

COUNCIL COMMUNICATION

Manager's Recommendation: Approval of the resolution as follows:

RESOLUTION TO AUTHORIZE APPLICATION FOR SMARTZONE

Council _____ offered and moved adoption of the following resolution:

WHEREAS, the SmartZone Program, creating a statewide network of technology parks, was established in 2000 by amendments to PA 281 of 1986 (Local Development Financing Act); MCL 125.2151, et seq.; and,

WHEREAS, the Act initially allowed the Michigan Economic Development Corporation to designate up to 10 SmartZones (referred to in that Act as Certified Technology Parks) statewide; and

WHEREAS, subsequent amendments to the Act resulted in a total of 12 designated SmartZones as of December 31, 2007; and

WHEREAS, Local Development Finance Authorities may capture incremental property taxes from all properties within the designated geographic SmartZone; and

WHEREAS, Public Act 105 of 2008 amended the Act to allow for 3 additional SmartZones; MCL 125.2162a; and

WHEREAS, the Michigan Economic Development Corporation is seeking applications for SmartZones from municipalities who have formed, or are planning to form Local Development Finance Authorities, pursuant to the eligibility requirements of the Act; and

WHEREAS, the City of Saginaw, working with Saginaw Future and the South Washington Avenue Improvement Committee has targeted a specific area as a Medical Corridor; and

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WHEREAS, the City of Saginaw has been successful in its efforts to locate medical technology business, research & development and medical advancements in the Medical Corridor.

NOW, THEREFORE, BE IT RESOLVED, that the Saginaw City Council authorizes the City Manager or his designee to submit an application to the Michigan Economic Development Corporation for SmartZone designation; and

BE IT FURTHER RESOLVED, that the City intends to enter into an agreement with the Michigan Economic Development Corporation establishing a district by which the Local Development Finance Authority may capture incremental property taxes from all properties within the designated geographic SmartZone, including all local operating property taxes, and up to 50% of the K-12, state, and intermediate school district operating levies up to 15 years, subject to the State Treasurer's authorization.