



**City of Rochester Hills
AGENDA SUMMARY
NON-FINANCIAL ITEMS**

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Legislative File No: 2007-0495 V3

TO: Mayor and City Council Members
FROM: Ed Anzek, Planning & Development Department, ext. 2572
DATE: September 6, 2007
SUBJECT: Request for Transfer of Industrial Facilities Exemption Certificate #2005-388

REQUEST:

Transfer the Industrial Facilities Exemption Certificate #2005-388 for 3098 Research Dr. from BMD Group/E-Motive to Skybird Products.

BACKGROUND:

Skybird Products proposes to complete the construction of 3098 Research Dr. building and install new equipment. It is requesting the transfer of Industrial Facilities Exemption Certificate #2005-388 originally granted to BMD Group, Inc. in 2005 for a period of six years. Today, four years of the abatement remain. Its estimated total investment is \$1,910,000, which is \$376,682 more than BMD Group had planned to invest. Because the abatement only covers the real property, the portion of the investment that is subject to the abatement is \$1,480,000. Skybird Products also plans to employ nine (9) people in the facility.

Skybird Product's main core business is the manufacturing, assembly, and packaging of after market automobile towing mirrors. Product is sold to national wholesale distributors and direct to Ford Motor Company. The secondary business for Skybird is the manufacturing and packaging of a patented clip to aid the construction industry in the installation of cedar or Hardie siding products. These activities qualify Skybird Products as an eligible manufacturer under the definition of eligible companies in Public Act 198.

A presentation and Public Hearing regarding this item was held at City Council's Workshop Meeting on September 5, 2007.

RECOMMENDATION:

Approve the Transfer of Industrial Facilities Exemption Certificate #2005-388 from BMD Group to Skybird Products for the following reasons:

1. Skybird Products will be fulfilling the obligations of BMD Group, for which the abatement was originally approved by City Council
2. Skybird Products overall investment is higher, providing the taxing authorities, including the City, with more tax revenue than would have been generated by BMD Group's project

RESOLUTION

NEXT AGENDA ITEM

RETURN TO AGENDA

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Mayor		
City Council Liaison		