



City of Rochester Hills
AGENDA SUMMARY
NON-FINANCIAL ITEMS

1000 Rochester Hills Dr.
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Legislative File No: 2008-0294 V5

TO: Mayor and City Council Members

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

DATE: November 22, 2013

SUBJECT: Request Scheduling a Public Hearing regarding the Request for an Industrial Facilities Exemption Certificate at 2350 Austin Drive.

REQUEST:

Schedule a Public Hearing for the Regular Meeting of City Council on December 9, 2013, to consider the request for an Industrial Facilities Exemption Certificate (IFT) or tax abatement, for real and personal property for Rayconnect, Inc. (Rayconnect) located at 2350 Austin Drive, also known as parcel No 15-29-452-036

BACKGROUND:

The City received notice from Rayconnect on November 13, 2013 that Rayconnect is experiencing tremendous growth and needs to expand its manufacturing capability. It is considering constructing an addition to their manufacturing building and purchasing more machinery and equipment. Please note that the expansion was planned for when the building was first designed in 2008. The addition will be to the west toward Devondale. The total investment could exceed \$11 million. Therefore, they are requesting your consideration for an IFT.

As defined in Public Act 198, of 1974, as amended, an IFT may not be approved without the establishment of an Industrial Development District (IDD). For parcel No. 15-30-452-036, the IDD already exists as City Council on June 23, 2008, approved the establishment of an IDD at this property and an IFT for real and personal property. Rayconnect is currently in the fifth year of that twelve-year tax abatement. This newly presented investment was not calculated at the time of the first abatement and cannot be added to the existing tax abatement as the two-year window of time to make those investments has closed.

By law, City Council must hold a Public Hearing before ruling on an IFT application. Public Act 198, of 1974, as amended, requires that City Council render a decision on an IFT application within 60 days of receipt.

Rayconnect will make a presentation to City Council regarding this investment plan and request for an IFT at the December 9th meeting and just prior to the Public Hearing.

RECOMMENDATION:

Schedule the Public Hearing for the Regular Meeting of City Council on December 9, 2013.

Thank You

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

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