



## Legislation Text

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**File #:** 10-1173, **Version:** 1

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Resolution Setting a Public Hearing on Edwards Brothers Inc. Application for an Industrial Facilities Exemption Certificate in Industrial Development District No. 2007-010

Attached please find for Council action the necessary resolution to set a public hearing on the application of Edwards Brothers, Inc., for an industrial facilities exemption certificate in Industrial Development District No. 2007-010 established by City Council on August 6, 2007.

State law requires that a public hearing be scheduled by the local governing body on receipt of an application for an industrial facilities exemption certificate in an established development district. Edwards Brothers Inc. filed an application with the City Clerk on October 22, 2010.

Edwards Brothers Inc. is requesting abatement on \$188,055.00 of real property improvements and \$5,290,514.00 of personal property. The requested abatement covers both new equipment and an abatement for upgrades to existing equipment located on-site (approximately real property improvements of \$188,055.00 and \$1,385,000 of the personal property improvements). Michigan law provides for the abatement of new machinery and equipment. The City Assessor has determined that Edwards Brothers, Inc. application qualifies under the statute only for the amount of the new personal property, being \$3,905,514.00. If approved, this will reduce Edwards Brothers Inc. annual tax bill for the new improvements by an average of approximately \$27,000 for each year of the abatement. The new real and personal property investments will generate approximately \$27,000.00 in property taxes for each year during the abatement period.

Prepared by: David Petrak, City Assessor

Reviewed by: Tom Crawford, Chief Financial Officer

Approved by: Roger W. Fraser, City Administrator

Whereas, Pursuant to P.A. 198 of 1974, as amended ("Act"), after a duly noticed public hearing held on August 6, 2007, the City of Ann Arbor City Council established Industrial Development District No. 2007-010;

Whereas, Pursuant to Section 7a of the Act, on October 22, 2010, Edwards Brothers Inc., filed an application with the City Clerk for an Industrial Facilities Exemption Certificate for new personal property to be acquired and installed within Industrial Development District No. 2007-010;

Whereas, Before acting on said application, City Council is required to hold a public hearing at which the applicant, the City Assessor, and a representative of each of the affected taxing units and the public may be afforded an opportunity to be heard on said application; and

Whereas, Edwards Brothers Inc. had not begun installation of new machinery and/or equipment prior to October 22, 2010, the date of filing of the application for the Industrial Facilities Exemption Certificate;

RESOLVED, That the City Council of the City of Ann Arbor hereby sets a public hearing for Monday, January 3, 2011 at 7:00 p.m. or as soon thereafter as it may convene in the City Council Chambers,

2<sup>nd</sup> Floor, Guy Larcom Municipal Building, 100 N. Fifth Avenue, Ann Arbor, to receive comment from the applicant, City Assessor, representatives of each of the affected taxing units and the public on the application of Edwards Brothers Inc., for an Industrial Facilities Exemption Certificate for new personal property to be acquired and installed within Industrial Development District No. 2007-010;

RESOLVED, That the City Clerk be directed to publish notice of the public hearing in a newspaper of general circulation in the City and mail notice of the hearing to the applicant, the City Assessor, and each of the affected taxing units; and

RESOLVED, That the City Clerk shall maintain on file and make available on request copies of the application filed October 22, 2010 by Edwards Brothers Inc., for an Industrial Facilities Tax Exemption Certificate.