



City of Rochester Hills
AGENDA SUMMARY
NON-FINANCIAL ITEMS

1000 Rochester Hills Dr.
Rochester Hills, MI 48309
248.656.4630
www.rochesterhills.org

Legislative File No: 2014-0400

TO: Mayor and City Council Members

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

DATE: September 12, 2014

SUBJECT: Request Scheduling a Public Hearing Regarding the Request for an Industrial Facilities Tax Exemption Certificate at 1857 Enterprise Drive

REQUEST:

That City Council schedule a Public Hearing for its Regular Meeting of October 6, 2014 to consider a request by AdduXi for an Industrial Facilities Tax Exemption Certificate (IFT), or tax abatement, for new personal property at 1857 Enterprise Drive.

BACKGROUND:

AdduXi is a privately held company with headquarters in France. It is a high tech plastic injection molding company that is growing its global footprint. Seeing growth in its automotive segment, the company has been looking to expand to the North American market and the business model requires AdduXi to establish a manufacturing facility to better serve its global clients. This requires the company to secure a location and purchase new equipment. After working with the economic development team of Oakland County and the City of Rochester Hills, AdduXi has chosen to sign a lease at 1857 Enterprise Drive. The company anticipates purchasing approximately \$3,700,000 in personal property and creating 40 jobs by 2016.

In 2012, Governor Snyder signed into law eleven bills that allows for the elimination of personal property tax on eligible manufacturing personal property. The majority of these Acts do not take effect until December 31, 2015 for the 2016 tax year. Thus, the company will still see a personal property tax liability for 2015.

By law, City Council must hold a Public Hearing before ruling on an IFT application. The Michigan State Tax Commission requires complete applications be submitted to their offices by October 31st to receive the IFT Certification by year end. Therefore, City Council may hold the Public Hearing and render a decision on October 6, 2014.

AdduXi will make a presentation to City Council regarding this investment plan and request for an IFT at the October 6th meeting and just prior to the Public Hearing.

RECOMMENDATION:

Please schedule the Public Hearing for October 6, 2014

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Mayor		
Deputy Clerk		