



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

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**Legislative File No:** 2010-0447

**TO:** Mayor and City Council Members

**FROM:** Ed Anzek, Planning & Economic Development Department, Ext. 2572

**DATE:** October 28, 2010

**SUBJECT:** Schedule a Public Hearing to Consider a PA 328 Tax Exemption for Bright Automotive

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**REQUEST:**

Schedule a public hearing to consider a PA 328 tax exemption for Bright Automotive on Monday, November 22, 2010.

**BACKGROUND:**

Bright Automotive, a manufacturer of electric cars, is proposing to locate a technical center in Rochester Hills where it will employ as many as 204 people and invest \$12 million over a five-year period. It has applied to the State of Michigan for MEGA tax credits. The MEGA Board is scheduled to act on this request on November 16. As City Council knows, a MEGA requires a local match. Typically that local match is either a PA 198 tax abatement or a PA 328 tax exemption of personal property.

Bright Automotive is requesting a two-year PA 328 tax exemption. It intends to lease the building over a five-year period with two three-year extensions. The tax exemption would exempt all of its personal property for the first two years of the project. After the second year, the property goes on the ad valorem tax rolls at its current depreciated value.

The process to consider a PA 328 is straight forward. There is no formal application process. The company simply requests that City Council approve the exemption. City Council must hold a public hearing in which the city assessor and taxing jurisdictions are notified in advance. There is no requirement to post the notice in a newspaper.

**RECOMMENDATION:**

Schedule the Public Hearing for the Regular Meeting of City Council on Monday, November 22, 2010.

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**RESOLUTION**

**NEXT AGENDA ITEM**

**RETURN TO AGENDA**

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<b>APPROVALS:</b>	<b>SIGNATURE</b>	<b>DATE</b>
<b>Department Review</b>		
<b>Department Director</b>		
<b>Mayor</b>		
<b>City Council Liaison</b>		

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