



Resolution NO. 175

A Resolution setting a Public Hearing for 7:00 PM, September 5, 2017, on a proposed Industrial Facilities Exemption (IFE) Certificate at the request of Bowers Aluminum Company for real property located at 1401 Shiga Drive in Industrial Development District No. 2.

BATTLE CREEK, MICHIGAN - 8/15/2017

Resolved by the Commission of the City of Battle Creek:

The City of Battle Creek has received an application for an Industrial Facilities Exemption Certificate under the provisions of Act 198 of the Public Acts of 1974, as amended, from Bowers Aluminum Company 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 September 5, 2017, 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 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 real 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.

I, Victoria Houser, City Clerk of the City of Battle Creek, hereby certify the above and foregoing is a true and correct copy of a Resolution adopted by the Battle Creek City Commission at a Regular meeting held on August 15, 2017.

Victoria L. Houser
Victoria Houser

Battle Creek City Commission
8/15/2017

Action Summary

Staff Member: Steven M. Hudson

Department: Assessing

SUMMARY

A Resolution setting a Public Hearing for 7:00 PM, September 5, 2017, on a proposed Industrial Facilities Exemption (IFE) Certificate at the request of Bowers Aluminum Company for real property located at 1401 Shiga Drive in Industrial Development District No. 2.

BUDGETARY CONSIDERATIONS

CITY OF BATTLE CREEK Assessor's Application Review & Tax Analysis for Industrial Facilities Tax Exemption Request	
Applicant:	Bowers Aluminum Company
Location of Facility:	1401 Shiga Drive
Application Filed:	7/28/2017
Industrial Development District:	IDD #2
Special District(s) Containing Facility:	BATTLE CREEK TIFA
Type of Facility:	NEW
Description of Facility:	Applicant intends to construct a 68,850 square foot industrial facility to be used for anodizing aluminum products

Property Type	Estimated Investment	Construction Begins	Construction Ends	# of Years Eligible	Abatement Ends
Real	\$2,420,000	9/18/2017	9/17/2018	12	12/30/2031
Personal*					
Total:	\$2,420,000	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
2018	\$400,000	\$25,616	\$14,008	\$11,608	1st Year Abatement
2019	\$1,210,000	\$77,488	\$42,374	\$35,114	2nd Year Abatement
2020	\$1,210,000	\$77,488	\$42,374	\$35,114	3rd Year Abatement
2021	\$1,210,000	\$77,488	\$42,374	\$35,114	4th Year Abatement
2022	\$1,210,000	\$77,488	\$42,374	\$35,114	5th Year Abatement
2023	\$1,210,000	\$77,488	\$42,374	\$35,114	6th Year Abatement
2024	\$1,210,000	\$77,488	\$42,374	\$35,114	7th Year Abatement
2025	\$1,210,000	\$77,488	\$42,374	\$35,114	8th Year Abatement
2026	\$1,210,000	\$77,488	\$42,374	\$35,114	9th Year Abatement
2027	\$1,210,000	\$77,488	\$42,374	\$35,114	10th Year Abatement
2028	\$1,210,000	\$77,488	\$42,374	\$35,114	11th Year Abatement
2029	\$1,210,000	\$77,488	\$42,374	\$35,114	12th Year Abatement
2030	\$1,210,000	\$77,488	\$42,374	\$35,114	13th Year Abatement
TOTALS		\$955,471	\$522,494	\$432,977	

Expected # of jobs to be created within 2 years of completion:	50
Expected # of jobs to be retained as a result of this project:	0
City's Current Abatement Ratio (including this application):	9.09%
Proposed TOTAL Taxes to be Abated over Life of Certificate:	\$432,977

Real	
Full Millage+ 63.7096	Submitted by: Steven Hudson, MMAO 4
IFT Millage+ 34.8547	City Assessor
<i>*New personal property became exempt in 2016</i>	
<i>+does not include 1% administrative fee</i>	

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 Exemption application from Bowers Aluminum Company.

DISCUSSION OF THE ISSUE**POSITIONS****ATTACHMENTS:**

File Name	Description
 Bowers Aluminum Co. IFE Application 7-28-17.pdf	Bowers Aluminum Company IFE Application 7-28-17