


AGENDA REPORT

TO: Mayor & City Commission
FROM: Ken Hibl, City Manager
DATE: December 2, 2009



RE: Establishment of New Industrial Development District & Plant Rehabilitation District

For the Agenda of December 07, 2009

Background. Mr. Scott Carter, the President of Robotic Welded Parts, has recently purchased the industrial property and buildings formerly owned by Spartec Plastics located at 314 East Fourth Street in Clare with the intent of moving his business from its currently leased location to this site. The buildings are essentially obsolete and in great need of renovation. Mr. Carter has commenced rehabilitation of the buildings and has concurrently requested (*see copy of att'd letter*) that the City consider designating this site and its buildings as an Industrial Development District and Plant Rehabilitation District to allow him to take advantage of any available incentives he may qualify for with future improvements. **Note: Mr. Carter's current rehabilitation efforts at this site are ineligible for industrial tax incentives or abatements as he has already commenced work; however, any new improvements or equipment purchases may be eligible if the site is designated as an Industrial Development and Rehabilitation District – without this designation, they are not.**

In order for the City Commission to designate this property as a Development and Rehabilitation District, a public hearing must first be held to receive comment related to the request. The City has noticed (*see att'd copy of public notice*) this hearing. The City Commission is now asked to conduct the hearing and subsequently consider acting on Mr. Carter's request.

Issues & Questions Specified. Should the City Commission designate the property and buildings recently purchased by Robotic Welded Parts as an Industrial Development District and Plant Rehabilitation District?

Alternatives.

1. Designate the property and buildings as an Industrial Development and Rehabilitation District.
2. Do not designate this site as an Industrial Development and Rehabilitation District.
3. Defer/delay decision of this matter to a subsequently scheduled City Commission meeting.

Financial Impact. There is no current fiscal impact of this action. However, it is hoped that approving the requested designation will serve as an incentive for future investment and development of this property and its buildings while concurrently providing this company to grow and potentially create additional/new job opportunities.

Recommendation. I recommend that the City Commission approve Mr. Carter's request by adoption of Resolution 2009-075 (*copy att'd*).

Attachments.

1. Letter Request.
2. Public Notice.
3. Resolution 2009-075.

November 12, 2009

Mr. Ken Hibl, City Manager
City of Clare
202 W. Fifth St.
Clare, MI 48617

Dear Mr. Hibl,

On behalf of our company, Robotic Welded Parts, I hereby request the City of Clare to create and designate our property located at 314 E. 4th. St. Clare, MI as an Industrial Development District and a Plant Rehabilitation District as authorized under PA 198 as amended. A copy of our property description is enclosed.

We are a manufacturing company currently located in the City of Clare. Our company anticipates growth in the future, meaning we could add new equipment or require expansion of our facility. Therefore we wish to be in a position to qualify for the 12 year, 50% tax abatement allowable under PA 198 as amended. However, it is our understanding that first the district must be created.

If you have questions regarding this request please call Katherine Methner, Director of Business Development at Middle Michigan Development Corporation at 989-772-2858 or myself at 989-240-0578.

I thank you in advance for your assistance in this matter.

Sincerely,

A handwritten signature in black ink that reads "Scott Carter". The signature is written in a cursive, flowing style.

Scott Carter, President

Enclosures: Property Descriptions.



CITY OF CLARE

202 West Fifth Street • Clare, Michigan 48617-1490

989/386-7541 • Fax 989/386-4508

www.cityofclare.org

CITY HALL

Ph 989/386-7541
Fx 989/386-4508
www.cityofclare.org

DEPARTMENT OF PUBLIC WORKS

Ph 989/386-2182
Fx 989/386-3445

W/WWT PLANT

Ph 989/386-2321
Fx 989/386-2387

POLICE DEPT.

Non-emergency
Ph 989/386-2121
Fx 989/386-0440

FIRE DEPT. NON-EMERGENCY

Ph 989/386-2151
Fx 989/386-3020

PARKS & RECREATION

Ph 989/386-7541
Fx 989/386-4508

AIRPORT

Ph 989/386-0445
Fx 989/386-4508

MAIN STREET MANAGER

Ph 989/386-9190
Fx 989/386-9190

PUBLIC NOTICE

The City Commission of the City of Clare will hold a public hearing on Monday, December 07, 2009 at 6:00 p.m. at Clare City Hall, 202 West Fifth Street, Clare MI 48617 to receive public comment pertaining to the establishment of an Industrial Development District and Plant Rehabilitation District as authorized under the provisions of Michigan P.A. 198, at the request of Robotic Welded Parts on property located at: T17N R4W Sec 35, commonly known as 314 E. Fourth St. (old Spartech building). Public comment will be accepted by the City Commission at the scheduled public hearing or in writing if received by the City Clerk not later than 5:00 p.m. on the date of the scheduled hearing. The request is available for review at the Office of the City Clerk, M-F, 8 am – 5 pm. Phone 989/386-7541 x 106.

Diane Schmidt
City Clerk

RESOLUTION 2009-075

A RESOLUTION OF THE CLARE CITY COMMISSION DESIGNATING AN INDUSTRIAL DEVELOPMENT DISTRICT AND PLANT REHABILITATION DISTRICT WITHIN THE CITY LIMITS OF CLARE.

WHEREAS, the City of Clare has received a request from Robotic Welded Parts to establish an Industrial Development District and Plant Rehabilitation District within the City of Clare; and

WHEREAS, pursuant to the provisions of Public Act 198 (the Act) of the Public Acts of the State of Michigan, the City Commission of the City of Clare has held a public hearing to receive public comment pertaining to the request of Robotic Welded Parts to establish an Industrial Development District within the City limits of Clare and has notified all potentially affected taxing units of its intent to consider said request to establish said Industrial Development District and Plant Rehabilitation District; and

WHEREAS, the time and place of said public hearing was appropriately noticed and announced in accordance with the requirements of the Act; and

WHEREAS, the City Commission duly considered all public comment received at said public hearing and the responses of notified taxing units and subsequently determined that said request to establish an Industrial Development District and Plant Rehabilitation District was deemed to be in the best interests of the City of Clare, named requesting corporation, and established and future industrial firms; and

WHEREAS, it has been determined that the property comprising not less than 50 percent of the state equalized valuation of the property within the proposed Plant Rehabilitation District is obsolete.

NOW THEREFORE BE IT RESOLVED that the City Commission of the City of Clare hereby establishes Industrial Development District and Plant Rehabilitation District to be all lands inclusive of the following boundaries: T17N, R4W, SEC 35, City of Clare, Clare County, State of Michigan, described as: BEGINNING AT NE CORNER OF BLOCK 25 PLAT OF VILLAGE OF CLARE, TH N69 DG 53' 17"W 310.01 FT TO E L OF VILLAGE OF CLARE TH N 0 DEG 0' 43" E 507.29 FT TO POB. THIS DESCRIPTION INCLUDES THE W 33 FT OF VACATED JEFFERSON ST LYING S OF FOURTH ST (old Spartech property).

ALL RESOLUTIONS AND PARTS OF RESOLUTIONS INsofar AS THEY CONFLICT WITH THE PROVISIONS OF THIS RESOLUTION BE AND THE SAME ARE HEREBY RESCINDED.

The Resolution was introduced by Commissioner _____ and supported by Commissioner _____. The Resolution declared adopted by the following roll call vote:

YEAS:

NAYS:

ABSENT:

Resolution approved for adoption on this 7th day of December 2009.

Diane Schmidt, City Clerk