



## Resolution

NO. 64

A Resolution setting a Public Hearing for 7:00 PM, February 3, 2015, on a proposed Industrial Facilities Tax Exemption Certificate at the request of WKW Roof Rail Systems, LLC, for real and tangible personal property located at 215 N. Hill Brady Road in Industrial Development District No. 2.

**BATTLE CREEK, MICHIGAN - 1/20/2015**

### **Resolved by the Commission of the City of Battle Creek:**

The City of Battle Creek has received an application for an Industrial Facilities Tax Exemption Certificate under the provisions of Act 198 of the Public Acts of 1974, as amended, from WKW Roof Rail Systems, LLC, with respect to a facility located within Industrial Development District No. 2; and

1. The City Commission of the City of Battle Creek shall hold a hearing on February 3, 2015, beginning at 7:00 PM in the City Commission Chambers in City Hall, Battle Creek, Michigan, for the purpose of affording a hearing to the applicant, the City Assessor and a representative of each taxing unit which levies ad valorem property taxes in the City of Battle Creek on the real and tangible personal property of the applicant, as required by Section 5(2) of said Act; and
2. The City Clerk shall notify in writing the City Assessor and the legislative body of each taxing unit which levies ad valorem property taxes on the tangible personal property of the applicant, of the date, time and place of the aforementioned hearing and that the City Commission shall afford the applicant, Assessor and a representative of each such taxing unit an opportunity to be heard with respect to the applicant's application

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Battle Creek City Commission  
1/20/2015

### **Action Summary**

**Staff Member:** Steven M. Hudson

**Department:** Assessing

### **SUMMARY**

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### **BUDGETARY CONSIDERATIONS**

### **CITY OF BATTLE CREEK**

#### **Assessor's Application Review & Tax Analysis for Industrial Facilities Tax Exemption Request**

Applicant:	WKW ROOF RAIL SYSTEMS, LLC
Location of Facility:	215 N. Hill Brady Road
Application Filed:	12/30/2014
Industrial Development District:	IDD No. 2
Special District(s) Containing Facility:	TIFA
Type of Facility:	NEW

Description of Facility:

Real property improvements include converting an existing building used as warehouse to an industrial automotive supply components facility. Equipment purchases will enable production and assembly of manufactured parts.

Property Type	Estimated Investment	Construction Begins	Construction Ends	# of Years Eligible	Abatement Ends
Real	\$4,634,497	7/18/2014	12/30/2016	12	12/30/2027
Personal*	\$49,856,713	7/18/2014	12/30/2016	12	12/30/2027
<b>Total:</b>	<b>\$54,491,210</b>	NOTE: Abatement ends 12 years <u>after</u> project completion.			

**ESTIMATED PROPERTY TAXES OVER LIFE OF CERTIFICATE**

Tax Year	Taxable Value	Taxes Without Abatement	Taxes With Abatement	Taxes Abated	Abatement Years
2015	\$1,287,284	\$45,422	\$24,834	\$20,588	1st Year Abatement
2016	\$2,317,249	\$163,811	\$89,629	\$74,182	2nd Year Abatement
2017	\$2,317,249	\$163,811	\$89,629	\$74,182	3rd Year Abatement
2018	\$2,317,249	\$163,811	\$89,629	\$74,182	4th Year Abatement
2019	\$2,317,249	\$163,811	\$89,629	\$74,182	5th Year Abatement
2020	\$2,317,249	\$163,811	\$89,629	\$74,182	6th Year Abatement
2021	\$2,317,249	\$163,811	\$89,629	\$74,182	7th Year Abatement
2022	\$2,317,249	\$163,811	\$89,629	\$74,182	8th Year Abatement
2023	\$2,317,249	\$163,811	\$89,629	\$74,182	9th Year Abatement
2024	\$2,317,249	\$163,811	\$89,629	\$74,182	10th Year Abatement
2025	\$2,317,249	\$163,811	\$89,629	\$74,182	11th Year Abatement
2026	\$2,317,249	\$163,811	\$89,629	\$74,182	12th Year Abatement
2027	\$2,317,249	\$163,811	\$89,629	\$74,182	13th Year Abatement
<b>TOTALS</b>		<b>\$2,011,154</b>	<b>\$1,100,381</b>	<b>\$910,772</b>	

Expected # of jobs to be created within 2 years of completion:	186
Expected # of jobs to be retained as a result of this project:	19
City's Current Abatement Ratio (including this application):	21.22%
Proposed TOTAL Taxes to be Abated over Life of Certificate:	\$910,772

	Real	Personal	
Full Millage**	63.6266	39.6266	Submitted by: Steven Hudson, MMAO 4
IFT Millage**	34.8132	19.8132	City Assessor

*\*New personal property becomes exempt in 2016*

*\*\*Does not include 1% administrative fee*

**ANALYSIS IS FOR ILLUSTRATIVE PURPOSES ONLY**

**ACTUAL AMOUNT AND DURATION OF INCENTIVE SUBJECT TO CITY COMMISSION APPROVAL**

**HISTORY, BACKGROUND and DISCUSSION**

This resolution schedules a public hearing on the attached Industrial Facilities Tax Exemption application from WKW Roof Rail Systems, LLC

**DISCUSSION OF THE ISSUE**

**POSITIONS**

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ATTACHMENTS:

File Name	Description
 <a href="#">WKW IFT Application 12-30-14.pdf</a>	WKW Rail Roof Systems, LLC IFT Application