome is being erected and the driving range is being removed. The netting and poles will be removed soon.

**Kay Sendegas**, commended City Council for their choice of City Manager.

## 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.

### 7a. Board and Commission Minutes

7a.1. Beautification Advisory Commission – July 16, 2014

7a.2. Planning Commission – August 21, 2014

### 7b. Motion – Approve Delinquent Tax Transfers to 2014 Winter Tax Bills

**RESOLVED: To accept the City Treasurer's recommendation on the Delinquent Property Tax Transfers, and authorize the transfer of the delinquent special assessments in the amount of \$656,978.83 for collection on the 2014 City of Auburn Hills Winter Taxes, in accordance with Ordinance # 634, Resolution No. 11.08.153, and Ordinance # 11-839.**

### 7c. Motion – Approve Winter Maintenance Agreement between Auburn Hills and Road Commission for Oakland County

**RESOLVED: To approve the City Manager, as Street Administrator, to accept on behalf of the City of Auburn Hills, the 2014/15 Winter Maintenance Agreement for snow plowing and ice control operations of South Boulevard between Adams and Opdyke, and Adams Road from South Boulevard to the Rochester Hills City Limit for an annual compensation to the City in the amount of \$15,291.05.**

**Moved by Knight; Seconded by Mitchell.**

**RESOLVED: To approve Consent Agenda.**

**VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Mitchell, Verbeke**

**No: None**

**Motion Carried (7-0)**

**Resolution No. 14.09.167**

## 8. OLD BUSINESS

### 8a. Smoking Lounge Ordinance Status

Deputy Director/Police Hardesty noted the current ordinance requires the smoking lounges to close by 12:00 midnight. There has been more communications with the businesses over the last year which has helped resolve some of the previous issues. The majority of recent calls to the Police Department have been for issues outside the establishments.

The proposed options include:

- Take no action and the current ordinance stays in effect including smoking lounges closing at midnight.
- Direct staff to draft an amendment to the smoking lounge ordinance that changes the hours the lounges must be closed to between the hours of 2:00 a.m. and 8:00 a.m. on weekends only.
- Direct staff to draft an amendment to the smoking lounge ordinance that changes the hours the lounges must be closed to between the hours of 2:00 a.m. and 8:00 a.m. on any day.
- Direct staff to draft an amendment that would temporarily change the hours smoking lounges must be closed (2:00 a.m. to 8:00 a.m.) as a test period. If there is an increase in problems at these establishments then City Council would not have to take any action then the times would revert back to 12:00 a.m. to 8:00 a.m. If there are not significant problems and City Council is satisfied with the later hours of operation for these businesses then the ordinance could be amended to allow the later hours of operation permanently.

Mr. Burmeister asked if the violations from the smoking lounges are any different than violations or complaints from other late night establishments, such as bars and restaurants.

Deputy Director/Police Hardesty explained the listed violations are not against the establishments, they are violations against individuals outside the businesses. Since January, there have not been any violations for the establishments themselves. The incidents listed also take place at other types of businesses.

Ms. Mitchell asked of the options listed, the last one suggests a sunset clause and asked if there would be a defined length of time as a trial period; what length of time is being proposed.

Deputy Director/Police Hardesty stated that would be the option of City Council; the Department would suggest at least six months to a year, allowing to experience the entire school term. He explained emergency calls and complaints or concerns from residents would be provided to City Council to make an informed decision of how to proceed.

Ms. Mitchell asked if there is a preference of the Police Department of the options suggested.

Deputy Director/Police Hardesty stated no, the Department is willing to work with Council and the businesses with whatever is deemed appropriate.

Ms. Mitchell asked if one of the options might be more problematic for the Police Department than others; creating more work or monitoring.

Deputy Director/Police Hardesty stated there may be more work with an option, but not unanticipated work for later hour businesses. There may be more calls with later hours, but that would just be a natural progression because of later hours.

Ms. Verbeke asked if the temporary option was chose and only one of the lounges had issues, would the amendment affect all lounges or could the times be changed for only the offending business.

Mr. Beckerleg stated the times would affect all businesses, not just one.

Mr. Knight favors option four, a trial time period, to see how things progress.

Ms. Hammond noted what happens in a parking lot of a business shouldn't have an impact on the business hours; restaurants and bars are not penalized for those happenings.

Mr. Kittle stated hookah lounges in general aren't well received in the area and suggested the business owners be self-policing to make sure one business doesn't negatively affect the others.

Responding to Mr. Burmeister, Mr. Beckerleg stated all four options are reasonable options the City can pursue.

Mr. Burmeister questioned the permit fee.

Deputy Director/Police Hardesty explained there is an annual permit fee, which includes an annual inspection and reviews. The fee is currently included in the ordinance; the fee has no impact on the four options.

Deputy Director/Police Hardesty stated yes, the ordinance allows for Council to refuse issuing a license to operate a hookah lounge for very specific reasons. The State has no guidelines of when a smoking lounge license through the State can be revoked.

Mayor McDaniel recalled this ordinance evolved at the request of the Police Department because of various issues involved at the smoking lounges; however, with the Department and the lounges working together there has been less Police involvement. He asked Deputy Director/Police Hardesty if there is one option that would be preferred by the Police Department.

Deputy Director/Police Hardesty explained communications have been increased between the Police Department and the businesses, and doesn't believe it is appropriate for the Police Department to determine business hours. The establishments remaining opened until 2:00 a.m. will not be problematic, it will require some additional resources.

Mr. Kittle asked if there is a moratorium that can be set for limiting the number of or not allowing any more hookah lounges in the City until the hours of operation are determined after the assessment.

Mr. Beckerleg noted with the structure of State law, there cannot be any new hookah lounges.

Deputy Director/Police Hardesty explained there may be businesses that currently have a smoking lounge license from the State that the City isn't aware of, but no other licenses can be transferred into the City.

Mayor McDaniel asked if the cigar shop located in the City could sell their license, and if another hookah lounge could open.

Mr. Beckerleg stated that is possible.

Deputy Director/Police Hardesty stated currently there are two smoking lounges with the third ready to open fairly soon. The licensing difference between smoking lounges and liquor establishments is the State keeps a list of liquor licenses, there is no list of smoking lounges.

Mr. Beckerleg explained the State stipulated if a business held a Tobacco Specialty Retail license by a certain date, then they are allowed to open a smoking lounge. There is no list of licenses held by the State, but there may be stores that already have that license. The City's ordinance prohibits new or transferred licenses into the City.

**Rimi Hirmiz**, Exhale Hookah Lounge, 2723 University Drive, stated the number of licenses in the City can be obtained from Dave Blain, who works for the State. Exhale opened two and a half years ago, and not knowing much about the business created some of the problems in the beginning. The lounge was initially created to be more of a club setting, which is where the problems began. This ordinance has been beneficial in helping to create a better environment. An agreement has been signed between Director Olko, Deputy Director/Police Hardesty, and Exhale owners, which states no loud music, the back door is opened only to take out the trash, every person entering the business has their identification checked and the parking lot is monitored. Also, any events that take place, must first be reported to the Police Department. Since Mr. Kittle's comment about advertising, there are now over 7,000 people through social media that receive advertisements every day. He contacts the Police Department either by phone or email at least monthly, as well as staying in touch with City Council.

The additional two hours would increase business by 50%, and be the difference of staying in business. In May of 2013, sales were \$30,000; in May of 2014, sales were \$15,000.

Ms. Verbeke thanked Mr. Hirmiz for being a better business owner and neighbor, and asked how the parking lot is being monitored.

Mr. Hirmiz explained he and his business partner take turns checking out the parking lot, particularly when it gets busier in the evening. At this point, they can't afford to hire employees. They do allow e-cigarette smoking in the lounge as well as cigars; however, if the e-cigarettes are banned by the State, they will not be allowed in Exhale either.

Ms. Verbeke asked Deputy Director/Police Hardesty if the reporting back to Council about any issues with the smoking lounges could indicate who initiated the call to police; lounge owners or resident complaints.

Deputy Director/Police Hardesty stated that can easily be tracked.

Mayor McDaniel asked if e-cigarettes can be smoked in any facility, regardless if smoking is allowed or not.

Mr. Beckerleg stated yes; however, the State is currently looking at a few legislative bills that will treat the e-cigarettes the same as cigarette smoking.

Mr. Hirmiz explained if the e-cigarettes are banned by the State, he too, would ban them; however, whatever the determination, they will follow State law.

**Mike Ishaia**, Grizzly Hookah Lounge, 3039 Walton Boulevard, explained he has lost a lot of business with the shorter hours. He presented a letter from his landlord, questioning why the rent hasn't been paid. Mr. Ishaia explained many of the customers are going to neighboring community hookah lounges, because of the later hours. If this continues, he will have to close within the next few months. His lounge hasn't had any issues, and he and the owners of Exhale have discussed how to proceed with their businesses and opening up a line of communication with each other. Their discussions have included a list of people that are not allowed in either business, because of their behavior.

Ms. Hammond understands how the limited hours affects the hookah lounges, witnessing her son's friends who decided to visit a Rochester Hills hookah lounge after midnight. She would be in favor of changing the hours until 2:00 a.m.

Ms. Mitchell appreciates all the attention that has been given to this ordinance, appreciates small businesses, and agrees the City should provide activities for the college community. She would be in favor of fourth option, a test period of extended hours.

**Mina Habib**, Fuego Hookah Lounge partner, downtown Auburn Hills, thanked City Council for reviewing the ordinance. With the creation of the ordinance, it has generated an opportunity for the Police Department to learn the owners of the lounges and to spawn a relationship. Fuego has created a compliance plan through discussions with Director Olko and Deputy Director/Police Hardesty. Regarding the monitoring of the parking lot, staff will observe the parking lot at intervals throughout the evening and contact the Police if warranted.

Mr. Habib believes the annual permit can be voided or not renewed if there are numerous violations, by City Council.

Mayor McDaniel understands liquor licenses can be revoked or not renewed if there are a number of violations, as stipulated by the State, but the State did not have the foresight to do the same with hookah lounges.

Deputy Director/Police Hardesty stated there has been discussion at the State level to set that number of violations, but there hasn't been a consensus on the number.

**Mariam Habib**, Fuego Hookah Lounge partner, believes the hookah lounge will keep the younger people in Auburn Hills, with the extended hours. In talking with an internet provider representative, they were very pleased to hear a hookah lounge was opening in downtown Auburn Hills, near where they live. The hookah lounge will help promote business for other businesses in the area, such as food and drink, that isn't provided at the lounge.

Prior to deciding to open a hookah lounge in downtown Auburn Hills, she had no idea of everything Auburn Hills has to offer. She would like to continue to learn more about Auburn Hills, now that she and her partners have a vested interest in the City and contribute to the success of the City.

**Mina Nessim**, Fuego Hookah Lounge partner, believes the extended hours will allow them to compete with neighboring communities in terms of creating an attraction to the City, with activity that will help spur more business growth in the community.

Mayor McDaniel agreed with Ms. Hammond, there are other businesses that have issues with people hanging out in parking lots without the best intentions. With the smoking lounges, the State has not provided any guidelines or tools to deal with issues that may arise. The City adopted an ordinance to have some control to serve the residents who have had concerns or issues arising from the smoking lounges. This whole process has brought the hookah lounge owners closer to the community, has educated the community of what a hookah lounge is, and has increased the relationship between the smoking lounge owners and the Police Department. He will support the option of the temporary time change keeping the smoking lounges open until 2:00 a.m. and review at a later time.

Ms. Verbeke agreed, the temporary time change is her choice and asked Deputy Director/Police Hardesty what time period would be advisable.

Deputy Director/Police Hardesty suggested a year, which will be a full school season to allow for a good evaluation.

Mr. Kittle asked if the City would be locked into that year in the event things don't proceed smoothly.

Deputy Director/Police Hardesty stated the ordinance could be amended.

Mr. Beckerleg confirmed for Mr. Knight, this evening's motion should be a directive for staff to proceed with an amendment for a public hearing and Council's approval.

Mayor McDaniel asked Ms. Hammond if she is in agreement with option four, to which she replied she will support option four.

Mr. Beckerleg stated this amendment can be ready for the next Council meeting.

Mayor McDaniel read the recommendation that Council was unanimously in agreement with:

- Direct staff to draft an amendment that would temporarily change the hours smoking lounges must be closed (2:00 a.m. to 8:00 a.m.) as a trial period recommendation of one year. If there is an increase in problems at these establishments then City Council would not have to take any action and the times would revert back to 12:00 a.m. to 8:00 a.m. If there are not significant problems and City Council is satisfied with the later hours of operation for these businesses then the ordinance could be amended to allow the later hours of operation permanently.

**Moved by Knight; Seconded by Verbeke.**

**RESOLVED: To direct staff to draft an amendment that would temporarily change the hours smoking lounges must be closed (2:00 a.m. to 8:00 a.m.) as a test period of one year.**

**VOTE: Yes: Burmeister, Hammond, Kittle, Knight, McDaniel, Mitchell, Verbeke**

**No: None**

**Motion Carried (7-0)**

**Resolution No. 14.09.168**

*Council Member Hammond left the meeting at 8:30 p.m.*

**8b. Motion – Approve 2015 Fee Schedule**

Deputy Director/Fire Manning noted the fees for EMS were not transferred correctly to the original fee schedule, but the fees are the same as those approved in May by City Council.

Mr. Kittle noted some of the recreation fees seem incredibly low and suggested those be reviewed. He spoke earlier with Mr. Melchert about the new legislation; MDEQ backflow prevention testing. The testing applies to any business or residential property that has a sprinkler system, requiring an annual inspection of the backflow prevention valve. The cost for a homeowner is approximately \$150 and \$300 for commercial buildings.

He discussed with Mr. Melchert the possibility of the City offering this service for a fee which would be included in the water bill. This would make it easier for residents who aren't sure which company they should contact to have the work done, even though those testers must be licensed by the State.

Mr. Knight noted the water rates have increased by 5% and believes the increase should be reviewed. He appreciated the Fieldstone Golf Club discount given to residents.

Mayor McDaniel asked Mr. Melchert how familiar he is with the backflow prevention testing.

Mr. Melchert explained the cross connection inspection or backflow prevention testing is a portion of the requirements for maintaining clean drinking water and protecting the water system. It has always been a recommendation for communities to do these tests, but the City has been lax because of the cost. At the last meeting held with Michigan Department of Environmental Quality (MDEQ), requested the City to enforce the annual backflow testing. The DPW isn't staffed properly to do the testing in-house, the law requires the person testing to be trained properly. Also, city employees or city staff are not allowed to perform the inspections. The testing isn't conducted by just a plumber, the individual must be trained in backflow devices. The law also states the City cannot test their own backflow devices.

Mayor McDaniel asked why the backflow testing is being enforced, it seems to be an unnecessary expense.

Mr. Melchert stated the majority of the backflow devices is for sprinkler systems, but there may be prevention devices on the outside hose bib; a vacuum breaker. He also isn't sure why the push is on for the testing.

Mr. Knight questioned if the City is aware of those homes that have the sprinkler systems.

Mr. Melchert stated there is a data base kept for those homes, such as Heritage in the Hills when constructed, sprinkler systems were installed and inspected.

Mr. Knight asked if it would be possible to go out for bid once a year, through the City, instructing the bidders the number of homes that need testing. This way, it might reduce the cost to the residents.

Mr. Melchert stated he could look into the possibility. In the past the testing was recommended, it has since become a requirement. Annual testing has been ongoing over the years for commercial businesses. The backflow devices that are mainly being targeted by the MDEQ are the irrigation systems, with the devices located outside the homes.

Mr. Melchert explained it has been suggested to homeowner associations that it would be in their best interest to bid and secure one vendor to do the testing, which very possibly would reduce the cost to each homeowner.

Mayor McDaniel questioned if it is too late for a resolution citing the difficulties this puts on the residents, and how it seems to be unnecessary considering all the other likely possibilities of contaminating the water supply.

**Moved by Kittle; Seconded by Verbeke.**

**RESOLVED: To approve the 2015 Auburn Hills Fee Schedule as presented.**

**VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Mitchell, Verbeke**

**No: None**

**Motion Carried (6-0)**

**Resolution No. 14.09.169**

Mayor McDaniel assured Mr. Beckerleg the fee schedule approval included the EMS fees as noted by Deputy Director/Fire Manning.

**9. NEW BUSINESS**

**9a. Public Hearing/Motion – New IFEC for BorgWarner, Inc., for Real Property and Personal Property**

Mr. Lohmeier explained an application has been filed by BorgWarner, Inc., for an Industrial Facilities Exception Certificate (IFEC) for real and personal property located at 3800 Automation Avenue. The real property improvement investment is \$7,920,514 and the personal property investment is \$1,657,000, for a total investment of \$9,577,514. The real property consists of a new 46,500 square foot office addition onto its existing engineering facility. The personal property consists of a variety of related furniture and fixtures. This project will result in 120 new jobs created at this facility. BorgWarner owns the real property and will be purchasing the personal property and is requesting an eight year abatement. If this abatement is granted for the eight year maximum the potential property tax savings for the applicant will be approximately \$731,000. Additional tax revenue for the City will be approximately \$157,000.

BorgWarner has an existing abatement in the City related to its property located at 3850 Hamlin Road. There are no pending appeals filed by BorgWarner, or delinquent taxes.

The Tax Incentive Review Committee recommended the requested eight year abatement.

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

**Scott Gallett**, Vice President, Marketing and Public Relations introduced himself. The global headquarters for BorgWarner is located on Hamlin Road and the Power Train Technical Center, is the location of this evening's discussion. The Automation Avenue is the hub for the North American business and supports some of the global businesses. The company continues to grow, a \$7.5 billion global company, with plans to double in size by 2020. This project helps to support that growth. The mentioned 120 jobs is just within a two year period, the new addition will support an additional 200 new jobs.

*Hearing no comment, Mayor McDaniel closed the public hearing at 8:55 p.m.*

**Moved by Verbeke; Seconded by Knight.**

**RESOLVED: To approve the request for an 8-year IFEC pertaining to new real property and personal property for BorgWarner, Inc., with a real property and personal property investment of \$9,577,514 by adopting the attached resolution (Attachment A).**

**VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Mitchell, Verbeke**

**No: None**

**Motion Carried (6-0)**

**Resolution No. 14.09.170**

**9b. Public Hearing/Motion – New IFEC for Visioneering, Inc., for Real Property and Personal Property**

Mr. Lohmeier explained this request by Visioneering Inc., is for an Industrial Facilities Exception Certificate (IFEC) for real and personal property to be located at 2055 Taylor Road. The real property improvement investment is \$20,625,402 and the personal property investment is \$10,190,184, for a total investment of \$30,815,586. The real property consists of a new 180,000 square foot manufacturing facility, with approximately 15% office. The personal property consists of a variety of furniture, fixtures, machinery and equipment.

This will be new construction with 150 new jobs at the facility. There is a signed 15-year lease on file. The request is for an eight year abatement, and if granted the potential property tax savings will be approximately \$1,903,000. The additional tax revenue for the City will be approximately \$408,000. This is a new company to Auburn Hills, so there are no existing abatements from the City.

The Tax Incentive Review Committee recommended the requested eight year abatement.

Mr. Knight noted there are other Visioneering IFEC's and assumed they are for equipment, noting each needs its own motion.

Mr. Lohmeier stated there are four transfer applications, pertaining to personal property, and each need to be approved individually. The four transfers pertain to this project, the same company, and the same facility.

*Mayor McDaniel opened the public hearing at 8:59 p.m.*

**Jennifer Weigel**, CFO, explained Visioneering, is a tooling supplier for the aerospace industry. Currently the company has three facilities in Fraser, Michigan and will be consolidating those three locations into the new one in Auburn Hills. Auburn Hills was chosen to locate their business because the City is a business friendly community.

Responding to Mayor McDaniel, Ms. Weigel stated the company will be transferring employees to the Auburn Hills facility, but there will also be an additional 40 to 50 employees hired.

*Hearing no comment, Mayor McDaniel closed the public hearing at 9:01 p.m.*

**Moved by Burmeister; Seconded by Mitchell.**

**RESOLVED: To approve the request for an 8-year IFEC pertaining to new real property and personal property for Visioneering, Inc., with a real property and personal property investment of \$30,815,586 by adopting the attached resolution (Attachment B).**

**VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Mitchell, Verbeke**

**No: None**

**Motion Carried (6-0)**

**Resolution No. 14.09. 171**

Mayor McDaniel stated since there isn't any new information regarding the following four items, he will hold the public hearings, without further explanations.

9c. Public Hearing/Motion – Transfer IFEC 2006-659 for Visioneering, Inc., for Personal Property

*Mayor McDaniel opened the public hearing at 9:02 p.m., hearing no comment closed the public hearing at 9:02 p.m.*

**Moved by Verbeke; Seconded by Kittle.**

**RESOLVED: To approve the request for a transfer of IFEC 2006-659 for Visioneering, Inc., by adopting the attached resolution (Attachment C).**

**VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Mitchell, Verbeke**

**No: None**

**Motion Carried (6-0)**

**Resolution No. 14.09. 172**

9d Public Hearing/Motion – Transfer IFEC 2006-660 for Visioneering, Inc., for Personal Property

*Mayor McDaniel opened the public hearing at 9:03 p.m., hearing no comment closed the public hearing at 9:03 p.m.*

**Moved by Kittle; Seconded by Verbeke.**

**RESOLVED: To approve the request for a transfer of IFEC 2006-660 for Visioneering, Inc., by adopting the attached resolution (Attachment D).**

**VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Mitchell, Verbeke**

**No: None**

**Motion Carried (6-0)**

**Resolution No. 14.09. 173**

9e. Public Hearing/Motion – Transfer IFEC 2010-024 for Visioneering, Inc., for Personal Property

*Mayor McDaniel opened the public hearing at 9:03p.m., hearing no comment closed the public hearing at 9:03 p.m.*

**Moved by Mitchell; Seconded by Knight.**

**RESOLVED: To approve the request for a transfer of IFEC 2010-024 for Visioneering, Inc., by adopting the attached resolution (Attachment E).**

**VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Mitchell, Verbeke**

**No: None**

**Motion Carried (6-0)**

**Resolution No. 14.09. 174**

9f. Public Hearing/Motion – Transfer IFEC 2010-025 for Visioneering, Inc., for Personal Property

*Mayor McDaniel opened the public hearing at 9:04 p.m., hearing no comment closed the public hearing at 9:04 p.m.*

**Moved by Verbeke; Seconded by Knight.**

**RESOLVED: To approve the request for a transfer of IFEC 2010-025 for Visioneering, Inc., by adopting the attached resolution (Attachment F).**

**VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Mitchell, Verbeke**

**No: None**

**Motion Carried (6-0)**

**Resolution No. 14.09.175**

9g. Public Hearing/Motion – New IFEC for Hirotec America Inc., for Real Property and Personal Property

Mr. Lohmeier explained an application has been filed by Hirotec America Inc., for an Industrial Facilities Exception Certificate (IFEC) for real and personal property for the facility located at 3000 High Meadow Circle. The real property improvement investment is \$20,000,000 and the personal property investment is \$2,800,000, for a total investment of \$22,800,000. This new facility will include initially approximately 220,000 square feet; 180,000 square feet for manufacturing space and 40,000 square feet for office space. There will be new related machinery and equipment, furniture and fixtures and other personal property throughout. A second phase of construction will expand this facility to 350,000 square feet. This is a new facility and will be bringing in 140 new jobs.

Hirotec America Inc., is requesting a 12-year abatement, under the City's policy as a Special Project. There are no delinquent taxes owed by the applicant within the City.

If this abatement is granted for 12 years the potential property tax savings for the applicant will be approximately \$2,830,542. The additional tax revenue for the City will be approximately \$607,200. At the end of the certificate's life the property subject to abatement would be added to the City's ad valorem assessment roll and taxed at full tax rates. Hirotec America, Inc., has no other tax abatements in the City or pending tax appeals.

The 12 year abatement was approved by the Tax Incentive Review Committee at their meeting.

*Mayor McDaniel opened the public hearing 9:07 p.m.*

**James Toeniskoetter** President & COO, and **Katsu Uno**, Chairman and CEO, introduced themselves.

Mr. Toeniskoetter stated Hirotec America has been an Auburn Hills resident since 1992, with their current North American headquarters located on Glenmeade, a company owned facility. The company intends on maintaining ownership of the Glenmeade facility. The company is currently leasing three facilities outside of Auburn Hills, two in Chesterfield Township and one in Woodhaven. The intention is to consolidate the employees in one facility. The company has been searching for a facility for the last year and hadn't found a facility to fit their needs, so they are constructing one. This new facility will become the new North American headquarters; the Glenmeade location will also continue to be used. As more space is necessary, the company will lease other properties. The expansion for this new site is scheduled for 2018.

Mr. Kittle asked what would become of the other three plants.

Mr. Toeniskoetter stated those are leased facilities, but will continue using the facilities as needed. The majority of their customers are Chrysler, GM and Ford, and those companies prefer the Auburn Hills location as opposed to the current locations.

Mr. Knight initially had some concern over a 12 year abatement, but taking into consideration the length of time Hirotec America, Inc., has been located in Auburn Hills, there are plans to expand the facility, and the company will remain in Auburn Hills an addition four years after the 12 year abatement expires, he is in favor of supporting the request.

Ms. Verbeke asked about the Special Project aspect of the abatement, noting five are allowed, making this the third.

Mr. Lohmeier stated this will be the second Special Project, Ralco was the first under the new policy.

*Hearing no comments, Mayor McDaniel closed the public hearing at 9:12 p.m.*

**Moved by Burmeister; Seconded by Kittle.**

**RESOLVED: To approve the request for an 12-year IFEC as a Special Project pertaining to new real property and personal property for Hirotec America Inc., with a real property and personal property investment of \$22,800,000 by adopting the attached resolution (Attachment G).**

**VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Mitchell, Verbeke**

**No: None**

**Motion Carried (6-0)**

**Resolution No. 14.09.176**

9h. Motion – Adopt Text Amendment to the Zoning Ordinance Regulating Oil and Gas Well Drilling and Exploration

Mr. Cohen explained the revised text addresses two items: 1) the requirement of a \$25,000 cash bond per well; and 2) restitution for costs relating to the City's response to an emergency or incident which resulted from a violation of law or negligence. The Planning Commission minutes didn't reflect that the bond will be kept on file until the capping of a well takes place, as discussed with Mr. Beckerleg.

Mr. Kittle asked if restitution would include any damage done to the roads.

Mr. Cohen stated the \$25,000 bond would cover road damages.

**Moved by Knight; Seconded by Mitchell**

**RESOLVED: To accept the Planning Commission's recommendation and approve the enclosed Text Amendment to the Zoning Ordinance regulating oil and gas well drilling and exploration. The amended ordinance shall be referenced as Ordinance 14-860.**

Mr. Knight appreciates the Planning Commission reviewing the ordinances and making appropriate amendments. It's disappointing that some of the surrounding communities are having such difficulties with this issue.

Ms. Verbeke stated she hasn't voted in favor of the gas and oil ordinances in the past; however, she will vote in favor of this one because these additions are beneficial to the City. She doesn't feel the \$25,000 cash bond is sufficient.

Mr. Kittle, responding to Mr. Knight, stated townships don't have a say in the matter because of the way the law is written, that is why there are so many issues. He appreciates City staff and Council have been proactive on the subject.

**VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Mitchell, Verbeke**

**No: None**

**Motion Carried (6-0)**

**Resolution No. 14.09.177**

9i. Motion – Approve 2014 Storm Structure Rehabilitation Program Bid

Mr. Brisson explained this is for the annual street catch basin repair program. Each year one-third of the City's catch basins are cleaned and inspected. During last year's budget process, the project was under budgeted at \$100,000 not knowing

what repairs were going to be necessary. There is \$50,000 available for general repairs, which is set aside for emergencies that were not budgeted for. The Local Street and Roads have funding available because some work was done in-house.

**Moved by Kittle; Seconded by Knight.**

**RESOLVED: To approve the costs associated with the 2014 Storm Structure Rehabilitation Program and award the bid to V.I.L. Construction, Inc., 6670 Sims Drive, Sterling Hts., Michigan 48313 in the amount of \$ 212,700.00. Further to approve the OHM Scope of Construction Services for the not-to-exceed amount of \$ 24,000.00. Funding is provided from Major Streets (202-452-935.000) and Local Streets (203-453-935.000).**

**VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Mitchell, Verbeke**

**No: None**

**Motion Carried (6-0)**

**Resolution No. 14.09.178**

Mr. Kittle thanked Mr. Brisson for looking for off-sets on budgeted amounts.

## **10. COMMENTS AND MOTIONS FROM COUNCIL**

Ms. Verbeke:

- Asked if there is information available for the second phase of the Joslyn Road construction.  
Mr. Brisson stated the City met with the contractor and hopefully work will begin this week with the Tri-Party funding taking care of the north portion of the project. Based on the contract pricing, the funds will take care of 850 feet of the northbound lanes, ending near Great Lakes Crossing. Hopefully the work should be completed within a few weeks.
- The Beautification Advisory Commission has made their selections of the 2014 winners and the invitations have been mailed.

Mr. Knight:

- Rochester Hills is considering an ordinance to restrict the sale of e-cigarettes to people under the age of 18 and he is disappointed that Auburn Hills hasn't taken the same type of action as he has requested in the past. He would like Auburn Hills to take similar action.
- Suggested right turn and left turn lanes be installed on the new south entrance of Oakland University directly onto Squirrel Road, once there are traffic signals installed. He believes the traffic would flow much smoother.
- Noted the parking on Juniper and Cherryland is allowed on both sides of the road and wonders if it might be time to have some parking restrictions. He is able to get his car through, but is concerned if an emergency vehicle would be able to get through.
- He would like to see if it could be possible to cut grass every two weeks next year, generally grass is cut once a week whether it is needed or not. It could be a good cost saving measure.

Mr. Burmeister:

- Thanked Mr. Cohen and his staff for the follow-up on Thornhill and the golf dome.
- Asked Mr. Brisson if there is a status for the overlay on Phillips/Mattie Lu/Armada area.  
Mr. Brisson stated the project should begin in the next couple of weeks and will be a three week process.

Ms. Mitchell:

- Congratulated Ms. Carroll on her MEDA award and asked what the acronym stood for.  
Mr. Tanghe stated the Michigan Economic Developers Association.
- Was pleased to hear the winners of the Beautification Awards will be receiving a book on the history of Auburn Hills, a new addition to the program.
- Noted the November ballot will include a question for leave burning, as well as a bond issue for Avondale School residents.
- Has heard from Bloomfield Orchards residents who are frustrated of not being aware of the construction. She would like to know if there was any communications sent to the residents.

Mr. Kittle:

- Noted the November ballot includes voting for the Pontiac School Board.
- He understood from this evening's budget meeting, that more detailed budget information is available by contacting Deputy Finance Director Schulz. He asked if Council should contact her directly or go through the City Manager's Office.  
Mr. Tanghe stated either way is fine, but he like to be made aware of any specific appropriations.
- Questioned what will be discussed at the next Council Budget Workshop.

Mr. Tanghe explained that will be water and sewer issues.

- Thanked the Planning Commission and staff for the annual report.
- Understood a portion of the LED lighting conversion has been installed.

Mr. Tanghe stated some of the installed lighting is at Seyburn and Squirrel Road.

Mr. Grice stated the focus has been on Squirrel Road and University Drive area. He has a meeting with ERC on Friday and will have more information and an update of other locations the installation has taken place.

Mayor McDaniel:

- Thanked staff for working towards a good transition period for Mr. Tanghe becoming City Manager and again congratulated Mr. Tanghe on becoming City Manager.

**12. CITY MANAGER'S REPORT – none**

**13. EXECUTIVE SESSION – Discuss Land Sale**

**Moved by Burmeister; Seconded by Verbeke.**

**RESOLVED: To recess to Executive Session to discuss land sale.**

**VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Mitchell, Verbeke**

**No: None**

**Motion Carried (6-0)**

**Resolution No. 14.09.179**

*Adjourned to Executive Session at 9:37 p.m. and reconvened the regular meeting at 9:56 p.m.*

**Moved by Burmeister; Seconded by Kittle.**

**RESOLVED: To authorize the sale of approximately 1.1 acres of City owned land to Fieldstone Corporate Center, LLC, to facilitate development under the terms and conditions contained in the Purchase Agreement by and between the City of Auburn Hills and Fieldstone Corporate Center, LLC. Furthermore, to authorize the City Manager to act on behalf of the City, including signing all necessary documents for such conveyance.**

**VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Mitchell, Verbeke**

**No: None**

**Motion Carried (6-0)**

**Resolution No. 14.09.180**

**14. ADJOURNMENT**

Hearing no objection the meeting adjourned at 9:59 p.m.

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Kevin R. McDaniel, Mayor

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Terri Kowal, City Clerk



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 **8<sup>th</sup> day of September, 2014.**

IN WITNESS WHEREOF, I have hereunto affixed my official signature on **this 9th day of September, 2014.**

---

Terri Kowal, City Clerk



**CITY OF AUBURN HILLS  
RESOLUTION 14.09.172  
APPROVING A TRANSFER  
OF AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE  
2006-659 FOR VISIONEERING 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 **8<sup>th</sup> day of September, 2014**.

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

WHEREAS, Industrial Facility Exemption Certificate 2006-659 was approved by the State Tax Commission for a period of **12 years** with an ending date of **December 30, 2019**, and

WHEREAS, pursuant to P.A. 198, 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on the **21<sup>st</sup> day of August, 1995**, the City of Auburn Hills, established an Industrial Development District, commonly referred to as the **Cardell Corporation** Industrial Development District; and

WHEREAS, **Visioneering Inc** has filed an application with the Clerk of the City of Auburn Hills and has requested that the City of Auburn Hills approve a transfer of the personal property portion of the Industrial Facility Exemption Certificate **2006-659** from **17501 Masonic Blvd, City of Fraser**, Macomb County, Michigan, to **2055 Taylor Road**, City of Auburn Hills, Oakland County, Michigan within the **Cardell Corporation** Industrial Development District; 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 with 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 transfer of the Industrial Facilities Exemption Certificate shall be approved or disapproved; and

WHEREAS, said public hearing having been held on the **8<sup>th</sup> day of September, 2014** at a regularly scheduled meeting; and

WHEREAS, comments on the transfer of the Industrial Facilities Exemption Certificate were heard and considered; and

WHEREAS, construction of the facility and installation of the personal property has not begun earlier than six (6) months before **22<sup>nd</sup>, day of May, 2014**, the date of the acceptance of the application for the transfer of Industrial Facility Exemption Certificate **2006-659**; 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; and

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

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 the transfer 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 ad valorem property taxes in the City of Auburn Hills.

2. The application from **Visioneering Inc** for transfer of the personal property portions of Industrial Facility Exemption Certificate **2006-659** to the following described parcel of real property situated within the **Cardell Corporation** Industrial Development District; to wit;

The real property parcel the facility is located on is identified as tax parcel **02-14-10-200-017**, having an address along 2055 Taylor Road, City of Auburn Hills, MI 48326, including:

T3N, R10E, SEC 10 & 11 PART OF NE 1/4 OF SEC 10 & PART OF W 1/2 OF SEC 11 ALL DESC AS BEG AT PT DIST N 89-39-08 E 1313.94 FT & S 00-07-12 E 290.12 FT & N 89-39-08 E 657.39 FT & S 52-37-36 E 165.78 FT & S 71-43-23 E 234.85 FT FROM N 1/4 COR OF SEC 10, TH ALG CURVE TO LEFT, RAD 953.29 FT, CHORD BEARS S 87-55-24 E 302.36 FT, DIST OF 303.64 FT, TH N 82-56-41 E 100.53 FT, TH S 31-45-01 E 818.18 FT, TH S 26-29-58 W 206.55 FT, TH S 58-30-04 W 717.60 FT, TH N 62-37-37 W 532.85 FT, TH N 438.17 FT, TH E 344.75 FT, TH N 570.97 FT TO BEG 20.89 A9-12-00 FR 012

is hereby **approved**.

3. The total project investment transferred approved is **\$2,734,121**.

4. **Visioneering 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 certificate's expiration.



**CITY OF AUBURN HILLS  
RESOLUTION 14.09.173  
APPROVING A TRANSFER  
OF AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE  
2006-660 FOR VISIONEERING 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 **8<sup>th</sup> day of September, 2014**.

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

WHEREAS, Industrial Facility Exemption Certificate 2006-659 was approved by the State Tax Commission for a period of **12 years** with an ending date of **December 30, 2020**, and

WHEREAS, pursuant to P.A. 198, 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on the **21<sup>st</sup> day of August, 1995**, the City of Auburn Hills, established an Industrial Development District, commonly referred to as the **Cardell Corporation** Industrial Development District; and

WHEREAS, **Visioneering Inc** has filed an application with the Clerk of the City of Auburn Hills and has requested that the City of Auburn Hills approve a transfer of the personal property portion of the Industrial Facility Exemption Certificate **2006-660** from **31985 Groesbeck Hwy, City of Fraser**, Macomb, Michigan, to **2055 Taylor Road**, City of Auburn Hills, Oakland County, Michigan within the **Cardell Corporation** Industrial Development District; 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 with 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 transfer of the Industrial Facilities Exemption Certificate shall be approved or disapproved; and

WHEREAS, said public hearing having been held on the **8<sup>th</sup> day of September, 2014** at a regularly scheduled meeting; and

WHEREAS, comments on the transfer of the Industrial Facilities Exemption Certificate were heard and considered; and

WHEREAS, construction of the facility and installation of personal property has not begun earlier than six (6) months before **22<sup>nd</sup>, day of May, 2014**, the date of the acceptance of the application for the transfer of Industrial Facility Exemption Certificate **2006-660**; 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; and

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

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 the transfer 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 ad valorem property taxes in the City of Auburn Hills.

2. The application from **Visioneering Inc** for transfer of the personal property portions of Industrial Facility Exemption Certificate **2006-660** to the following described parcel of real property situated within the **Cardell Corporation** Industrial Development District; to wit;

The real property parcel the facility is located on is identified as tax parcel **02-14-10-200-017**, having an address along 2055 Taylor Road, City of Auburn Hills, MI 48326, including:

T3N, R10E, SEC 10 & 11 PART OF NE 1/4 OF SEC 10 & PART OF W 1/2 OF SEC 11 ALL DESC AS BEG AT PT DIST N 89-39-08 E 1313.94 FT & S 00-07-12 E 290.12 FT & N 89-39-08 E 657.39 FT & S 52-37-36 E 165.78 FT & S 71-43-23 E 234.85 FT FROM N 1/4 COR OF SEC 10, TH ALG CURVE TO LEFT, RAD 953.29 FT, CHORD BEARS S 87-55-24 E 302.36 FT, DIST OF 303.64 FT, TH N 82-56-41 E 100.53 FT, TH S 31-45-01 E 818.18 FT, TH S 26-29-58 W 206.55 FT, TH S 58-30-04 W 717.60 FT, TH N 62-37-37 W 532.85 FT, TH N 438.17 FT, TH E 344.75 FT, TH N 570.97 FT TO BEG 20.89 A9-12-00 FR 012

is hereby **approved**.

3. The total project investment transferred approved is **\$588,451**.

4. **Visioneering 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 certificate's expiration.

AYES: Mayor McDaniel, Mayor Pro Tem Kittle, Council Members Burmeister, Knight, Mitchell, Verbeke  
NAYS: None  
ABSENT: Council Member Hammond  
ABSTENTIONS: None

RESOLUTION 14.09.173 ADOPTED (6-0)

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 **8<sup>th</sup> day of September, 2014.**

IN WITNESS WHEREOF, I have hereunto affixed my official signature on **this 9th day of September, 2014.**

---

Terri Kowal, City Clerk

**CITY OF AUBURN HILLS  
RESOLUTION 14.09.174  
APPROVING A TRANSFER  
OF AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE  
2010-024 FOR VISIONEERING 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 **8<sup>th</sup> day of September, 2014**.

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

WHEREAS, Industrial Facility Exemption Certificate 2010-024 was approved by the State Tax Commission for a period of **12 years** with an ending date of **December 30, 2023**, and

WHEREAS, pursuant to P.A. 198, 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on the **21<sup>st</sup> day of August, 1995**, the City of Auburn Hills, established an Industrial Development District, commonly referred to as the **Cardell Corporation** Industrial Development District; and

WHEREAS, **Visioneering Inc** has filed an application with the Clerk of the City of Auburn Hills and has requested that the City of Auburn Hills approve a transfer of the personal property portion of the Industrial Facility Exemption Certificate **2010-024** from **17501 Masonic, City of Fraser**, Macomb, Michigan, to **2055 Taylor Road**, City of Auburn Hills, Oakland County, Michigan within the **Cardell Corporation** Industrial Development District; 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 with 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 transfer of the Industrial Facilities Exemption Certificate shall be approved or disapproved; and

WHEREAS, said public hearing having been held on the **8<sup>th</sup> day of September, 2014** at a regularly scheduled meeting; and

WHEREAS, comments on the transfer of the Industrial Facilities Exemption Certificate were heard and considered; and

WHEREAS, construction of the facility and installation of personal property has not begun earlier than six (6) months before **22<sup>nd</sup>, day of May, 2014**, the date of the acceptance of the application for the transfer of Industrial Facility Exemption Certificate **2010-024**; 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; and

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

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 the transfer 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 ad valorem property taxes in the City of Auburn Hills.

2. The application from **Visioneering Inc** for transfer of the personal property portions of Industrial Facility Exemption Certificate **2010-024** to the following described parcel of real property situated within the **Cardell Corporation** Industrial Development District; to wit;

The real property parcel the facility is located on is identified as tax parcel **02-14-10-200-017**, having an address along 2055 Taylor Road, City of Auburn Hills, MI 48326, including:

T3N, R10E, SEC 10 & 11 PART OF NE 1/4 OF SEC 10 & PART OF W 1/2 OF SEC 11 ALL DESC AS BEG AT PT DIST N 89-39-08 E 1313.94 FT & S 00-07-12 E 290.12 FT & N 89-39-08 E 657.39 FT & S 52-37-36 E 165.78 FT & S 71-43-23 E 234.85 FT FROM N 1/4 COR OF SEC 10, TH ALG CURVE TO LEFT, RAD 953.29 FT, CHORD BEARS S 87-55-24 E 302.36 FT, DIST OF 303.64 FT, TH N 82-56-41 E 100.53 FT, TH S 31-45-01 E 818.18 FT, TH S 26-29-58 W 206.55 FT, TH S 58-30-04 W 717.60 FT, TH N 62-37-37 W 532.85 FT, TH N 438.17 FT, TH E 344.75 FT, TH N 570.97 FT TO BEG 20.89 A9-12-00 FR 012

is hereby **approved**.

3. The total project investment transferred approved is **\$3,335,770**.

4. **Visioneering 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 certificate's expiration.

AYES: Mayor McDaniel, Mayor Pro Tem Kittle, Council Members Burmeister, Knight, Mitchell, Verbeke  
NAYS: None  
ABSENT: Council Member Hammond  
ABSTENTIONS: None

RESOLUTION 14.09.174 ADOPTED (6-0)

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 **8<sup>th</sup> day of September, 2014.**

IN WITNESS WHEREOF, I have hereunto affixed my official signature on **this 9th day of September, 2014.**

---

Terri Kowal, City Clerk

**CITY OF AUBURN HILLS  
RESOLUTION 14.09.175  
APPROVING A TRANSFER  
OF AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE  
2010-025 FOR VISIONEERING 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 **8<sup>th</sup> day of September, 2014**.

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

WHEREAS, Industrial Facility Exemption Certificate 2010-025 was approved by the State Tax Commission for a period of **12 years** with an ending date of **December 30, 2023**, and

WHEREAS, pursuant to P.A. 198, 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on the **21<sup>st</sup> day of August, 1995**, the City of Auburn Hills, established an Industrial Development District, commonly referred to as the **Cardell Corporation** Industrial Development District; and

WHEREAS, **Visioneering Inc** has filed an application with the Clerk of the City of Auburn Hills and has requested that the City of Auburn Hills approve a transfer of the personal property portion of the Industrial Facility Exemption Certificate **2010-025** from **17501 Masonic, City of Fraser**, Macomb, Michigan, to **2055 Taylor Road**, City of Auburn Hills, Oakland County, Michigan within the **Cardell Corporation** Industrial Development District; 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 with 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 transfer of the Industrial Facilities Exemption Certificate shall be approved or disapproved; and

WHEREAS, said public hearing having been held on the **8<sup>th</sup> day of September, 2014** at a regularly scheduled meeting; and

WHEREAS, comments on the transfer of the Industrial Facilities Exemption Certificate were heard and considered; and

WHEREAS, construction of the facility and installation of the personal property has not begun earlier than six (6) months before **22<sup>nd</sup>, day of May, 2014**, the date of the acceptance of the application for the transfer of Industrial Facility Exemption Certificate **2010-025**; 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; and

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

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 the transfer 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 ad valorem property taxes in the City of Auburn Hills.

2. The application from **Visioneering Inc** for transfer of the personal property portions of Industrial Facility Exemption Certificate **2010-025** to the following described parcel of real property situated within the **Cardell Corporation** Industrial Development District; to wit;

The real property parcel the facility is located on is identified as tax parcel **02-14-10-200-017**, having an address along 2055 Taylor Road, City of Auburn Hills, MI 48326, including:

T3N, R10E, SEC 10 & 11 PART OF NE 1/4 OF SEC 10 & PART OF W 1/2 OF SEC 11 ALL DESC AS BEG AT PT DIST N 89-39-08 E 1313.94 FT & S 00-07-12 E 290.12 FT & N 89-39-08 E 657.39 FT & S 52-37-36 E 165.78 FT & S 71-43-23 E 234.85 FT FROM N 1/4 COR OF SEC 10, TH ALG CURVE TO LEFT, RAD 953.29 FT, CHORD BEARS S 87-55-24 E 302.36 FT, DIST OF 303.64 FT, TH N 82-56-41 E 100.53 FT, TH S 31-45-01 E 818.18 FT, TH S 26-29-58 W 206.55 FT, TH S 58-30-04 W 717.60 FT, TH N 62-37-37 W 532.85 FT, TH N 438.17 FT, TH E 344.75 FT, TH N 570.97 FT TO BEG 20.89 A9-12-00 FR 012

is hereby **approved**.

3. The total project investment transferred approved is **\$103,425**.

4. **Visioneering 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 certificate's expiration.

AYES: Mayor McDaniel, Mayor Pro Tem Kittle, Council Members Burmeister, Knight, Mitchell, Verbeke  
NAYS: None  
ABSENT: Council Member Hammond  
ABSTENTIONS: None

RESOLUTION 14.09.175 ADOPTED (6-0)

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 **8<sup>th</sup> day of September, 2014.**

IN WITNESS WHEREOF, I have hereunto affixed my official signature on **this 9th day of September, 2014.**

---

Terri Kowal, City Clerk

**CITY OF AUBURN HILLS  
RESOLUTION 14.09.176  
APPROVING AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE  
FOR HIROTEC AMERICA 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 **8<sup>th</sup> day of September, 2014**.

The following resolution was offered by Councilperson Burmeister and supported by Mayor Pro Tem Kittle:

WHEREAS, pursuant to P.A. 198, 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on **the 15<sup>th</sup> day of September, 1986**, the City of Auburn Hills, established an Industrial Development District, commonly referred to as the **Schostak-Comerica Industrial Development District**; and

WHEREAS, **Hirotec America Inc** has filed an application for an Industrial Facility Exemption Certificate with the Clerk of the City of Auburn Hills with respect to proposed new **real property and personal property** within the **Schostak-Comerica Industrial Development District**; and

WHEREAS, before acting on said application, the City Council of Auburn Hills held a hearing on the **8<sup>th</sup> day of September, 2014** 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 of the facility and installation of new personal property has not begun earlier than six (6) months before **18<sup>th</sup> day of July, 2014**, the date of the acceptance of the application for the Industrial Facility Exemption Certificate; and

WHEREAS, completion of **the real property and personal property** 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 ad valorem property taxes in the City of Auburn Hills.

2. The application from **Hirotec America Inc** for an Industrial Facilities Exemption Certificate with respect to a **New Facility** on the following described parcel of real property situated within the **Schostak-Comerica Industrial Development District**; to wit;

The real property parcel the facility is located on is identified as tax parcel 02-14-24-100-003, having an address 3000 High Meadows Circle, City of Auburn Hills, MI 48326, including:

Legal Desc: T3N, R10E, SEC 13, 23 & 24 PART OF W 1/2 OF SEC 13 & PART OF E 1/2 OF SEC 23 & PART OF NW 1/4 OF SEC 24 DESC AS BEG AT PT DIST S 01-01-44 W 150.33 FT & N 62-15-07 W 240.61 FT & S 70-20-53 W 403.56 FT & S 33-52-03 W 420.88 FT & S 33-41-03 W 376.97 FT & S 81-17-58 W 417.02 FT & S 81-17-58 W 124.81 FT & S 81-15-24 W 253.80 FT FROM N 1/4 COR OF SD SEC 24, TH S 81-15-24 W 270.22 FT, TH S 28-26-18 W 46.73 FT, TH N 58-30-03 W 703.82 FT, TH N 22-37-52 W 386.84 FT, TH N 72-00-00 E 220.97 FT, TH ALG CURVE TO LEFT, RAD 388.83 FT, CHORD BEARS N 48-13-52 E 313.44 FT, DIST OF 322.62 FT, TH ALG CURVE TO RIGHT, RAD 925 FT, CHORD BEARS N 32-05-43 E 245.74 FT, DIST OF 246.47 FT, TH ALG CURVE TO LEFT, RAD 799.12 FT, CHORD BEARS S 72-33-56 E 804.38 FT, DIST OF 842.92 FT, TH ALG CURVE TO RIGHT, RAD 227.34 FT, CHORD BEARS S 19-01-40 W 230.58 FT, DIST OF 241.82 FT, TH S 49-30-00 W 51.92 FT, TH ALG CURVE TO RIGHT, RAD 150 FT, CHORD BEARS S 67-02-52 W 90.45 FT, DIST OF 91.88 FT, TH ALG CURVE TO LEFT, RAD 70 FT, CHORD BEARS S 36-16-19 W 104.56 FT, DIST OF 118.07 FT, TH S 16-26-29 W 170.85 FT, TH S 00-44-20 E 351.77 FT TO BEG 19.85 A 7-23-14 FR 14-23-200-011

is hereby approved for **real property and personal property improvements**.

3. The Industrial Facilities Exemption Certificate when issued shall be and remain in force and effect for a period of **twelve (12) years**, and the starting date for the certificate is **December 31, 2014** and the ending date is **December 30, 2026**.

4. The total project investment approved is **\$22,800,000**.

5. **Hirotec America Inc** agrees to operate the facility for which the Industrial Facilities Exemption Certificate is granted for the term of the certificate, plus an additional **four years** after the date of the certificate's expiration.

AYES: Mayor McDaniel, Mayor Pro Tem Kittle, Council Members Burmeister, Knight, Mitchell, Verbeke

NAYS: None

ABSENT: Council Member Hammond  
ABSTENTIONS: None

RESOLUTION 14.09.176 ADOPTED (6-0)

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 **8<sup>th</sup> day of September, 2014.**

IN WITNESS WHEREOF, I have hereunto affixed my official signature on **this 9th day of September, 2014.**

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Terri Kowal, City Clerk