



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

**1000 Rochester Hills Dr.  
Rochester Hills, MI 48309  
248.656.4630  
[www.rochesterhills.org](http://www.rochesterhills.org)**

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**Legislative File No: 2010-0447 V4**

**TO:** Mayor and City Council Members

**FROM:** Ed Anzek, Director of Planning and Economic Development, ext. 2572

**DATE:** February 18, 2011

**SUBJECT:** Request to Consider Adoption of the Restated Resolution, to replace RES0266-2010, adopted at the November 22, 2010 Regular Meeting, regarding the request to approve the Exemption of personal property for Bright Automotive

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**REQUEST:**

Adopt a restated Resolution regarding the request to approve an exemption of personal property for Bright Automotive for two years, beginning December 30, 2011.

**BACKGROUND:**

At its November 22, 2010 Regular Meeting, the City Council adopted a Resolution approving an exemption of personal property for Bright Automotive for a period of two years. The application requested, and the Resolution stated, an approval date of December 30, 2011 to December 30, 2013. This was done to coincide with the company's plan to start purchasing equipment in 2011.

Normally, a tax abatement application (under provisions of PA 198) has to be submitted to the State Tax Commission no later than October 31, for it to go into effect on December 31, of the same year. If the application is submitted after October 31, the abatement does not begin until December 31, of the following year.

However, it is not the same for PA 328 personal exemptions. They go into effect on December 31, in the same year they are approved, regardless of the day. Bright Automotive wanted to get this approval done as soon as possible and we were working to accommodate their request. However, the consequences of approving the exemption in 2010 would result in Bright Automotive losing a year of eligibility unless City Council re-approves the exemption in 2011; the same year the intended exemptions were to go into place.

**RECOMMENDATION:**

Rescind the original Resolution RES0266-2010 and pass a new Resolution exempting personal property for Bright Automotive from December 30, 2011 to December 30, 2013.

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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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