



City of Rochester Hills
AGENDA SUMMARY
NON-FINANCIAL ITEMS

1000 Rochester Hills Dr.
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Legislative File No: 2016-0242 V2

TO: Mayor and City Council Members
FROM: Ed Anzek, Director of Planning & Economic Development, ext 2572
DATE: July 5, 2016
SUBJECT: Request to establish an Industrial Development District at 1500 W. Hamlin Road

REQUEST:

Jenoptik Automotive North America has applied for a tax abatement under PA 198 provisions. In accordance with State Law, an Industrial Development District (IDD) must be established for the land area where the proposed investment will take place. Staff is requesting that City Council establish an IDD for 1500 W. Hamlin Road (formerly 1544 W. Hamlin Road), also known as Parcel No. 15-21-376-011.

BACKGROUND:

For nearly 10 years, Jenoptik has operated in Rochester Hills with the purchase of Detroit Precision Tool Company, (Hommel-Etamic) at 1505 W. Hamlin Road. The company's strategic plan is to grow its North American markets and create an Automotive Technical Campus. The Board of Directors considered a number of Michigan locations including Rochester Hills for this phased development project. Ultimately, based on a competitive proposal and the relationship City Administration developed with this innovative company, the Jenoptik Board of Directors selected Rochester Hills as home to its planned Automotive Technical Campus.

Under PA 198, a company physically located in an IDD is eligible for an Industrial Facilities Exemption Certificate (IFT). Jenoptik Automotive North America recently purchased 1544 and 1600 W. Hamlin Road also known as Parcel Nos. 15-21-376-011 and 15-21-376-010. In June, Jenoptik requested a change of address so note that 1544 is now formally 1500. City Council typically considers the establishment of an IDD in conjunction with an IFT. City council is required to hold a public hearing before making a determination on the establishment of the IDD.

While the application submitted by Jenoptik requests the establishment of an IDD at 1500 and 1600 W. Hamlin Road, the project scope only extends to 1500 W. Hamlin Road and thus staff recommends the district be established at that specific parcel.

A representative of Jenoptik Automotive North America will be present to address City Council. Additional information, including staff recommendations, can be found in the Agenda Summary relating to the IFT application (please refer to Legislative File No. 2016-0243 V2).

RECOMMENDATION:

Approve the request by Jenoptik Automotive North America to establish an Industrial Development District at 1500 W. Hamlin Road also known as Parcel No. 15-21-376-011.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Mayor		
Deputy Clerk		