



301 W. MAIN • OWOSSO, MICHIGAN 48867-2958 • (989) 725-0599 • FAX (989) 723-8854

MEMORANDUM

DATE: May 19, 2017

TO: Mayor Christopher Eveleth, City Council, and Manager Don Crawford

FROM: Larry Cook, Assessor

RE: Tax Abatement Application – TRI-MER Corporation, 1400 Monroe / McMillan St.

On May 16, 2017, the city clerk received an application for a Tax Abatement along with an application for a Real and Personal Property IFT from TRI-MER Corporation. Initial Review indicates the applicant meets the requirements for tax abatement.

TRI-MER Corporation, specializing in environmental protection equipment internationally, has been a part of the City of Owosso for over 50 years. The continued growth of this company makes it necessary for them to build a 9600 square foot addition to a facility built in 2014 on McMillan Street. The IFT application indicates the cost of this facility to be \$952,000 with an additional investment of \$184,500 in personal property. This expansion will retain the 79 current employees with an additional 20 full time employees proposed at a pay rate exceeding \$15.00 per hour.

An Industrial Facilities Tax Exemption Certificate, Act 198 of 1974, is a tax abatement which reduces the tax burden by 50%. The IFT exemption may be granted for up to 12 years.

An Industrial Development District for that area was established 3-19-79. The next step is to set a public hearing for Monday, June 19, 2017 for the purpose of hearing public comments on this Real and Personal Property IFT application. The city clerk has notified the taxing jurisdictions of this application as required under the city's abatement policy and as required under the act and will forward any responses to you

As always, if you have any further questions, please feel free to contact me at (989) 725-0530.

**RESOLUTION NO.
SETTING PUBLIC HEARING TO CONSIDER APPLICATION FOR
AN INDUSTRIAL FACILITIES TAX EXEMPTION CERTIFICATE
TRI-MER CORPORATION
1400 MONROE / McMILLAN AVENUE**

WHEREAS, a tax abatement application was received May 16, 2017 from TRI-MER Corporation per the City of Owosso Tax Abatement Policy of June 7, 2010; and

WHEREAS, an application was also received May 16, 2017 from TRI-MER Corporation for a Real and Personal Property Industrial Facilities Tax Exemption Certificate; and

WHEREAS, an Industrial Development District was established March 19, 1979 for property described as:

BLOCKS 8 & 9 ALSO BEG SW COR LOT 1, BLK 11 TH N 03*39', E 366.24', TH S 62*27', E 556.27' TH S 01*05', W 118.70' TH W TO POB INCLUDING VACATED ABREY AVE. & ALLEYS ADJACENT AND WITHIN SAID BLOCKS. GEO. T. ABREY'S WOODLAWN PARK ADDN.; and

WHEREAS, the Industrial Facilities Tax Exemption certificate, being part of Act 198 of 1974, is available to the city of Owosso; and

WHEREAS, city of Owosso is a qualified local governmental unit and permits the city of Owosso to grant an Industrial Facilities Tax Exemption Certificate; and

WHEREAS, it was determined by city staff that the Industrial Facilities Exemption Certificate is within the guidelines of the City of Owosso Tax Abatement Policy of June 7, 2010; and

WHEREAS, notification will be sent to all taxing jurisdictions per the City of Owosso Tax Abatement Policy of June 7, 2010; and

NOW, THEREFORE, BE IT RESOLVED by the city council of the city of Owosso, Shiawassee County, Michigan that:

FIRST: the Owosso City Council sets a public hearing for June 19, 2017 on or about 7:30 p.m. in the council chambers for the purpose hearing comments for those within the proposed district, governmental taxing jurisdictions and any other resident or taxpayer, of the city of Owosso; and

SECOND: the city clerk gives the notifications as required by law.

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	Date Received by Local Unit
STC Use Only	
Application Number	Date Received by STC

APPLICANT INFORMATION

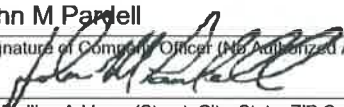
All boxes must be completed.

1a. Company Name (Applicant must be the occupant/operator of the facility) Tri-Mer Corporation		1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) 3999													
1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) 745 Mc Millian St., Owosso MI 48867		1d. City/Township/Village (Indicate which) City	1e. County Shiawassee												
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 Owosso	3b. School Code												
4. Amount of years requested for exemption (1-12 Years) 12															
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. 80'x 120' x 49' Tall Pre-Engineered Building addition to better accomdate our grown manufacturing business.															
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.		▶ \$952,000.00 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		▶ \$184,500.00 Personal Property Costs													
6c. Total Project Costs * Round Costs to Nearest Dollar		▶ \$1,136,500.00 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. <table border="0"><thead><tr><th></th><th>Begin Date (M/D/Y)</th><th>End Date (M/D/Y)</th><th></th></tr></thead><tbody><tr><td>Real Property Improvements</td><td>▶ <u>5/8/17</u></td><td><u>1/3/18</u></td><td>▶ <input checked="" type="checkbox"/> Owned <input type="checkbox"/> Leased</td></tr><tr><td>Personal Property Improvements</td><td>▶ <u>2/1/18</u></td><td><u>3/1/18</u></td><td>▶ <input checked="" type="checkbox"/> Owned <input type="checkbox"/> Leased</td></tr></tbody></table>					Begin Date (M/D/Y)	End Date (M/D/Y)		Real Property Improvements	▶ <u>5/8/17</u>	<u>1/3/18</u>	▶ <input checked="" type="checkbox"/> Owned <input type="checkbox"/> Leased	Personal Property Improvements	▶ <u>2/1/18</u>	<u>3/1/18</u>	▶ <input checked="" type="checkbox"/> Owned <input type="checkbox"/> Leased
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Personal Property Improvements	▶ <u>2/1/18</u>	<u>3/1/18</u>	▶ <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. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No															
9. No. of existing jobs at this facility that will be retained as a result of this project. 80		10. No. of new jobs at this facility expected to create within 2 years of completion. 20													
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: <input checked="" type="checkbox"/> Industrial Development District <input type="checkbox"/> Plant Rehabilitation District															
12b. Date district was established by local government unit (contact local unit)		12c. Is this application for a speculative building (Sec. 3(8))? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> 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 Charlene Hebekeuser	13b. Telephone Number 989-723-7838	13c. Fax Number 989-723-7844	13d. E-mail Address char@tri-mer.com
14a. Name of Contact Person Charlene Hebekeuser	14b. Telephone Number 989-723-7838	14c. Fax Number 989-723-7844	14d. E-mail Address char@tri-mer.com
▶ 15a. Name of Company Officer (No Authorized Agents) John M Pardell			
15b. Signature of Company Officer (No Authorized Agents) 		15c. Fax Number 989-723-7844	15d. Date 5/12/17
▶ 15e. Mailing Address (Street, City, State, ZIP Code) 1400 E Monroe St., PO Box 730 Owosso MI 48867		15f. Telephone Number 989-723-7838	15g. E-mail Address pardell@tri-mer.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	
17. Name of Local Government Body		▶ 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	19c. E-mail Address
19d. Clerk's Mailing Address (Street, City, State, ZIP Code)		
19e. Telephone Number	19f. Fax Number	

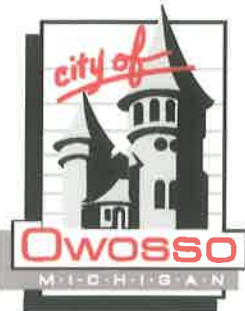
State Tax Commission Rule Number 57: Complete applications approved by the local unit and received by the State Tax Commission by October 31 each year will be acted upon by December 31. Applications received after October 31 may be acted upon in the following year.

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



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APPLICATION FOR TAX ABATEMENT

Applicant (Official Company Name) Tri-Mer Corporation

Business Name (If Different) _____

Address of Proposed Project 745 Mc Millan St.

Mailing Address (If Different) PO Box 730

1400 E. Monroe St.

Do you own the property? Yes If no, what is your relationship? _____

Type of Abatement Requested (if known) _____

Total square footage of all current buildings on site 10,000 sf current with 10,000 sf addition

Description of proposed project including type of current business activity and product to be manufactured (if applicable), size of proposed structure and proposed activity and/or product.

80' x 120' x 49' Tall Pre-Engineered Building addition to better accommodate our growing manufacturing business.

Give estimated cost of the following components applicable for the proposed project:

Land improvements (excluding land): _____

Building improvements: Size 10,000sf \$ \$952,000.00

Machinery & Equipment: \$184,500.00

Furniture & Fixtures: _____

Time schedule for start and completion of construction and equipment installation (if applicable):

Building:

Start Date 5/8/17

Completion Date 1/3/18

Equipment installation (if applicable):

Start Date 2/1/18

Completion Date 3/1/18

Abatement Application

Page 2

Will project be owned or leased by applicant? Owned

Will machinery be owned or leased by applicant? Owned

How many employees do you currently employ? Full Time 79 Part Time 1

How many new employees do you estimate after project complete? Full Time 20
Part Time _____

When project is complete, how many will be:

Management/Professional 3 Wage level \$72,000.00

Skilled 9 Wage level \$44,000

Semi-Skilled 2 Wage level \$35,000

Un-Skilled 6 Wage level \$31,200

Name of Company Officer (contact person) Charlene Hebekeuser

Title CFO

Signature Charlene Hebekeuser, CFO Date 5/12/17

Phone Number 989-723-7838

For City Staff Use Only

Was the applicant given a copy of Tax Abatement Policy? Y N

Is an abatement district in place for this project? Y N

If no, legal description of proposed district. _____

If yes, type of district in place _____ Year established _____

Does the proposed project meet the guidelines for Tax Abatement under the policy? Y N

If no, explain _____

If yes, was notice given to taxing jurisdictions within the proposed project area? Y N

If yes, was notice given to applicant and proper state documents sent? Y N

Name of reviewer _____

Signature _____ Date _____

32		
33		
34	125'	33'

24	296'	24'
25		
26		33'
27	125'	700
28		
29	007-003	
30		33'
31	125'	
32		458'
33		
34	125'	
35		
36		
37	125'	
38		
39		
40	007-002	
41	125'	780
42		
43		298'
44	125'	
45		
46	125'	296'

MCMILLAN AV.

3		
2		
1	125'	

CLOSED 12-5-66			485'		
23	125'	4'	24	443.36'	125'
22	33'		25		33'
21			26	125'	010-008-002
20	125'		27		33'
19	33'		28	125'	
18			29		
17	33'		30	441.94'	125'
16	125'		31		33'
15			32	010-008-001	
14			33	125'	
13	33'		34		33'
12			35		
11			36	125'	
10	33'		37		33'
9	125'		38		
8			39	125'	33'
7	33'		40		
6	125'		41		33'
5			42	125'	
4	125'		43		
3	33'		44		33'
2			45		
1	33'		46	125'	33'

21		
22		
23	125'	

AB

2	159.7'	
1	159.5'	

SOUTH ST.

331.35'	1450
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482'