

Application for Industrial Facilities Tax Exemption Certificate

Issued under authority of Public Act 198 of 1974, as amended. Filing is mandatory.

INSTRUCTIONS: File the original and two copies of this form and the required attachments (three complete sets) with the clerk of the local government unit. The State Tax Commission (STC) requires two complete sets (one original and one copy). One copy is retained by the clerk. If you have any questions regarding the completion of this form, call (517) 373-3302.

To be completed by Clerk of Local Government Unit	
Signature of Clerk <i>Victoria L. House</i>	Date Received by Local Unit <i>5/26/2016</i>
STC Use Only	
Application Number	Date Received by STC

APPLICANT INFORMATION

All boxes must be completed.

1a. Company Name (Applicant must be the occupant/operator of the facility) Asmo Manufacturing Inc.		1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) 336390	
1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) 500 Fritz Keiper Blvd., Battle Creek, MI 49037		1d. City/Township/Village (indicate which) City of Battle Creek	1e. County Calhoun
2. Type of Approval Requested <input checked="" type="checkbox"/> New (Sec. 2(5)) <input type="checkbox"/> Transfer <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Rehabilitation (Sec. 3(6)) <input type="checkbox"/> Research and Development (Sec. 2(10)) <input type="checkbox"/> Increase/Amendment		3a. School District where facility is located Battle Creek	3b. School Code 13020
4. Amount of years requested for exemption (1-12 Years) 12 years for real property. 6 years for personal property.			

5. Per section 5, the application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the equipment that will be part of the facility. Attach additional page(s) if more room is needed.

Purchase of machinery and equipment to accommodate the expansion of the manufacturing process. Please see attached list of equipment.

6a. Cost of land and building improvements (excluding cost of land) * Attach list of improvements and associated costs. * Also attach a copy of building permit if project has already begun.	2,879,978 Real Property Costs
6b. Cost of machinery, equipment, furniture and fixtures * Attach itemized listing with month, day and year of beginning of installation, plus total	9,309,284 Personal Property Costs
6c. Total Project Costs * Round Costs to Nearest Dollar	12,189,262 Total of Real & Personal Costs

7. Indicate the time schedule for start and finish of construction and equipment installation. Projects must be completed within a two year period of the effective date of the certificate unless otherwise approved by the STC.

	Begin Date (M/D/Y)	End Date (M/D/Y)	
Real Property Improvements	01/07/2016	08/01/2016	<input checked="" type="checkbox"/> Owned <input type="checkbox"/> Leased
Personal Property Improvements	05/01/2016	10/01/2018	<input checked="" type="checkbox"/> Owned <input type="checkbox"/> Leased

8. Are State Education Taxes reduced or abated by the Michigan Economic Development Corporation (MEDC)? If yes, applicant must attach a signed MEDC Letter of Commitment to receive this exemption. ☐ Yes ☒ No

9. No. of existing jobs at this facility that will be retained as a result of this project. 278 of which 50 are full time temporary associates.	10. No. of new jobs at this facility expected to create within 2 years of completion. 27
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11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.

a. TV of Real Property (excluding land)	
b. TV of Personal Property (excluding inventory)	
c. Total TV	

12a. Check the type of District the facility is located in:

☒ Industrial Development District ☐ Plant Rehabilitation District

12b. Date district was established by local government unit (contact local unit)

11/25/1975


12c. Is this application for a speculative building (Sec. 3(8))?

☐ Yes ☒ No

APPLICANT CERTIFICATION - complete all boxes.

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all are truly descriptive of the industrial property for which this application is being submitted.

It is further certified that the undersigned is familiar with the provisions of P.A. 198 of 1974, as amended, being Sections 207.551 to 207.572, inclusive, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Industrial Facilities Exemption Certificate by the State Tax Commission.


13a. Preparer Name Michelle Darner	13b. Telephone Number 269-441-2044	13c. Fax Number 866-500-1920	13d. E-mail Address mdarner@asmo-na.com
14a. Name of Contact Person Michelle Darner	14b. Telephone Number 269-441-2044	14c. Fax Number 866-500-1920	14d. E-mail Address mdarner@asmo-na.com
▶ 15a. Name of Company Officer (No Authorized Agents) Daijirou Kondou			
15b. Signature of Company Officer (No Authorized Agents) 		15c. Fax Number 866-500-1920	15d. Date 05/25/2016
▶ 15e. Mailing Address (Street, City, State, ZIP Code) 500 Fritz Keiper Blvd, Battle Creek, MI 49037		15f. Telephone Number 269-441-2263	15g. E-mail Address dkondou@asmo-na.com

LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.

This section must be completed by the clerk of the local governing unit before submitting application to the State Tax Commission. Check items on file at the Local Unit and those included with the submittal.

▶ 16. Action taken by local government unit <input type="checkbox"/> Abatement Approved for _____ Yrs Real (1-12), _____ Yrs Pers (1-12) After Completion <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Denied (Include Resolution Denying)		16b. The State Tax Commission Requires the following documents be filed for an administratively complete application: Check or Indicate N/A if Not Applicable <input type="checkbox"/> 1. Original Application plus attachments, and one complete copy <input type="checkbox"/> 2. Resolution establishing district <input type="checkbox"/> 3. Resolution approving/denying application. <input type="checkbox"/> 4. Letter of Agreement (Signed by local unit and applicant) <input type="checkbox"/> 5. Affidavit of Fees (Signed by local unit and applicant) <input type="checkbox"/> 6. Building Permit for real improvements if project has already begun <input type="checkbox"/> 7. Equipment List with dates of beginning of installation <input type="checkbox"/> 8. Form 3222 (if applicable) <input type="checkbox"/> 9. Speculative building resolution and affidavits (if applicable)
16a. Documents Required to be on file with the Local Unit Check or Indicate N/A if Not Applicable <input type="checkbox"/> 1. Notice to the public prior to hearing establishing a district. <input type="checkbox"/> 2. Notice to taxing authorities of opportunity for a hearing. <input type="checkbox"/> 3. List of taxing authorities notified for district and application action. <input type="checkbox"/> 4. Lease Agreement showing applicants tax liability.		
16c. LUCI Code		16d. School Code 13020
17. Name of Local Government Body City of Battle Creek		▶ 18. Date of Resolution Approving/Denying this Application

Attached hereto is an original application and all documents listed in 16b. I also certify that all documents listed in 16a are on file at the local unit for inspection at any time, and that any leases show sufficient tax liability.

19a. Signature of Clerk 	19b. Name of Clerk Victoria L Houser	19c. E-mail Address vlhouser@battlecreekmi.gov
19d. Clerk's Mailing Address (Street, City, State, ZIP Code) 10 N Division Street Battle Creek MI 49014		
19e. Telephone Number 269 966 3348	19f. Fax Number 269 966 3347	

State Tax Commission Rule Number 57: Complete applications approved by the local unit and received by the State Tax Commission by October 31 each year will be acted upon by December 31. Applications received after October 31 may be acted upon in the following year.

Local Unit: Mail one original and one copy of the completed application and all required attachments to:

**Michigan Department of Treasury
State Tax Commission
PO Box 30471
Lansing, MI 48909**

(For guaranteed receipt by the STC, it is recommended that applications are sent by certified mail.)

STC USE ONLY				
▶ LUCI Code	▶ Begin Date Real	▶ Begin Date Personal	▶ End Date Real	▶ End Date Personal

---DESCRIPTION OF LANDS OR PERSONAL PROPERTY---

BC-FT CUSTER URBAN RENEWAL PLAT PART OF LOTS 94 & 95 DESC AS BEG NW COR OF LOT 95 - N 82 DEG 18 MIN 55 SEC E ALG NLY LI OF LOT 95 DIST OF 600 FT - S 7 DEG 35 MIN 35 SEC E ALG WLY LI OF FRITZ KEIPER BLVD 1402.92 FT - S 89 DEG 35 MIN 29 SEC W ALG NLY LI OF DENSO RD DIST OF 740.08 FT - N 1 DEG 44 MIN 18 SEC W ALG W LI OF LOT 95 DIST OF 476.28 FT - N 2 DEG 49 MIN 29 SEC W 839.29 FT - N 82 DEG 18 MIN 55 SEC E ALG NLY LI OF LOT 94 DIST OF 16 FT TO POB CONT 21 A SUBJ TO CONSUMER POWER EASE 10 FT WIDE SEE RES 375 DATED 9/24/85

Parcel Code Number: 3020-01-095-1

AMI Plant expansion

Description of Work	Scheduled Value
General Contracting	\$67,000.00
Permits	\$5,500.00
Supervision	\$50,000.00
Site work (foundation)	\$133,531.00
Concrete	\$493,020.00
Restrooms	\$40,000.00
Asphalt paving (S. Drive)	\$20,310.00
Metal building	\$720,478.00
Metal Building insulated	\$40,550.00
Paint floor	\$151,200.00
Paint steel	\$57,000.00
Plumbing	\$45,000.00
Overhead Doors	\$5,203.00
Heating	\$50,125.00
Water management	\$50,500.00
Ventilation	\$40,320.00
Fire protection	\$100,000.00
Electrical	\$400,241.00
Site Work soil and land prep	\$400,000.00
Drawings	\$10,000.00
Total Quote	\$2,879,978.00



City of Battle Creek

10 N. Division Street, Battle Creek, Michigan Phone: 269.966.3382 Fax: 269.966.3654

INSPECTION DIVISION

PB15-01039

Issued: 01/07/2016
Expires: 07/05/2016

Building

Please call 269.966.3382 for an inspection 24 hours in advance. Staff will schedule your request, please do not schedule directly with the inspector.

Type of Construction: 2B Occupancy Group: F-1 Edition of Code: 2012 Michigan Building Code

LOCATION	OWNER	APPLICANT
500 FRITZ KEIPER BLVD 3020-01-095-1 Lot: Plat/Sub: I2	NEW AMI INC,AKA Phone: Fax:	ASSOCIATED CONSTRUCTION 4541 W DICKMAN RD Battle Creek MI 49015 Phone: (269) 968 3391 Fax: (269) 968 3588

Work Description: for concrete footing and foundation and concrete slab

Stipulations:

Permit Item	Work Type	Fee Basis	Item Total
1a Admin fee	e14 Commercial	1.00	600.00
M E P Review	d13 Plan Review	1.00	825.00
COMMERCIAL PLAN REVIEW	d13 Plan Review commerc	50,400.00	1,100.00
f USE F-1, F-2 & H	e14 Commercial	50,400.00	11,592.00
1b ZONING APPRVL, COMMERCIAL	e14 Commercial	1.00	20.00

Fee Total: \$14,137.00
Amount Paid: \$14,137.00
Balance Due: \$0.00

Plan Reviewer

Inspector

Personal Property Equipment List for IFT

Description	Cost (\$)	Estimated Completion Date
Case (Single) Injection Die	100,347.96	2016/Jun
Cover (Single) Injection Die	99,575.39	2016/Jun
Case (Dual) Injection Die	103,524.07	2016/Jun
Cover (Dual) Injection Die	102,751.51	2016/Jun
Die SV cost (ASMO-J support)	40,000.00	2016/Jun
TR Machine 1 =Circuit board assemble=	1,098,276.30	2016/Aug
TR Machine 2 =Gear assemble=	1,790,747.82	2016/Aug
TR Machine 3 =Characteristics test=	496,675.77	2016/Aug
TR Machine 4 =Characteristics test transfer unit=	763,495.96	2016/Aug
TR Machine 5 =Oring assemble to Mabuchi motor=	577,690.65	2016/Aug
TR Machine Transfer cost	600,000.00	2016/Aug
TR Machine Installation and Facility cost	150,000.00	2016/Aug
TR Machine SV cost (ASMO-J support)	270,000.00	2016/Aug
TR Machine Sample cost (after installation in AMI)	100,000.00	2016/Aug
220 ton Injection Machine with Packaging (1st)	390,000.00	2016/Jun
220 ton Injection Machine installation and Facility cost	100,000.00	2016/Jun
220 ton Injection Machine with Packaging (2nd)	490,000.00	2016/Nov
220 ton Injection Machine with Packaging (3rd)	490,000.00	2017/Dec
220 ton Injection Machine with Packaging (4th)	490,000.00	2018/Oct
Crane for Case and Cover Injection Die	200,000.00	2016/Jun
Modular Room with Air conditioner	400,000.00	2016/Nov
Curtain for Injection area	50,000.00	2016/Nov
Case (Single) Injection Die =2nd Die=	100,347.96	2017/Apr
Cover (Single) Injection Die =2nd Die=	99,575.39	2017/Apr
Case (Dual) Injection Die =2nd Die=	103,524.07	2017/Apr
Cover (Dual) Injection Die =2nd Die=	102,751.51	2017/Apr

Total	9,309,284.36
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**INDUSTRIAL FACILITIES EXEMPTION AFFIDAVIT
COMMENCEMENT OF PROJECT**

STATE OF MICHIGAN)
) ss
COUNTY OF CALHOUN)

The undersigned, being duly sworn, states the following:

1. I am a representative of Asmo Manufacturing Inc,
Applicant for an Industrial Facilities Exemption Certificate, and make this Affidavit based on my own
knowledge.
2. I submit this Affidavit in support of the application for Industrial Facilities Exemption Certificate, dated
May 25, 2016.
3. I hereby certify that installation of the personal property, which is the subject of the application for
Industrial Facilities Exemption began on May 1, 2016.

Further Deponents sayeth not.

Michelle Garner, Applicant
BY: Assistant Accounting Mgr
ITS: Asmo Manufacturing Inc

WITNESSES:

Bridgette Jones
Jennifer A Wood

STATE OF MICHIGAN)
) ss
COUNTY OF CALHOUN)

Subscribed and sworn to before me this 25th day of May, 2016.

Paula A. Young
Notary Public

Calhoun County, Michigan
My Commission Expires: July 20, 2022

PAULA A. YOUNG
NOTARY PUBLIC, STATE OF MI
COUNTY OF CALHOUN
MY COMMISSION EXPIRES Jul 20, 2022
ACTING IN COUNTY OF



INDUSTRIAL FACILITIES EXEMPTION AGREEMENT

This Agreement is entered into as required and authorized by Public Act 334 of 1993 and made in connection with an Application for an Industrial Facility Exemption Certificate by the Applicant named below.

This agreement is entered into between the City of Battle Creek, a Michigan municipal corporation, hereinafter "City", whose address is P.O. Box 1717, Battle Creek, MI 49016-1717, and Asmo Manufacturing Inc. whose address is 500 Fritz Keiper Blvd, Battle Creek, MI 49037. hereinafter "Applicant".

For and in consideration of the granting of an Industrial Facilities Exemption Certificate pursuant to Public Act 198 of 1974, the parties agree as follows:

1. Commitments made by Applicant in this Agreement are binding on Applicant if and only if the City Approves an Industrial Facilities Exemption Application filed by Applicant on May 25, 20 16 ("Application") and the Application is approved and a Tax Exemption Certificate is issued by the Department of Treasury State Tax Commission pursuant to Act 198.
2. Applicant agrees that the facility for which it has filed the above Application is a new facility.
3. Applicant agrees that the facility will be constructed in not more than two assessment years.
4. Applicant represents that the real and personal property improvements represent an investment equal to at least 20% of the current true cash value of the property as determined by the Assessor or more than \$100,000.00
5. Applicant agrees that if the application includes personal property, the personal property will be used only for manufacturing or manufacturing systems; Applicant agrees that manufacturing is defined as the substantial transformation of a product.
6. Applicant agrees that prior to October of each year and upon reasonable notice at other times, it will supply such information to City as may be necessary for City

staff to enable it to prepare a report to the City Commission and State regarding Applicant's compliance with abatement guidelines and the law.

7. Applicant agrees to expend approximately Twelve million one hundred eighty nine thousand two hundred and sixty-two (\$ 12,189,262) on the improvements that are the subject of the Application named above.
8. Applicant agrees that if the abatement is granted, it will create and hire not less than 27 full-time job equivalent positions not existing as of the date of the Application and not later than June 1, 2017. City recognizes that business conditions, including but not limited to NAFTA, may make it impossible to meet the commitments contained in this paragraph.
9. Applicant agrees that it will retain no less than 278 full-time job equivalent positions as measured from the date of the Application and for as long as the Certificate issued pursuant to the Application is in effect. City recognizes that business conditions, including but not limited to NAFTA, may make it impossible to meet the commitments contained in this paragraph.
10. Applicant agrees that it will comply with the policy of the Battle Creek City Commission established October 2, 1984, that states any business or industry expected to have 15 or more employees requesting financial assistance from the City must demonstrate its commitment to equal employment practices and hire minority persons at least equal in proportion to the available minority work force in the Battle Creek standard metropolitan area (SMSA) within a reasonable length of time. Applicant further agrees to complete such forms as may be necessary to process the Industrial Facilities Exemption Application associated with this Agreement and such other forms as from time to time may be required by the City of Battle Creek relating to equal employment requirement.
11. City agrees that so long as the conditions of this agreement and of the law are fulfilled, it will not seek to revoke the Tax Facility Exemption Certificate issued by the State of Michigan as a result of the above-mentioned Application during the term of that Certificate.

12. City and Applicant agree that any material violation of this Agreement shall be grounds to revoke the Industrial Facilities Exemption Certificate issued pursuant to this Application and city may pursue such remedies as provided by law.

In addition, Applicant agrees that if it ceases operation of its facility before the expiration of the Certificate granted in reliance of this contract it shall be liable to City as partial liquidated damages the following:

A sum of money equal to the current total annual tax savings of this certificate divided by 12 and multiplied the number of months remaining in the year of closure not counting the month of closure. Said sum payable upon demand of City.

Executed at Battle Creek, Michigan, the dates written below.

DATED: _____

BY:
Its: City Manager

Applicant:

DATED: 5-25-16

Michelle Garner
BY:
Its: Accounting Assistant Mngr.

INDUSTRIAL FACILITIES EXEMPTION
FEE AFFIDAVIT

STATE OF MICHIGAN)
)
COUNTY OF CALHOUN)

_____ and Michelle Darner_____.

being first duly sworn, depose and say as follows:

4. I am a representative of Asmo Manufacturing Inc.,
Applicant for an Industrial Facilities Exemption Certificate, and make this Affidavit based on my own knowledge.
5. I, _____, City Manager of the City of Battle Creek, am an official of the City of
Battle Creek and I make this Affidavit based on my own knowledge.
6. The named individuals swear or affirm that no payment of any kind in excess of the fee allowed by Act 198, as amended, has been
made or promised in exchange for favorable consideration of a contemporaneous exemption certificate application.

Further Deponents sayeth not.

WITNESSES:

Michelle Darner_____, Applicant

BY: Accounting Assistant Mngr.
ITS: _____

Budgette Inou
Jennifer R. Wood
STATE OF MICHIGAN)
)
COUNTY OF CALHOUN)

Subscribed and sworn to before me this 25th day of May, 2016

Paula A. Young
Notary Public
Calhoun County, Michigan
My Commission Expires: July 20, 2022

PAULA A. YOUNG
NOTARY PUBLIC, STATE OF MI
COUNTY OF CALHOUN
MY COMMISSION EXPIRES Jul 20, 2022
ACTING IN COUNTY OF

WITNESSES

CITY OF BATTLE CREEK

BY: _____ City Manager

STATE OF MICHIGAN)
)
COUNTY OF CALHOUN)

Subscribed and sworn to before me this _____ day of _____, 20____.

Notary Public

Calhoun County, Michigan
My Commission Expires: _____



ANNUAL PROPERTY TAX ABATEMENT INFORMATION UPDATE

All numbers should reflect the fiscal period September 1, 2015 – August 31, 2016

as of 5-25-16

Company Name: Asmo Manufacturing Inc

5-25-16

As of August 31, 2016, what is the total number of full-time job equivalent employees?

Of the above figure, how many were hired during this fiscal period?

What is the total amount of capital investment that has been expended for Real property?

What is the total amount of capital investment that has been expended for Personal property?

What amount of new building square footage (if any) has been added?

Authorized Signature:

Michelle Darner

Date:

5-25-16

Name of person completing form:

Michelle Darner

Phone:

269-441-2044

Email Address:

mdarner@asmo-na.com

Please return this form on or before October 1, 2016 by mail, fax or email to:

Battle Creek Assessor's Office
10 N. Division Street
PO Box 1717
Battle Creek, MI 49016-1717

Phone: 269-966-3369
Fax: 269-966-0618
Email: sdgresly@battlecreekmi.gov

278 Battle Creek MI Employees of which 50 are full time temp associates. We also have 39 additional employees at our Ennis, TX location. We have so far hired 2 of the additional 27 employees required for the expansion. \$2,482,589 of the \$2,879,978 for the expansion has been invested. \$5,116,886 of the \$9,309,284 for the expansion has been invested. 50,400 sq/ft