



Rochester Hills

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Master

File Number: 2005-0500

File ID: 2005-0500

Type: Exemptions

Status: To Council

Version: 3

Reference: N/A

Controlling Body: City Council
Regular Meeting

File Created Date : 07/20/2005

File Name: Avon Broach Tax Abatement Request

Final Action: 09/07/2005

Title label: Request for Extension of Tax Exemption by Avon Broach

Notes: Avon Broach & Production Company
1089 John R
Rochester Hills, MI 48307
George Buhaj

Sponsors:

Enactment Date:

Attachments: Agenda Summary.pdf ,Letter Buhaj 111008.pdf ,Tax
Exemption Analysis.pdf ,FAQ re Phase Out.pdf
,Avon Broach Attachment 1.pdf ,Memo Casey
062705.pdf ,Avon Sales Data.pdf ,Overview of PA
376.pdf ,Presentation.pdf ,0500 Resolution.pdf

Enactment Number: RES0296-2005

Contact:

Hearing Date:

Drafter:

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	City Council Regular Meeting	08/03/2005	Discussed				
2	City Council Regular Meeting	09/07/2005	Adopted by Resolution				Pass

Text of Legislative File 2005-0500

Title

Request for Extension of Tax Exemption by Avon Broach

Body

Whereas, the City of Rochester Hills desires to promote economic activity and maintain/increase the number of jobs available to residents of the area; and

Whereas, certain industries in the state are facing difficult times and the tool and die industry, in particular, has sustained losses due to foreign competition and increased productivity; and

Whereas, the designation of a Recovery Zone will temporarily reduce the tax burden paid by the business enabling it to reposition itself to compete globally; and

Whereas, Avon Broach has entered into a collaborative agreement with other business entities having the appropriate North American Industrial classification; and

Whereas, the qualified tool and die business property is property leased or owned by a tool and die business and used primarily for tool and die operations; and

Whereas, 1089 John R, further known as parcel number 70-15-24-100-005, is a designated Recovery Zone, and property within that zone is exempt from taxes levied by the City of Rochester Hills, and other units of government as provided under this Act; and

Whereas, we estimate that the tax revenue lost would be a small fraction of the benefits the designation of a Recovery Zone will bring the community; and

Whereas, the City of Rochester Hills had previously supported a Recovery Zone for this property for a period of up to five years in a previous resolution adopted on September 7, 2005; and

Whereas, the Michigan Strategic Fund designated the real and personal property at 1089 John R as a Recovery Zone for a period of five years; and

Whereas, amended legislation allows individual businesses in a Recovery Zone to have differing time periods for the abatement.

Resolved, that the City of Rochester Hills requests that the State of Michigan extend the duration of the Recovery Zone for Avon Broach, for real and personal property located at 1089 John R, for an additional five years.

Be It Finally Resolved, to forward a certified copy of this Resolution to the Michigan Strategic Fund Board, located at 300 N. Washington Square, Lansing, Michigan, 48913, no later than November 24, 2008.