



City of Rochester Hills
AGENDA SUMMARY
NON-FINANCIAL ITEMS

1000 Rochester Hills Dr.
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Legislative File No: 2011-0069 V3

TO: Mayor and City Council Members
FROM: Ed Anzek, Director of Planning and Economic Development, ext. 2572
DATE: August 19, 2011
SUBJECT: Request to Consider Adoption of the Restated Resolution, to replace RES0042-2011, adopted at the March 21, 2011 Regular Meeting, which adds a whereas clause to the approval for the Industrial Facilities Exemption Certificate (IFT) for WABCO Product Development Center, 2770 Research Drive

REQUEST:

Adoption of a restated Resolution regarding the IFT approval for WABCO Product Development Center, 2770 Research Drive.

BACKGROUND:

At its March 21, 2011 Regular Meeting, the City Council adopted a Resolution approving an Industrial Facilities Exemption Certificate for personal property for the WABCO Product Development Center.

WABCO North America established a new division, WABCO Product Development Center, which is co-locating with WABCO Vehicle Control Systems at its facility on Research Drive. The new division was created to meet the company’s goal of growing its engineering capabilities in the United States, including adding IT/Data Systems and Software Engineering. The project will invest \$700,000 in the initial two years and add 40 jobs. The City granted a two-year tax abatement for personal property for the Development Center on March 21, 2011.

The State Tax Commission had previously advised us on May 18, 2011 that the Resolution as adopted on March 21, 2001 was approved by the Commission. Subsequently, we received a second notification in July that the State determined the Resolution was missing a “whereas” clause and is asking for an amended Resolution. The clause states that with this action, the total exempted taxes to date will not exceed 5% of an amount equal to the sum of the SEV of the local government unit. Mr. Kurt Dawson, Director of Assessing, advised that this action will bring our total to less than 1%.

RECOMMENDATION:

Adopt the restated Resolution, amending RES0042-2011, which adds a paragraph to the existing approval of the IFT for the WABCO Product Development Center.

APPROVALS:	SIGNATURE	DATE
Department Review		

Department Director		
Mayor		
City Council Liaison		

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