

**OSHTEMO CHARTER TOWNSHIP BOARD  
7275 West Main Street  
Kalamazoo, MI 49009**

**August 9th, 2022**

Refer to [www.oshtemo.org](http://www.oshtemo.org) home page for Virtual Meeting Information

**REGULAR MEETING  
6:00 P.M.  
AGENDA**

1. Call to Order
2. Pledge of Allegiance
3. Public Comment on Non-Regular Session Items

**WORK SESSION ITEMS**

4. Discussion on 2023 Annual Budget Revenues
5. Other Updates & Business

**BREAK (Time Permitting) – 7:05 P.M.**

**REGULAR SESSION ITEMS – 7:15 P.M.**

6. Consent Agenda
  - a. Approve Minutes – July 26th, 2022 Regular Meeting
  - b. Receipts & Disbursements Report
  - c. 2023 Township Board Meeting Dates
  - d. Compensation
    - i. Deputy Supervisor Stipend
    - ii. General Maintenance
  - e. Budget Amendments
  - f. Update Parks Expenditures
7. Presentation on Township Master Plans (Transportation Network, etc)
8. Consideration of Parkview Non-Motorized Easements
9. Consideration of Industrial Facilities Tax (IFT) Abatement Policy Amendments
10. Public Comment
11. Board Member Comments

**Policy for Public Comment  
Township Board Regular Meetings, Planning Commission & ZBA Meetings**

All public comment shall be received during one of the following portions of the Agenda of an open meeting:

a. Citizen Comment on Non-Agenda Items or Public Comment – while this is not intended to be a forum for dialogue and/or debate, if a citizen inquiry can be answered succinctly and briefly, it will be addressed or it may be delegated to the appropriate Township Official or staff member to respond at a later date. More complicated questions can be answered during Township business hours through web contact, phone calls, email ([oshtemo@oshtemo.org](mailto:oshtemo@oshtemo.org)), walk-in visits, or by appointment.

b. After an agenda item is presented by staff and/or an applicant, public comment will be invited. At the close of public comment there will be Board discussion prior to call for a motion. While comments that include questions are important, depending on the nature of the question, whether it can be answered without further research, and the relevance to the agenda item at hand, the questions may not be discussed during the Board deliberation which follows.

Anyone wishing to make a comment will be asked to come to the podium to facilitate the audio/visual capabilities of the meeting room. Speakers will be invited to provide their name, but it is not required.

All public comment offered during public hearings shall be directed, and relevant, to the item of business on which the public hearing is being conducted. Comment during the Public Comment Non-Agenda Items may be directed to any issue.

All public comment shall be limited to four (4) minutes in duration unless special permission has been granted in advance by the Supervisor or Chairperson of the meeting.

Public comment shall not be repetitive, slanderous, abusive, threatening, boisterous, or contrary to the orderly conduct of business. The Supervisor or Chairperson of the meeting shall terminate any public comment which does not follow these guidelines.

(adopted 5/9/2000)  
(revised 5/14/2013)  
(revised 1/8/2018)

Questions and concerns are welcome outside of public meetings during Township Office hours through phone calls, stopping in at the front desk, by email, and by appointment. The customer service counter is open from Monday-Thursday 8:00 am- 5:00 pm, and on Friday 8:00 am-1:00 pm. Additionally, questions and concerns are accepted at all hours through the website contact form found at [www.oshtemo.org](http://www.oshtemo.org), email, postal service, and voicemail. Staff and elected official contact information is provided below. If you do not have a specific person to contact, please direct your inquiry to [oshtemo@oshtemo.org](mailto:oshtemo@oshtemo.org) and it will be directed to the appropriate person.

Oshtemo Township Board of Trustees		
<b><u>Supervisor</u></b>		
Libby Heiny-Cogswell	216-5220	<a href="mailto:libbyhc@oshtemo.org">libbyhc@oshtemo.org</a>
<b><u>Clerk</u></b>		
Dusty Farmer	216-5224	<a href="mailto:dfarmer@oshtemo.org">dfarmer@oshtemo.org</a>
<b><u>Treasurer</u></b>		
Clare Buszka	216-5260	<a href="mailto:cbuszka@oshtemo.org">cbuszka@oshtemo.org</a>
<b><u>Trustees</u></b>		
Cheri L. Bell	372-2275	<a href="mailto:cbell@oshtemo.org">cbell@oshtemo.org</a>
Kristin Cole	375-4260	<a href="mailto:kcole@oshtemo.org">kcole@oshtemo.org</a>
Zak Ford	271-5513	<a href="mailto:zford@oshtemo.org">zford@oshtemo.org</a>
Kizzy Bradford	375-4260	<a href="mailto:kbradford@oshtemo.org">kbradford@oshtemo.org</a>

<b>Township Department Information</b>			
<b><u>Assessor:</u></b>			
Kristine Biddle	216-5225	<a href="mailto:assessor@oshtemo.org">assessor@oshtemo.org</a>	
<b><u>Fire Chief:</u></b>			
Mark Barnes	375-0487	<a href="mailto:mbarnes@oshtemo.org">mbarnes@oshtemo.org</a>	
<b><u>Ordinance Enf:</u></b>			
Rick Suwarsky	216-5227	<a href="mailto:rsuwarsky@oshtemo.org">rsuwarsky@oshtemo.org</a>	
<b><u>Parks Director:</u></b>			
Karen High	216-5233	<a href="mailto:khigh@oshtemo.org">khigh@oshtemo.org</a>	
Rental Info	216-5224	<a href="mailto:oshtemo@oshtemo.org">oshtemo@oshtemo.org</a>	
<b><u>Planning Director:</u></b>			
Iris Lubbert	216-5223	<a href="mailto:ilubbert@oshtemo.org">ilubbert@oshtemo.org</a>	
<b><u>Public Works:</u></b>			
Marc Elliott	216-5236	<a href="mailto:melliott@oshtemo.org">melliott@oshtemo.org</a>	

## Zoom Instructions for Participants

### Before a videoconference:

1. You will need a computer, tablet, or smartphone with a speaker or headphones. You will have the opportunity to check your audio immediately upon joining a meeting.
2. If you are going to make a public comment, please use a microphone or headphones with a microphone to cut down on feedback, if possible.
3. Details, phone numbers, and links to videoconference or conference call are provided below. The details include a link to “**Join via computer**” as well as phone numbers for a conference call option. It will also include the 11-digit Meeting ID.

### To join the videoconference:

1. At the start time of the meeting, click on this link to [join via computer](#). You may be instructed to download the Zoom application.
2. You have an opportunity to test your audio at this point by clicking on “Test Computer Audio.” Once you are satisfied that your audio works, click on “Join audio by computer.”

You may also join a meeting without the link by going to [join.zoom.us](#) on any browser and entering this **Meeting ID: 814 8261 5988**

If you are having trouble hearing the meeting or do not have the ability to join using a computer, tablet, or smartphone then you can join via conference call by following instructions below.

### To join the conference by phone:

1. On your phone, dial the teleconferencing number: **1-929-205-6099**
2. When prompted using your touchtone (DTMF) keypad, enter the Meeting ID number: **814 8261 5988#**

### Participant controls in the lower-left corner of the Zoom screen:



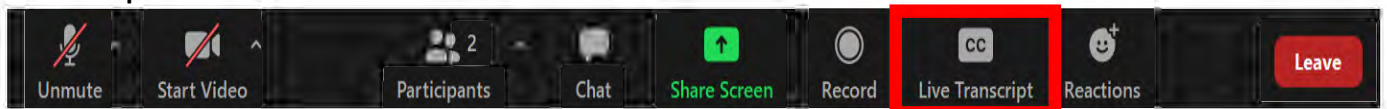
Using the icons at the bottom of the Zoom screen, you can (some features will be locked to participants during the meeting):

- Participants – opens a pop-out screen that includes a “Raise Hand” icon that you may use to raise a virtual hand. **This will be used to indicate that you want to make a public comment.**
- Chat – opens pop-up screen that allows participants to post comments during the meeting.

If you are attending the meeting by phone, to use the “Raise Hand” feature **press \*9 on your touchtone keypad.**

Public comments will be handled by the “Raise Hand” method as instructed above within Participant Controls.

### Closed Caption:



### Turn on Closed Caption:

Using the icons at the bottom of the Zoom screen:

1. Click on the “Live Transcription” button.
2. Then select “Show Subtitle”.

## 2023 Oshtemo Township Board Meeting Dates

All meetings are Tuesdays and begin at 6:00 p.m. except where noted otherwise.

January 10

January 24

February 14

February 28

March 14

**March 21 Joint Boards Meeting 6 p.m.**

March 28

April 11

May 9

May 23

June 6 – Budget Meeting, Monday 6 p.m.

June 7 - Budget Meeting, Tuesday 6 p.m.

June 13

June 27

July 11

August 1

August 15 – Budget Meeting, Tuesday 6 p.m.

August 22

September 12

September 26

October 10

**October 17 Joint Boards Meeting\* 6 p.m.**

October 24

November 14

December 12

\*Joint Boards TB / PC / ZBA / SoDA / DDA / FOP

# Memorandum

**Date:** 29 July 2022  
**To:** Township Board  
**From:** Libby Heiny-Cogswell, Supervisor  
**Subject:** Deputy Stipend



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## **Objective**

Township Board authorization to pay Deputy Supervisor stipend.

## **Background**

The Supervisor appointed and the Clerk administered oath to the Deputy Supervisor on July 26<sup>th</sup>, 2022. Attorney Porter conveys the authorization statute for a deputy supervisor specifically states that the deputies shall be paid by salary or otherwise as the Township board determines appropriate (MCL 41.61).

The Deputy Clerk and Deputy Treasurer positions are compensated at the rate of \$125 per pay period (\$3250 annual total). This amount was previously proposed, discussed, and approved by the Board. The Supervisor requests equivalent annual compensation for the Deputy Supervisor position, with an additional option to pay monthly.

The Deputy Supervisor position is described as a position, “In case of the absence, sickness, death, or other disability of the supervisor, the deputy shall possess the powers and perform the duties of the supervisor”. There are no office hours and no duties assigned. If I were to have an extended absence, the Board would likely revisit the compensation at that time. Hopefully that doesn’t happen.

A budget amendment is not necessary with this request. The amount for remainder of 2022 is \$1375. For 2023, it will be included in the proposed budget.

# Memorandum

**Date:** 04 August 2022  
**To:** Township Board  
**From:** Sara Feister, HR/Benefit Coordinator  
**Subject:** Additional Compensation for the Interim Maintenance Director Duties

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## **Objective**

Requesting consideration for additional compensation for the Maintenance Director duties being performed by a General Maintenance employee while we search for the new Maintenance Director.

## **Background**

Rick Everett, the long-standing Maintenance Director, has announced his retirement, and we are currently working to staff for that position. In the meantime, one of our General Maintenance employees is performing approximately 80% of Rick's duties while transitioning. We would like to compensate this employee an extra \$100.00 per week for these additional duties, effective 7/1/2022. This number is recommended by Human Resources and the Township Supervisor with consideration to market wage for Maintenance Director and number of duties being performed.

### Budget Amendment Requests


Date	Dept. Head	Fund Name	Funds Requested To			Funds Requested From			Explanation of Request	Previously Discussed	Within Apprvd Budget
			GL Number	Description	Amount	GL Number	Description	Amount			
8/5/2022	Chief Farr	211 Fire Vehicle/Capital	211-344-98100	Cap Outlay/Facil	\$ 30,000.00	211-344-98100	Cap Outlay/Facil	\$ 30,000.00	Fire Station water line repair. Includes line relacement, valves, water backflow preventer, and excavation. As well as estimate for drive surface replacement. Refer Memo.	No	No
			<b>Total</b>		<b>\$ 30,000.00</b>	<b>Total</b>	<b>\$ 30,000.00</b>				

Date	Dept. Head	Fund Name	Funds Requested To			Funds Requested From			Explanation of Request	Previously Discussed	Within Apprvd Budget
			GL Number	Description	Amount	GL Number	Description	Amount			
8/5/2022	Everett	General Parks Fire	101-218-93100	Maint Svcs	\$ 1,800.00	101-001-40100	Carryover	\$ 1,800.00	Mower engine replacement. Refer memo. Other funds available in 211 Fire Fund, so auth needed, but amendment not necessary for this portion. Refer memo.	No	No
			107-756-97400	Cap Outlay	\$ 2,250.00	107-751-40100	Carryover	\$ 2,250.00			
			211-344-98100	Cap Outlay/Facil	\$ 450.00						
			<b>Total</b>		<b>\$ 4,500.00</b>	<b>Total</b>	<b>\$ 4,050.00</b>				

Grand Total	\$ 34,500.00
Total Added to Budget (Projects not completed/not spent in 2021)	\$ 4,050.00
<b>Total Not Previously Discussed with TB</b>	<b>\$ 34,500.00</b>

REVIEW DATE 8-5-2022

SIGNATURE

 \_\_\_\_\_

# Memorandum

**Date:** 3 August 2022  
*Updated 5 August 2022*

**To:** Township Board

**From:** Libby Heiny, Supervisor  
Rick Everett, Maintenance Director  
Greg Fountain, General Maintenance

**Subject:** **Fire Station One – Building Water Line Failure/Emergency Repair Work**

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## **Objective**

Update Township Board members on broken water line into Fire Station One, and necessary repair. *No budget amendment required. Request Township Board authorization for repairs, post emergency purchase decision by Maintenance Director and Supervisor.*

## **Background**

Friday morning July 29<sup>th</sup>, 2022 surface water was seen on the east side of Fire Station One, at the northeast corner of the Chief's vehicles parking garage. The break is outside, underneath the drive pavement. Maintenance investigated, including with contractors later in the day, and determined the water line extending from the fire hydrant to the building had a break and water was rising to the surface.

The temporary solution was to shut off the water line, which shut off water to Township Park and restrooms, and to provide bottled water to firefighters in the fire station. Hose water was provided for other basic purposes in the station.

Maintenance requested quotes for repair from *three* companies, *two quotes were received*, and recommends the LaPine solution. Their solution brings the water line to current code, vs when the station was originally built. The work will include providing a new 2" water line into the building to replace the galvanized line and a backflow preventer (*which was never installed*). The LaPine quote is \$25,000. This *includes excavation expense*, but does not include the surface asphalt replacement, which will add some additional expense.

Having sufficient potable water in the fire station living areas is paramount, thus emergency authorization was utilized to get the contractor in place to do the work. Funding exists in the 211 fund capital line for fire facilities maintenance, however Staff will discuss whether to use that funding or to request carryover use for this item, thinking through other work items that will still occur this year. And then bring recommendation to the Township Board next Tuesday.

Thank you for the Board purchase policy to allow for expediency in emergency situations such as this where health of employees is at stake. *This is not a request for new money (Carryover savings), but to reallocate money in the 2022 budget for work in fire facilities capital that is now determined will not occur this year.*

## **Information Provided**

Quotes: LaPine & Wood

## **Core Values Recognized**

*Professionalism*



**August 3, 2022**

**Oshtemo Fire Station 1**

**Attn: Greg Fountain**

**Project: Water Main**

R.W. LaPine offers the following budgetary proposal for your consideration:

Provide Labor and Material for new water supply from meter into build and route piping to original water service into the building.

Includes:

- Watts 919 2" Backflow Preventer.
- Uponor pipe from meter into building.
- Copper pipe and fittings wrapped with fiberglass insulation on inside piping.
- Excavation and saw cutting as required.
- Flat work on interior of garage floor.

Does not include Asphalt replacement.

**Total Budgetary Price, as described above: ..... \$ 25,000.00**

Proposal valid for 30 days.

If you have any questions, please feel free to contact me.

Sincerely,  
R.W. LaPine

*Rob Loftis*

Rob Loftis  
Its: Project Manager



8.3.2022  
Oshtemo Township, Supervisor



**3950 E. Milham  
Portage, MI 49002**

**Phone 269-329-0050**

Date: 8-1-22 Dispatch 110596  
Customer: Oshtemo Township  
Address: 7275 W. Main St. Kalamazoo Mi 49009

We are pleased to quote on furnishing the necessary labor and materials to:  
Complete a repair to the existing underground water main, excavate as necessary to expose the problem area in the water main. Test repair and backfill area back to rough grade only. Pricing does not include addressing landscaping, settling of soil, topsoil, grass or sod, stabilizer, asphalt or concrete replacement. Any unforeseen issues are not included as well.  
Daily rate for 2 guys and an excavator is \$3,800 and does not include any materials. Depending on the results of Miss Dig marking both private and public utilities it may be necessary to have a 3<sup>rd</sup> man on site and would add another \$900 to the daily rate making it \$4700 a day not including any materials.  
Estimated time of completion for the repair only is 2-4 days therefore estimated projection of costs would be between \$ 7,600 – \$ 15,200 or \$ 9,400 - \$ 18,800 not including materials.

Terms are once a signed authorization is received we will contact Miss dig to mark both public and private utilities on site, once this is complete we will mobilize our resources to complete the work as soon as the schedule allows. Balance billed is due in 30 days  
Thank you for the opportunity to quote this work.

Sincerely,

Chris Rogers  
Master Plumber/Field Supervisor  
DAN WOOD COMPANY

All materials are priced using 8/2/22 market price. Due to market fluctuation, this price is subject to change; only the increased cost of the quoted material will be added to the price.

**ACCEPTANCE OF PROPOSAL**

The above price, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work specified. Payment to be made as outlined above.

Signature \_\_\_\_\_

Date: \_\_\_\_\_

Printed name: \_\_\_\_\_

\*A finance charge of 2.0% per month will be assessed on all balances over 30 days past due. This proposal may be withdrawn by us if not accepted within 60 days.

# Memorandum

**Date:** 05 August 2022  
**To:** Township Board  
**From:** Libby Heiny-Cogswell, Township Supervisor  
Rick Everett, Maintenance Director  
Greg Fountain, General Maintenance  
**Subject:** Replacement Engine for Lawn Mower

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## Objective

Consideration for purchase of a new engine for Oshtemo Township mower to replace failed engine.

## Background

Received notice from Rick Everett, Maintenance Director that one of the two mowers owned by Oshtemo Township experienced engine failure during the July 30<sup>th</sup>, 2022 weekend. Rick conveyed the mower is 13 years old with an accumulated 2,000 hours of mowing. This mower gave no warning that a failure would occur. In a general inspection of this mower after engine failure, there was no evidence of qualifying causes.

## Considerations

If replacing this mower's engine, the goal would be to operate this mower for another five plus years, with following the previously stated budget plan for replacing the other mower in 2024 which is forecasted to be approximately a \$10,000-\$15,000 expense.

The researched cost for the appropriate mower engine is approximately \$4,500, which was not budgeted for in the Maintenance budget plan. Given this is midyear, request is to not deplete budgeted facilities monies and to use carryover for most of the purchase. (Refer Budget Amendment form). Maintenance staff can perform the replacement engine installation. This approach gets the mowers on an alternating schedule for replacement, which is another benefit.

## Recommendation

The Township Supervisor supports Maintenance's request for funding for the aforementioned mower's engine for the current calendar year in the amount of \$4,500 to offset this expense.

# Memorandum



**Date:** August 4, 2022  
**To:** Township Board  
**From:** Karen High, Parks Director  
**Subject:** Recent Parks expenditures at Flesher Field and Drake Farmstead Park

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## **Objective**

Update on budgeted expenditures at Flesher Field and Drake Farmstead Park as required by the Purchasing Policy. No action required.

## **Flesher Field – asphalt maintenance**

Maintenance of the parking lot and asphalt walking path at Flesher Field, including crack repair, seal coating, and restriping, is scheduled later this month. Tustin’s Asphalt Sealing is under contract to do the work. Total cost is \$10,330. This project is much needed as time and heavy park use have completely worn the stripes from the parking lot! Tustin’s has done work for us in the past, most recently at Township Hall in 2019.

Three quotes were solicited, with the lowest coming from Tustin’s. Other quotes received were from Bronco Asphalt Maintenance (\$12,272) and A-1 Asphalt (\$18,527).

GL# 107-756-97400, Parks Capital Outlay/Improvements, includes \$10,000 for asphalt maintenance. The \$330 over budget will come from other items within this GL#.

## **Drake Farmstead Park – driveway extension**

Kalamazoo Excavation completed installation of the driveway extension to Croyden Ave in July. The project included clearing of invasive black locust trees and other vegetation, grading, and laying a gravel base and top layer of asphalt millings. Total cost of the driveway extension was \$16,890. The contract also included touching up the historic driveway by adding asphalt millings in low areas, regrading, and rolling for an additional \$2,000. Clearing and grading the future parking area east of the driveway extension was also added to the contract for an additional \$2,000. Total amount paid to Kalamazoo Excavation was \$20,680.

Getting quotes for this project was challenging because contractors are very busy and more interested in larger projects. In addition to Kalamazoo Excavation, quotes were requested from Balkema Excavating, Apex Contractors, USA Earthworks, Peters Construction, Advance Poured Walls, and Lakeland Asphalt. Kalamazoo Excavation submitted the lowest price at \$16,890. Apex submitted a quote of \$32,870. No other quotes were received. However, in 2020 Balkema quoted on a slightly different layout of the driveway extension for \$33,120. Because Kalamazoo Excavation’s quote was lower than expected, we were able to add the additional work described above.

GL# 107-756-97400, Parks Capital Outlay/Improvements, includes \$25,000 for this project. Related expenses include driveway layout by Prein & Newhof (\$1,600) and field survey/driveway staking by Prein & Newhof (\$1,600). Total cost including design, field survey, constructing the driveway extension, touching up the historic drive, and clearing the future parking lot was \$23,880.

# MEMORANDUM



**Date:** August 4, 2022  
**To:** Township Board  
**From:** James Porter  
**Subject:** Revised Industrial Tax Abatement (IFT) Policy

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**OBJECTIVE:**

To request that the Board adopt the revised Industrial Tax Abatement (IFT) Policy.

**BACKGROUND:**

The Township's current Industrial Tax Abatement (IFT) Policy has been in place since 1993. The Board requested that this be reviewed in 2020. Due to the pandemic and Legal Department's workload, this is being brought to the Board for review now. The proposed Industrial Tax Abatement (IFT) Policy revises, trims down, and clarifies the previous policy. It also formats it to match other Township policies in an effort to make these more uniform. As you will see from the attached redline, there are no substantive changes to the policy.

**INFORMATION PROVIDED:**

I have attached the redline of the old (1993) Industrial Tax Abatement (IFT) Policy and the clean version of the proposed new Industrial Tax Abatement (IFT) Policy.

**STATEMENT OF REQUESTED BOARD ACTION:**

I recommend that the Board adopt the revised Industrial Tax Abatement (IFT) Policy.

CHARTER TOWNSHIP OF OSHTEMO  
INDUSTRIAL TAX ABATEMENT POLICY

**General Purpose:**

~~The Oshtemo~~ Charter Township ~~of Oshtemo~~ encourages the growth and development of its industrial base, ~~and We will~~ offers industrial firms the opportunity to apply for property tax abatement under Michigan Public Act 198 ~~of 1974, as amended, in order~~ to encourage the expansion of existing industrial facilities and to attract new ~~facilities~~plants to the Township. The Oshtemo Township Board ~~wishes desirous of continuing~~ to provide ~~an~~the incentive for industrial development and expansion ~~to encourage and the creation of additional jobs creation~~ for its residents. ~~The Board also recognizes its while fulfilling its~~ responsibility to the community to maintain services and uphold the Township's quality of life. ~~To carry out these responsibilities, the Township Board has hereby established~~ ~~the~~ Industrial Tax Abatement Policy and procedures outlined in the following sections. It is the hope of the Township Board that this policy will to establish procedures for applications for tax abatement, assist the industrial community, and ~~will~~ contribute to the overall welfare of Oshtemo Township.

**I. GENERAL TAX ABATEMENT APPLICATION REVIEW CRITERIA**

A. When reviewing Act 198 applications for tax abatement from an eligible facility, the Township Board will consider such criteria that are intended to further the goals and policies of the Township as a whole, and which are consistent with the general health, safety, and welfare of Oshtemo Township and its residents. The Oshtemo Township Board

reserves the right to periodically review its Industrial Tax Abatement Policy, as necessary, to ensure consistency with community needs and objectives. The Board may use the following criteria, which are not intended to be exhaustive, in reviewing and evaluating Act 198 applications:

evaluate all Act 198 applications in light of the following criteria. The evaluate the following criteria equally: ~~criteria shall be equally applied during the review of abatement applications from any eligible industry.~~

1. Whether the project will promote diversification of the Oshtemo Township industrial base.

2. Whether the project will result in the impairment of the operation, or the financial soundness, of any effected taxing unit.

3. ~~Whether a public purpose would be served-~~ (i.e., expanded tax base as well as the multiplier effects of additional employment, income, and capital investment in the community) by the project.

4. Whether the project will provide a diverse employment case for the workforce.

5. Whether the development of the proposed industrial facilities will complement the Township's land use and environmental objectives.

6. Whether the proposed industrial facilities will be compatible with the Township's present and future requirements for Township services (e.g. roads, utilities, and public safety).

7. Whether the applicant meets current financial obligations to the Township, is in compliance with all applicable state and Township codes and/or ordinances, and has no pending or current litigation against the Township (including appeals to the Michigan Tax Tribunal).

~~The project will promote diversification of the Oshtemo Township industrial base.~~

~~The project will not result in the impairment of the operation or the financial soundness of any effected taxing unit.~~

~~A public purpose would be served, i.e., expanded tax base as well as the multiplier effects of additional employment, income and capital investment in the community.~~

~~The project will provide a diverse employment case for the workforce.~~

~~The development of the proposed industrial facilities will complement the Township's land use and environmental objectives.~~

~~The proposed industrial facilities will be compatible with the Township's present and future requirements for Township services; such as road, utilities and public safety.~~



~~□ The applicant meets current financial obligations to the Township, is in compliance with all applicable state and Township codes and/or ordinances and has no pending or current litigation against the Township (including appeals to the Michigan Tax Tribunal).~~

~~The above mentioned criteria are not intended to be exhaustive. The Oshtemo Township Board reserves the right to consider such additional criteria which are intended under their goals and policies and which are consistent with the general health, safety, and welfare of the Township of Oshtemo. Periodic review of the tax abatement policy is necessary to ensure consistency with community needs and objectives.~~

## **II. TAX ABATEMENT APPLICATION REVIEW PROCEDURES/ AND STANDARDS:**

### **IA. Submission of Tax Abatement Applications for Township Review**

~~Eligible facilities applying for an Act 198 tax abatement will submit a completed application to the Township Clerk. Applications will not be considered “complete” until all required information has been satisfactorily submitted.~~

~~A. Tax abatement incentive application shall be properly completed and submitted to the Township Supervisor. The application will not be accepted until all required information has been satisfactorily submitted.~~

Commented [EW1]: Revised to Clerk, from Supervisor.

**B. Township Review of Complete Applications**

~~The Township Treasurer, Planning Director, Assessor, and Township Attorney will review each complete A tax abatement incentive application received under P.A. 198 and create a report, with the assistance of appropriate personnel, for the Township Board. will be referred to the Township Treasurer, Planning Director, Assessor, and Township Attorney for review and report. They may request the assistance of appropriate personnel in the preparation of the report. The report will include: (1) preparation of a preliminary environmental analysis for the proposed facility (examining the availability of utilities to support the proposed land use, and any relevant environmental conditions of land and water resources that may be affected, including impacts on adjacent properties, etc.); and (2) preparation of a property tax analysis (estimating the taxes received by each affected taxing unit with and without the requested tax abatement incentive; and The Property Tax Analysis must also specify the total abatement valuation percentage if approved in the Township).~~

- ~~1. Preparation of a Preliminary Environmental Analysis of the proposed manufacturing industry which will examine the availability of utilities to support the proposed land use, and any relevant environmental conditions of land and water resources that may be affected, including impacts on adjacent properties; and~~

~~2. Preparation of a Property Tax Analysis which shall estimate the taxes received by each affected taxing unit with and without the requested tax abatement incentive. The Property Tax Analysis must also specify the total abatement valuation percentage approved in the Township.~~

**¶III. DETERMINATION OF PROPERTY STATUS IN INDUSTRIAL DEVELOPMENT DISTRICT (IDD) OR PLANT REHABILITATION DISTRICT (PRD)**

**A. Properties Within an Existing Industrial Development District (IDD) or Plant Rehabilitation District (PRD)**

The Township Attorney ~~sh~~will determine if the subject property lies within an existing Industrial Development District (IDD) or Plant Rehabilitation District (PRD). If the facility is within an existing IDD or PRD, the applicant may submit an Industrial Facility Tax Exemption Certificate application to the Township (see, Section IV, below).

~~or a Plant Rehabilitation District (PRD), in which case the applicant may submit an Industrial Facility Tax Exemption Certificate application~~

**B. Properties Not Within an Existing Industrial Development District (IDD)**

1. If the subject property does not lie within an existing IDD, the property may be considered for establishment as an IDD. Industrial Development Districts will not be established for speculative buildings. The Township may establish an IDD upon its own initiative, or upon a written request filed by the owner(s) of 75 percent of the State Equalized Value of the industrial property

located within the proposed IDD. Consideration by the Township for the creation of a new IDD requires the proposed district to meet the criteria of P.A. 198, and the following:

a. An owner requesting the creation of an IDD must submit a request detailing the extent and configuration of the proposed IDD, and the Township Board must approve it.

b. The proposed IDD must be located within the general industrial areas identified in the Township's Land Use Plan Map.

c. Commencement of the proposed industrial facility cannot begin unless and until the IDD has been established.

d. Municipal water and sanitary sewer utilities must be available, or extended, to the industrial facility and the industrial facility will be, upon completion, connected to water and sanitary sewer utilities. (The Board may waive this requirement upon a finding that utilities cannot be economically provided to the proposed industrial facility. If this finding is made, the applicant will be required to enter into an agreement with the Township which specifies that discharges to a private sewer system will be monitored by the applicant and a report submitted to the Township at least annually.).

- e. The Township Board finds, after an analysis of the project impacts, that the proposed industrial facility will benefit the community (including consideration of environmental impacts and impacts on the taxing units).
  
- 2. Before adopting a Resolution to establish a new Industrial Development District, the Township Board shall:
  - a. Give a fourteen (14) day written notice, by certified mail, to all owners of real property within the proposed new IDD of a public hearing to consider the proposed IDD; and
  
  - b. Give a fourteen (14) day written notice, by certified mail, to all affected taxing units (with a copy of the application) of the public hearing on the proposed creation of the Industrial Development District.
  
  - b. Hold a public hearing on the establishment of the proposed new Industrial Development District as noticed.
  
- 3. If the proposed IDD is approved and established, the Board will adopt a resolution to that effect, and the applicant may submit an Industrial Facility Tax Exemption Certificate application to the Township (see, Section IV, below).

**C. Properties Not Within an Existing Plant Rehabilitation District (PRD)**

1. If the subject property does not lie within an existing PRD, the property may be considered for establishment as a PRD. The Township may establish a PRD upon its own initiative, or upon a written request filed by the owner(s) of 75 percent of the State Equalized Value of the industrial property located within the proposed PRD. Consideration by the Township for the creation of a new PRD requires the proposed district to meet the criteria of P.A. 198, and the following:

a. An owner requesting the creation of a PRD must submit a request detailing the extent and configuration of the proposed PRD with documentation that the Plant Rehabilitation District requirements are met, and the Township Board must approve it.

b. The proposed PRD must be located within the general industrial areas identified in the Township's Land Use Plan Map.

c. Commencement of the proposed industrial facility cannot begin unless and until the PRD has been established.

d. Municipal water and sanitary sewer utilities must be available, or extended, to the industrial facility and the industrial facility will be, upon completion, connected to water and sanitary sewer utilities. (The Board may waive this requirement upon a finding that utilities cannot be economically provided to the proposed industrial facility. If this finding is made, the

applicant will be required to enter into an agreement with the Township which specifies that discharges to a private sewer system will be monitored by the applicant and a report submitted to the Township at least annually.).

e. The Township Board finds, after an analysis of the project impacts, that the proposed industrial facility will benefit the community (including consideration of environmental impacts and impacts on the taxing units).

f. There has been a change in the use of the property.

g. There has been a change in beneficial ownership of the property.

h. The property, comprising not less than fifty percent (50%) of the State Equalized Value of the industrial property within the district, is obsolete.

i. The proposed project is not attributable to delayed, or deferred, maintenance.

2. Before adopting a Resolution to establish a new Plant Rehabilitation District, the Township Board shall:

a. Give a fourteen (14) day written notice, by certified mail, to all owners of real property within the proposed new PRD of a public hearing to consider the proposed PRD; and

b. Give a fourteen (14) day written notice, by certified mail, to all affected taxing units (with a copy of the application) of the public hearing on the proposed creation of the Plant Rehabilitation District.

b. Hold a public hearing on the establishment of the proposed new Plant Rehabilitation District as noticed.

3. If the proposed PRD is approved and established, the Board will adopt a resolution to that effect, and the applicant may submit an Industrial Facility Tax Exemption Certificate application to the Township (see, Section IV, below).

~~under Section II.B. or III.B. below. If the subject property does not lie within an IDD or PRD, the property may be considered for establishment as an IDD or PRD if it meets the requirements of II.A. or III.A. as set forth below. In addition, the Township Attorney shall forward a copy of the application to all affected taxing units together with a notice of the place, date, and time of the public hearing on the creation of the district.~~

**Commented [EW2]:** Incorporated into III(B) and (C) to remove reference to another section/streamline.

~~II. Industrial Development Districts.~~



~~A. An Industrial Development District will be created and a certificate recommended for a new industrial development that meets the provisions established in P.A. 198 and the criteria in Section II. B. The extent and configuration of such district will be submitted by the applicants and must be approved by the Township Board.~~

~~1. The IDD may be established upon the Township's own initiative, or upon a written request filed by the owner(s) of 75 percent of the State Equalized Value of the industrial property located within the proposed Industrial Development District.~~

~~2. Commencement of the proposed industrial facility cannot begin until the district has been established.~~

~~3. The district must be located within the general industrial areas identified in the Township Land Use Plan Map;~~

~~4. Before adopting a resolution establishing an Industrial Development District, the legislative body shall give written notice by certified mail to owners of all real property within the proposed Industrial Development District and hold a public hearing on the establishment of the Industrial Development District.~~

~~A fourteen (14) day notice shall be sent by certified mail to all owners of real property within the proposed industrial development district and all affected taxing units.~~

~~5. Municipal water and sanitary sewer utilities must be available to the industrial facility or will be extended to the industrial facility and the industrial facility will be, upon completion of the facility, connected to said public utilities. (The Board may waive this requirement upon a finding that utilities cannot be economically provided to the proposed industrial facility. If this finding is made, the applicant will be required to enter into an agreement with the Township which specifies that discharges to a private sewer system will be monitored by the applicant and a report submitted to the Township not less than annually.)~~

~~6. The Township Board finds that, after an analysis of the project impacts, including environmental impacts and the effect on taxing units, the proposed industrial facility will benefit the community.~~

~~7. Once the Industrial Development District is established, an application for an Industrial Facilities Exemption Certificate may be filed in accordance with Section \_\_\_\_\_.~~

**Commented [EW3]:** This has all been moved/re-configured into III(B), above.

**IV.—B. APPLICATION FOR AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATES.**

**A. Criteria for Industrial Facilities Exemption Certificate**

Where an eligible facility has been added to and existing Industrial Development District (IDD) or Plant Rehabilitation District (PRD), of where a new Industrial Development District (IDD) or Plant Rehabilitation District (PRD) has been created and approved, an application for an Industrial Facilities Exemption Certificate may be submitted to the Township Supervisor for consideration by the Township Board.

An application for an Industrial Facilities Exemption Certificate may be granted if:

1. Granting of the Industrial Facilities Exemption Certificate will not impede operations or impact the financial soundness of the Township; and
  
2. The aggregate of the State Equalized Value of property to be exempted does not exceed five percent (5%) of the State Equalized Value of the Township.
  
- ~~1. Following the creation of the district, an industrial facilities exemption certificate application shall be submitted to the Township Supervisor for inclusion on the Township Board agenda.~~

**B. Hearing to Consider the Industrial Facilities Exemption Certificate**

Before adopting a Resolution to grant establish a new Industrial Facilities Exemption Certificate, the Township Clerk shall notify the affected taxing

units of the date, place, and time of the Township Board's meeting to hear the request, in accordance with statute. The Township Board will consider the Industrial Facilities Exemption Certificate application at a public meeting at the date, time, and place noticed and grant or deny the request.

~~2. The Township Clerk shall notify the affected taxing units of the date, place and time of the hearing in accordance with statute.~~

~~3. An Industrial Facilities Exemption Certificate may be granted if the granting of the Certificate will not impede operations or impact the financial soundness of the Township, and the aggregate of the State Equalized Value of property to be exempted does not exceed 5 percent of the State Equalized Value of the Township.~~

**C. Township Board Decision on the Industrial Facilities Exemption Certificate Application**

1. If the Township Board approves the Industrial Facilities Exemption Certificate application, the Board will adopt a resolution to that effect. The Township will send the Board's resolution and the application to the Michigan State Tax Commission for processing.

2. If the Township Board denies the Industrial Facilities Exemption Certificate application, the Clerk will return the application to the applicant.

~~4. Subsequent to the decision of the Board, the application and resolution shall, if approved, be forwarded to the Michigan State Tax Commission. If disapproved, the Clerk shall return the application to the applicant.~~

~~III. Plant Rehabilitation Districts.~~

~~A. A Plant Rehabilitation District will be created and a certificate recommended for the rehabilitation of industrial facilities which meet the following provisions established in P.A. 198 and the requirements in Section II (B). The extent and configuration of such district will be submitted by the applicant and must be approved by the Township Board.~~

~~1. The Township may, on its own initiative or upon written request filed by the owner(s) of 75 percent of the State Equalized Value of the industrial property located within a proposed Plant Rehabilitation District.~~

~~2. Commencement of the proposed industrial facility cannot begin until the district has been established;~~

~~3. The district is located within the general industrial areas identified in the Township Land Use Plan Map;~~

~~4. Before adopting a resolution establishing the Plant Rehabilitation District, the Township shall give written notice by certified mail to the owners of all real property within the proposed Plant Rehabilitation District and hold a public hearing noticed by public notice 14 days prior to the public hearing.~~

~~5. Municipal water and sanitary sewer utilities are available to the industrial facility or will be extended to the industrial facility and the industrial facility will be, upon completion of the facility, connected to said public utilities. (The Board may waive this requirement upon a finding that utilities cannot be economically made, the applicant will be required to enter into an agreement with the Township which specifies that discharges to a private sewer system will be monitored by the applicant and a report submitted to the Township not less than annually.);~~

~~6. The Township Board finds that, after an analysis of the project impacts, including environmental impacts and the effect on taxing units, the proposed industrial facility will benefit the community;~~

~~7. A change in use of the property;~~

~~8. A change in beneficial ownership;~~

~~9. The property comprising not less than 50 percent of the State Equalized Value of the industrial property within the district is obsolete;~~

~~10. The project is not attributable to delayed or deferred maintenance. (It is the applicant's responsibility to provide documentation of the Plant Rehabilitation District requirements.); and~~

~~11. Once the Plant Rehabilitation District is established, an application for an Industrial Facilities Exemption Certificate may be filed in accordance with Section \_\_\_\_\_.~~

Commented [EW4]: Moved to III(C) above.

~~B. Industrial Facilities Exemption Certificates.~~

~~1. Following the creation of the district, an industrial facilities exemption certificate application shall be submitted to the Township Supervisor for inclusion on the Township Board agenda.~~

~~2. The Township Clerk shall notify the affected taxing units of the date, place and time of the hearing in accordance with statute.~~

~~3. An Industrial Facilities Exemption Certificate may be granted if the granting of the Certificate will not impede operations or impact the financial soundness of the Township, and the aggregate of the State Equalized Value of property to be exempted does not exceed 5 percent of the State Equalized Value of the Township.~~

~~4. Subsequent to the decision of the Board, the application and resolution shall, if approved, be forwarded to the Michigan State Tax Commission. If disapproved, the Clerk shall return the application to the applicant.~~

Commented [EW5]: Now Section IV

IV. **REAL AND PERSONAL PROPERTY QUALIFYING FOR ABATEMENT**

~~TERM OF TAX ABATEMENT~~

**A. Real Property Qualifying for Abatement and Term**

~~A. Tax abatement may be granted for up to twelve (12) years' abatement on real property meeting State and Township requirements.~~

**B. Personal Property Qualifying for Abatement and Term**

~~B. Tax abatement may be granted for up to six (6) years' abatement on personal property meeting State and Township requirements within new or replacement facilities will be considered which meet State and Township requirements. Office equipment is not eligible for abatement. The Township Assessor will determine which equipment will be considered office equipment.~~



~~V. There will be no abatements for office equipment. The Township Assessor will determine which equipment will be considered office equipment.~~

~~VI. Industrial Development Districts will not be established for speculative buildings.~~

Commented [EW6]: Moved up to III(B).

## **VI. DISSOLUTION OF INDUSTRIAL DEVELOPMENT AND PLANT REHABILITATION DISTRICTS.**

### **A. By Township Board Action**

1. ~~The Township Board, may, upon its own initiative, abolish~~dissolve an IDD or PRD district created by application of an eligible facility if applicant does not:

1. ~~file an~~the Industrial Facilities Exemption Certificate application is not filed within two (2) years of the date upon which the Township Board created the district.

2. ~~If the facility does not comply with the terms of its agreement to provide, or create, jobs within the Township.~~

Commented [EW7]: Modified to allow the Board to end an IDD or PRD

The Township Board shall provide written notice that a public hearing will be held on the dissolution of the IDD or PRD to the owners of the property within the district, the applicant who originally submitted the application, and the affected taxing units by certified mail. The Township Board shall hold a public hearing on the dissolution of the IDD or PRD at the time, date, and location noticed. If the Township Board dissolves the IDD or PRD, it shall do so by resolution. The Township Clerk will send the Board's

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resolution to dissolve the IDD or PRD to the Michigan State Tax Commission for processing.

**B. By State Tax Commission Action**

The State Tax Commission may dissolve an IDD or PRD by revoking the or if the applicable Industrial Facilities Exemption Certificate certificate has been revoked by the State Tax Commission.

~~B. Prior to the abolition of the district, a public hearing shall be held by the Township Board. The Township Clerk shall provide written notice of the public hearing to the owners of the property within the district and to the applicant who originally submitted the application. Written notice shall also be given to the affected taxing units. Such notice shall be provided by certified mail.~~

~~C. If the district is abolished by the Township Board, the Township Clerk shall forward a copy of the resolution to the State Tax Commission.~~

Commented [EW8]: Moved up under A, since these apply only to Board initiated dissolutions.

**VII. REVOCATION OR TRANSFER OF INDUSTRIAL FACILITIES EXEMPTION CERTIFICATES.**

**A. Revocation**

The Township Board will consider a resolution requesting that the State Tax Commission ~~to~~ revoke ~~the~~ Industrial Facilities Exemption Certificate ~~certificate~~ if:

1. The proposed industrial facility has not been completed within two (2) years after the effective date of the Industrial Facilities Exemption Certificate~~industrial facilities exemption certificate~~; or
2. The purpose for which the Industrial Facilities Exemption Certificate~~certificate~~ was issued is not being fulfilled as a result of a failure of the certificate holder to proceed in good faith with the replacement, restoration, construction, or operation of the industrial facility.

Revocation of an Industrial Facilities Exemption Certificate by the State Tax Commission will result in the dissolution of the underlying IDD or PRD.

**B. Transfer**

An Industrial Facilities Exemption Certificate ~~industrial facilities exemption certificate~~ may be transferred and assigned by the certificate holder to a new owner, or lessee, ~~subject to~~ after a public hearing, ~~and~~ approval of the Township Board, and ~~the~~ approval of the State Tax Commission as provided in the Act.

**VIII.X. EXTENSION OF TWO-YEAR TIME LIMIT TO COMPLETE FACILITY.**

**A. Request for Extension**

~~The~~A request for an extension of time to complete the facility must be filed with the Township Supervisor (with all supporting information) not later than six (6) months after of the ending date of the Industrial Facilities Exemption eCertificate. The request shall be filed in the manner specified by the State Tax Commission.

~~One extension of time may be granted by the Township Board to complete the industrial facility.~~

**B. Consideration of Extension Request**

The Township Board may grant ~~One (1) extension of time may be granted by the Township Board~~ to complete the industrial facility. If the request for extension is granted, the approval shall take the form of a resolution of the Township Board. The Township Clerk shall forward a copy of the resolution authorizing the extension of time to the State Tax Commission.

~~The certificate holder shall file the request with supporting information with the Township Supervisor in the manner specified by the State Tax Commission.~~

~~The request for an extension of time to complete the facility must be filed not later than six (6) months of the ending date of the certificate.~~

~~C. The Township Board may deny or approve the request for extension. Following action by the Township Board, the Township Clerk shall forward a copy of the resolution to the State Tax Commission.~~

Commented [EW9]: Moved up to A/B.

**IX. MONITORING OF TAX ABATED PROPERTY AND FOLLOW-UP**

**A. Submission of Annual Reports**

~~Where an Act 198 tax abatement is granted (following creation of an IDD or PRD, and the approval of an Industrial Facilities Exemption Certificate by the Township Board and the State Tax Commission), the Industrial Facilities Exemption Certificate holder shall submit follow-up reports to the Township Clerk not less frequently than annually. Each annual The follow-up report shallwill contain the following information pertaining to:~~

~~A. If a tax abatement incentive is approved by the Township Board, establishing a district, and the industrial facilities exemption certificate is approved by the State Tax Commission, follow-up reports shall be submitted by the certificate holder to the Township Clerk not less than on an annual basis. The follow-up report will contain information pertaining to:~~

1. The projected jobs to be created and/or retained in comparison with the actual number of full-time equivalent jobs (2,000 hours worked

annually) created and/or retained. ~~This comparison shall be~~ in sufficient detail to allow the Township to determine the number of jobs created and/or retained by job classification.

2. If applicable, for certificate holders subject to a contractual agreement with the Township due to the unavailability of municipal sewer utilities, a report on the discharges to the private sewer system in sufficient form and detail to allow the Township to ascertain the environmental ~~aeffects~~ of such discharges.

**B. Consequences for Failure to Submit Annual Follow-Up Reports**

Failure to supply the required follow-up report annually to the Township Clerk will result in a Township Board resolution requesting that the State Tax Commission ~~recommendation to the State to~~ revoke the Industrial Facilities Exemption Certificate. ~~industrial facility's exemption certificate per VIII.A.2. above.~~ Revocation of an Industrial Facilities Exemption Certificate by the State Tax Commission will result in the dissolution of the underlying IDD or PRD.

CHARTER TOWNSHIP OF OSHTEMO  
INDUSTRIAL TAX ABATEMENT POLICY

**General Purpose:**

Oshtemo Charter Township encourages the growth and development of its industrial base and offers industrial firms the opportunity to apply for property tax abatement under Michigan Public Act 198 of 1974, as amended, to encourage the expansion of existing industrial facilities and to attract new facilities to the Township. The Oshtemo Township Board wishes to provide the incentive for industrial development and expansion to encourage job creation for its residents while fulfilling its responsibility to the community to maintain services and uphold the Township's quality of life. The Township Board has established its Industrial Tax Abatement Policy to establish procedures for applications for tax abatement, assist the industrial community, and contribute to the overall welfare of Oshtemo Township.

**I. TAX ABATEMENT APPLICATION REVIEW CRITERIA**

When reviewing Act 198 applications for tax abatement from an eligible facility, the Township Board will consider such criteria that are intended to further the goals and policies of the Township as a whole, and which are consistent with the general health, safety, and welfare of Oshtemo Township and its residents. The Oshtemo Township Board reserves the right to periodically review its Industrial Tax Abatement Policy, as necessary, to ensure consistency with community needs and objectives. The Board may use the following criteria, which are not intended to be exhaustive, in reviewing and evaluating Act 198 applications:

1. Whether the project will promote diversification of Oshtemo Township's industrial base.
2. Whether the project will result in the impairment of the operation, or the financial soundness, of any effected taxing unit.
3. Whether a public purpose would be served (i.e., expanded tax base as well as the multiplier effects of additional employment, income, and capital investment in the community) by the project.
4. Whether the project will provide diverse employment opportunities for the workforce.
5. Whether the development of the proposed industrial facilities will complement the Township's land use and environmental objectives.
6. Whether the proposed industrial facilities will be compatible with the Township's present and future requirements for Township services (e.g. roads, utilities, and public safety).

7. Whether the applicant (a) meets its current financial obligations to the Township, (b) is in compliance with all applicable state and Township codes and/or ordinances, and (c) has no pending or current litigation against the Township (including appeals to the Michigan Tax Tribunal).

## **II. TAX ABATEMENT APPLICATION REVIEW PROCEDURES AND STANDARDS**

- A. **Submission of Tax Abatement Applications for Township Review.** Eligible facilities applying for an Act 198 tax abatement will submit a complete application (State Form 1012) to the Township Clerk. Applications will not be considered “complete” until all required information has been satisfactorily submitted.
- B. **Township Review of Complete Applications.** The Township Treasurer, Planning Director, Assessor, and Township Attorney will review each complete tax abatement incentive application received under P.A. 198 and create a report, with the assistance of appropriate personnel, for the Township Board. The report will include: (1) preparation of a preliminary environmental analysis for the proposed facility (examining the availability of utilities to support the proposed land use, and any relevant environmental conditions of land and water resources that may be affected, including impacts on adjacent properties, etc.); and (2) preparation of a property tax analysis (estimating the taxes received by each affected taxing unit with and without the requested tax abatement incentive and the total abatement valuation percentage if approved in the Township).

## **III. DETERMINATION OF PROPERTY STATUS IN INDUSTRIAL DEVELOPMENT DISTRICT (IDD) OR PLANT REHABILITATION DISTRICT (PRD)**

- A. **Properties Within an Existing Industrial Development District (IDD) or Plant Rehabilitation District (PRD).** The Township Attorney will determine if the subject property lies within an existing Industrial Development District (IDD) or Plant Rehabilitation District (PRD). If the facility is within an existing IDD or PRD, the applicant may submit an Industrial Facility Tax Exemption Certificate application to the Township (see, Section IV, below).
- B. **Properties Not Within an Existing Industrial Development District (IDD).** If the subject property does not lie within an existing IDD, the property may be considered for establishment as an IDD. Industrial Development Districts will not be established for speculative buildings.
  1. The Township may establish an IDD upon its own initiative, or upon a written request filed by the owner(s) of seventy-five percent (75%) of the State Equalized Value of the industrial property located within the proposed



IDD. Consideration by the Township for the creation of a new IDD requires the proposed district to meet the criteria of P.A. 198, and the following:

- a. An owner requesting the creation of an IDD must submit a request detailing the extent and configuration of the proposed IDD, and the Township Board must approve it.
  - b. The proposed IDD must be located within the general industrial areas identified in the Township's Land Use Plan Map.
  - c. Commencement of the proposed industrial facility cannot begin unless and until the IDD has been approved and established.
  - d. Municipal water and sanitary sewer utilities must be available, or extended, to the industrial facility and the industrial facility will be, upon completion, connected to water and sanitary sewer utilities. (The Board may waive this requirement upon a finding that utilities cannot be economically provided to the proposed industrial facility. If this finding is made, the applicant will be required to enter into an agreement with the Township which specifies that discharges to a private sewer system will be monitored by the applicant and a report submitted to the Township at least annually).
  - e. The Township Board finds, after an analysis of the project impacts, that the proposed industrial facility will benefit the community (including consideration of environmental impacts and impacts on the affected taxing units).
2. Before adopting a Resolution to establish a new Industrial Development District, the Township Board shall:
- a. Give a fourteen (14) day written notice, by certified mail, to all owners of real property within the proposed new IDD of a public hearing to consider the proposed IDD; and
  - b. Give a fourteen (14) day written notice, by certified mail, to all affected taxing units (with a copy of the application) of the public hearing on the proposed creation of the Industrial Development District.
  - c. Hold a public hearing on the establishment of the proposed new Industrial Development District as noticed.

3. If the proposed IDD is approved and established, the Board will adopt a resolution to that effect, and the applicant may submit an Industrial Facility Tax Exemption Certificate application to the Township (see, Section IV, below).

C. **Properties Not Within an Existing Plant Rehabilitation District (PRD)**. If the subject property does not lie within an existing PRD, the property may be considered for establishment as a PRD.

1. The Township may establish a PRD upon its own initiative, or upon a written request filed by the owner(s) of seventy-five percent (75%) of the State Equalized Value of the industrial property located within the proposed PRD. Consideration by the Township for the creation of a new PRD requires the proposed district to meet the criteria of P.A. 198, and the following:
  - a. An owner requesting the creation of a PRD must submit a request detailing the extent and configuration of the proposed PRD with documentation that the Plant Rehabilitation District requirements are met, and the Township Board must approve it.
  - b. The proposed PRD must be located within the general industrial areas identified in the Township's Land Use Plan Map.
  - c. Commencement of the proposed industrial facility cannot begin unless and until the PRD has been established.
  - d. Municipal water and sanitary sewer utilities must be available, or extended, to the industrial facility and the industrial facility will be, upon completion, connected to water and sanitary sewer utilities. (The Board may waive this requirement upon a finding that utilities cannot be economically provided to the proposed industrial facility. If this finding is made, the applicant will be required to enter into an agreement with the Township which specifies that discharges to a private sewer system will be monitored by the applicant and a report submitted to the Township at least annually.).
  - e. The Township Board finds, after an analysis of the project impacts, that the proposed industrial facility will benefit the community (including consideration of environmental impacts and impacts on the taxing units).
  - f. There has been a change in the use of the property.
  - g. There has been a change in beneficial ownership of the property.

- h. The property, comprising not less than fifty percent (50%) of the State Equalized Value of the industrial property within the district, is obsolete.
  - i. The proposed project is not attributable to delayed, or deferred, maintenance.
2. Before adopting a Resolution to establish a new Plant Rehabilitation District, the Township Board shall:
    - a. Give a fourteen (14) day written notice, by certified mail, to all owners of real property within the proposed new PRD of a public hearing to consider the proposed PRD;
    - b. Give a fourteen (14) day written notice, by certified mail, to all affected taxing units (with a copy of the application) of the public hearing on the proposed creation of the Plant Rehabilitation District;
    - c. Hold a public hearing on the establishment of the proposed new Plant Rehabilitation District as noticed.
  3. If the proposed PRD is approved and established, the Board will adopt a resolution to that effect, and the applicant may submit an Industrial Facility Tax Exemption Certificate application to the Township (see, Section IV, below).

**IV. APPLICATION FOR AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE**

- A. Criteria for Industrial Facilities Exemption Certificate.** Where an eligible facility has been added to an existing Industrial Development District (IDD) or Plant Rehabilitation District (PRD), or where a new Industrial Development District (IDD) or Plant Rehabilitation District (PRD) has been created and approved, an application for an Industrial Facilities Exemption Certificate may be submitted to the Township Supervisor for consideration by the Township Board. An application for an Industrial Facilities Exemption Certificate may be granted if:
1. Granting of the Industrial Facilities Exemption Certificate will not impede operations or impact the financial soundness of the Township; and
  2. The aggregate of the State Equalized Value of property to be exempted does not exceed five percent (5%) of the State Equalized Value of the Township.

**B. Hearing to Consider the Industrial Facilities Exemption Certificate.** Before adopting a Resolution to grant a new Industrial Facilities Exemption Certificate, the Township Clerk shall notify the affected taxing units of the date, place, and time of the Township Board's meeting to hear the request, in accordance with state statute. The Township Board will consider the Industrial Facilities Exemption Certificate application at a public meeting at the date, time, and place noticed and grant or deny the request.

**C. Township Board Decision on the Industrial Facilities Exemption Certificate Application.**

1. If the Township Board approves the Industrial Facilities Exemption Certificate application, the Board will adopt a resolution to that effect. The Township will send the Board's resolution and the application to the Michigan State Tax Commission for processing.
2. If the Township Board denies the Industrial Facilities Exemption Certificate application, the Clerk will return the application to the applicant.

**V. REAL AND PERSONAL PROPERTY QUALIFYING FOR ABATEMENT**

**A. Real Property Qualifying for Abatement and Term.** Tax abatement may be granted for up to twelve (12) years on real property meeting State and local requirements.

**B. Personal Property Qualifying for Abatement and Term.** Tax abatement may be granted for up to six (6) years on personal property meeting State and local requirements within new or replacement facilities. Office equipment is not eligible for abatement. The Township Assessor will determine which equipment is considered office equipment.

**VI. DISSOLUTION OF INDUSTRIAL DEVELOPMENT AND PLANT REHABILITATION DISTRICTS**

**A. By Township Board Action.** The Township Board may, upon its own initiative, dissolve an IDD or PRD created by application of an eligible facility if the applicant:

1. Does not file an Industrial Facilities Exemption Certificate application within two (2) years of the date upon which the Township Board created the district.
2. If the facility does not comply with the terms of its agreement to provide, or create, jobs within the Township.

The Township Board shall provide written notice that a public hearing will be held on the dissolution of the IDD or PRD to the owners of the property within the district, the applicant who originally submitted the application, and the affected taxing units by certified mail. The Township Board shall hold a public hearing on the dissolution of the IDD or PRD at the time, date, and location noticed. If the Township Board dissolves the IDD or PRD, it shall do so by resolution and the Township Clerk will send the Board's resolution to the Michigan State Tax Commission for processing.

**B. By State Tax Commission Action.** The State Tax Commission may dissolve an IDD or PRD by revoking the applicable Industrial Facilities Exemption Certificate. The applicant will receive notice of such action by the State Tax Commission, but no public hearing will be held by the Township.

**VII. REVOCAION OR TRANSFER OF INDUSTRIAL FACILITIES EXEMPTION CERTIFICATES**

**A. Revocation.** The Township Board will consider a resolution requesting that the State Tax Commission revoke Industrial Facilities Exemption Certificate if:

1. The proposed industrial facility has not been completed within two (2) years after the effective date of the Industrial Facilities Exemption Certificate; or
2. The purpose for which the Industrial Facilities Exemption Certificate was issued is not being fulfilled as a result of a failure of the certificate holder to proceed in good faith with the replacement, restoration, construction, or operation of the industrial facility.

Revocation of an Industrial Facilities Exemption Certificate by the State Tax Commission will result in the dissolution of the underlying IDD or PRD.

**B. Transfer.** An Industrial Facilities Exemption Certificate may be transferred and assigned by the certificate holder to a new owner, or lessee, after a public hearing, approval of the Township Board, and approval of the State Tax Commission as provided in the Act.

**VIII. EXTENSION OF TWO-YEAR TIME LIMIT TO COMPLETE FACILITY**

**A. Request for Extension.** A request for an extension of time to complete the facility must be filed with the Township Supervisor (with all supporting information) no later than six (6) months after the ending date of the Industrial Facilities Exemption

Certificate. The request shall be filed in the manner specified by the State Tax Commission.

- B. Consideration of Extension Request.** The Township Board may hear requests for consideration of an extension at a public meeting and may grant one (1) extension of time to complete the industrial facility. If the request for extension is granted, the approval shall take the form of a resolution of the Township Board. The Township Clerk shall forward a copy of the resolution authorizing the extension of time to the State Tax Commission.

**IX. MONITORING OF TAX ABATED PROPERTY AND FOLLOW-UP**

- A. Submission of Annual Reports.** Where an Act 198 tax abatement is granted (following creation of an IDD or PRD, and approval of an Industrial Facilities Exemption Certificate is granted by the Township Board and the State Tax Commission), the Industrial Facilities Exemption Certificate holder shall submit follow-up reports to the Township Clerk not less frequently than annually. Each annual follow-up report shall contain the following information:

1. The projected jobs to be created and/or retained, in comparison to the actual number of full-time equivalent jobs (2,000 hours worked annually) created and/or retained, in sufficient detail to allow the Township to determine the number of jobs created and/or retained by job classification.
2. If applicable, for certificate holders subject to a contractual agreement with the Township due to the unavailability of municipal sewer utilities, a report on the discharges to the private sewer system in sufficient form and detail to allow the Township to ascertain the environmental effects of such discharges.

- B. Consequences for Failure to Submit Annual Follow-Up Reports.** Failure to supply the required follow-up report annually to the Township Clerk will result in a Township Board resolution requesting that the State Tax Commission revoke the Industrial Facilities Exemption Certificate. Revocation of an Industrial Facilities Exemption Certificate by the State Tax Commission will result in the dissolution of the underlying IDD or PRD.

Motion was made by \_\_\_\_\_ and seconded by \_\_\_\_\_, to adopt the foregoing Policy by Board Resolution.

Upon roll call vote the following voted "Aye":

The following voted "Nay":

The following were Absent:

The following Abstained:

The Chair declared the motion carried and the Policy Resolution duly adopted.

\_\_\_\_\_  
Dusty Farmer, Clerk  
Oshtemo Charter Township

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**CERTIFICATE**

STATE OF MICHIGAN            )  
  ) ss.  
COUNTY OF KALAMAZOO        )

I, Dusty Farmer, the duly appointed and acting Clerk of the Township of Oshtemo, certify that the foregoing constitutes a true and complete copy of a Resolution adopted at a regular meeting of the Oshtemo Charter Township Board held on August 9, 2022, which meeting was preceded by required notices under the Michigan Open Meetings Act, being 1976 PA 267; that a quorum of the Board was present and voted in favor of said Resolution; and that minutes of said meeting were kept and will be or have been made available as required by said Open Meetings Act.

IN WITNESS WHEREOF, I have hereto affixed my official signature on this \_\_\_ day of August, 2022.

\_\_\_\_\_  
Dusty Farmer, Clerk  
Oshtemo Charter Township