



**City of Rochester Hills
AGENDA SUMMARY
NON-FINANCIAL ITEMS**

**1000 Rochester Hills Dr.
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Legislative File No: 2010-0447 V3

TO: Mayor and City Council Members
FROM: Ed Anzek, Planning & Economic Development Department, ext. 2572
DATE: December 2, 2010
SUBJECT: Bright Automotive Exemption Agreement

REQUEST:

To Approve the Exemption Agreement with Bright Automotive

BACKGROUND:

On November 22, 2010 City Council approved a tax exemption for Bright Automotive for a period of two years. The approval is contingent upon the parties entering into an agreement which provides a "clawback" provision. The provision requires that the company achieve an initial investment of \$9,120,000 over the two-year exemption period, create at least 204 jobs over the five-year term of the lease and remain in the building for the length of the initial lease term. The "clawback" would be a repayment of some or all of the exempted taxes, plus penalties and interest, if Bright Automotive does not achieve these requirements. Finally, the agreement also requires that the company file an annual report that identifies its employment and investment on a cumulative basis for each year of the initial lease term.

RECOMMENDATION:

Approve the agreement.

RESOLUTION

NEXT AGENDA ITEM

RETURN TO AGENDA

APPROVALS:	SIGNATURE	DATE
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