



Rochester Hills

1000 Rochester Hills Dr
Rochester Hills, MI 48309
(248) 656-4600
Home Page:
www.rochesterhills.org

Master

File Number: 2010-0495

File ID: 2010-0495

Type: Exemptions

Status: Public Hearing

Version: 6

Reference: 2010-0495

Controlling Body: City Council
Regular Meeting

File Created Date : 11/12/2010

File Name: Otto Bock IFT

Final Action:

Title label: Request for Approval of an Industrial Facilities Exemption Certificate (IFT) by Otto Bock Polyurethane Technologies, Inc. at 2923 Technology Drive for new Personal Property for a period of six (6) years

Notes: 11/22/10 CC Reg Mtg - RES0269-2010
2/28/11 CC Reg Meeting - RES0035-2011
9/16/2013 CC Reg Mtg RES0192-2013 V5

Sponsors:

Enactment Date:

Attachments: Agenda Summary.pdf, Development Agreement 2013.pdf, Financial Analysis.pdf, 091613 Agenda Summary.pdf, Application.pdf, 062413 Agenda Summary.pdf, Suppl Presentation 062413.pdf, 022811 Agenda Summary.pdf, 121310 Agenda Summary.pdf, 112210 Agenda Summary.pdf, Development Agreement Draft.pdf, Suppl Development Agreement (Revised).pdf, Suppl Presentation 121310.pdf, Exhibit A 2008 Tax Exemption Chart.pdf, Application.pdf, Application Question 6a.pdf, Application Section 6b.pdf, Otto Bock Brief History.pdf, 5 Year Analysis.pdf, 112210 Resolution.pdf, 121310 Resolution.pdf, 022811 Resolution.pdf, 091613 Resolution.pdf

Enactment Number:

Contact: M. Gentry PLA 656-4660

Hearing Date:

Drafter:

Effective Date:

History of Legislative File

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	City Council Regular Meeting	11/22/2010	Adopted by Resolution				Pass
2	City Council Regular Meeting	12/13/2010	Adopted by Resolution				Pass
3	City Council Regular Meeting	02/28/2011	Adopted by Resolution				Pass

4	City Council Regular Meeting	06/24/2013	Presented	
5	City Council Regular Meeting	09/16/2013	Adopted by Resolution	Pass
6	City Council Regular Meeting	09/30/2013		

Text of Legislative File 2010-0495

Title

Request for Approval of an Industrial Facilities Exemption Certificate (IFT) by Otto Bock Polyurethane Technologies, Inc. at 2923 Technology Drive for new Personal Property for a period of six (6) years

Body

Whereas, an Industrial Development District was established on September 6, 2006 at 2923 Technology Drive, also known as Parcel Number 15-30-477-012, and further described as:

THE SOUTH 133 FEET OF LOT 33 AND THE NORTH 142 FEET OF LOT 34, "ROCHESTER HILLS EXECUTIVE PARK" AS RECORDED IN LIBER 199, PAGES 26-30, OAKLAND COUNTY PUBLIC RECORDS. LYING IN THE SOUTHWEST 1/4 OF SECTION 29, AND THE SOUTHEAST 1/4 OF SECTION 30, TOWN 3 NORTH, RANGE 11 EAST, CITY OF ROCHESTER HILLS, OAKLAND COUNTY, MICHIGAN. CONTAINING 132,000 SQUARE FEET OR 3.03 ACRES; and

Whereas, in December 2010, City Council approved a real and personal property tax abatement for the investment Otto Bock made in the building located at 2923 Technology Drive, along with machinery and equipment; and

Whereas, Otto Bock is currently in the third year of that five-year tax abatement and 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; and

Whereas, Otto Bock pledged to invest \$3,861,000 in the Rochester Hills operation and create 39 jobs, and as reported to City Council in June 2013, Otto Bock to date has invested \$6,396,000 in the Rochester Hills facility and created 45 jobs; and

Whereas, Otto Bock Polyurethane Technologies, Inc. filed a new application for an Industrial Facilities Exemption Certificate for personal property on September 9, 2013; and

Whereas, in its application, Otto Bock Polyurethane has indicated that it is experiencing tremendous sales growth, especially in non-automotive sectors and plans to purchase \$2,950,000 in additional machinery and equipment within the next two years, creating an additional 17 jobs; and

Whereas, a Public Hearing regarding this request was held at City Council's Regular Meeting of September 30, 2013, in which the taxing authorities, applicant and public were given an opportunity to be heard; and

Whereas, The Rochester Hills City Council has reviewed the application and made the following findings:

- a. The granting of the Industrial Facilities Exemption Certificate, considered together with the aggregate amount of Industrial Facilities Exemption Certificates previously granted and currently in force, does not have the effect of substantially impeding the operation of the City of Rochester Hills or impairing the financial soundness of a taxing unit which levies an ad valorem property tax in the City of Rochester Hills in which the facility is located.
- b. Permanent jobs will be created and retained as a result of this project.

- c. There is a demonstrated need for financial assistance to encourage Otto Bock to retain its production and expansion in Rochester Hills.
- d. The prospects for long-term growth are present.
- e. The investment will increase the economic vitality of the industrial and high technology districts within the City of Rochester Hills.

Resolved, that pursuant to Section 9, (1) and (2) of Act 198 of Public Acts of 1974, as amended, the City Council of the City of Rochester Hills hereby approves the request of Otto Bock Polyurethane Technologies, Inc. for an Industrial Facilities Exemption Certificate for a period of six (6) years for personal property; and

Be It Further Resolved, that the accompanying agreement between Otto Bock Polyurethane Technologies, Inc. and the City of Rochester Hills is hereby approved and is to be sent to the Department of Treasury and the State Tax Commission along with this resolution no later than October 15, 2013; and

Be It Finally Resolved, that as the City Attorney has reviewed the agreement as to form, the Mayor is authorized to sign the agreement.