

COUNCIL COMMUNICATION

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

INDUSTRIAL FACILITIES TAX EXEMPTION CERTIFICATE FOR TRW INTEGRATED CHASSIS SYSTEMS LLC

Council _____ offered and moved adoption of the following resolution:

WHEREAS, TRW Integrated Chassis Systems, LLC. ("TRW") is the new owner of an industrial facility located in the City of Saginaw, which is subject to an Industrial Facilities Tax Exemption Certificate ("IFEC"), originally issued to General Motors Corporation ("GM"), pursuant to P.A. 198 of 1974, as amended, ("Act") and transferred to Delphi Automotive Systems, LLC ("Delphi") by Council action on August 9, 1999, being IFEC #1997-386; and

WHEREAS, TRW did on July 31, 2008, file its application for the transfer of the above IFEC from Delphi to TRW, as required by Section 21 of the Act, receipt of said application having been reported to City Council on September 8, 2008, and said application being on file with the City Clerk, File No. 08-30; and

WHEREAS, as to IFEC #1997-386, in connection with a written agreement which was entered into originally between GM and the City of Saginaw, and later transferred to Delphi and the City of Saginaw, pursuant to Section 22 of the Act, Delphi has assigned to TRW and TRW agrees to assume the obligations and liabilities of Delphi, as stated in the written agreement; and

WHEREAS, it is in the best interest of the City of Saginaw to encourage TRW, as the transferee of the facilities of Delphi, to continue to operate the facilities and maintain

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employment at the facilities within the City of Saginaw, and the approval of the transfer will not impede the operation of the City or impair the financial soundness of the City.

NOW, THEREFORE, BE IT RESOLVED, that the Council hereby finds and determines as follows:

1. The Council of the City of Saginaw on December 19, 1977, on the petition of Chevrolet Motors Division, General Motors Corporation, did lawfully establish in the City of Saginaw, an Industrial Development District pursuant to the Act, said district comprising that certain piece or parcel of land in the State of Michigan, County of Saginaw and City of Saginaw under the City of Saginaw Tax Roll No. 10 9660 00000 commonly known as 2328 E. Genesee, Saginaw, Michigan.

2. Upon receipt of the above-mentioned application for the transfer of an Industrial Facilities Tax Exemption Certificate from Delphi to TRW Integrated Chassis Systems, LLC, the City Clerk did notify in writing the Assessor of the City of Saginaw and the legislative body of each taxing unit which levies ad valorem property taxes in the City of Saginaw, this being the governmental unit in which the facility for an Industrial Facilities Tax Exemption Certificate is sought to be located, said taxing units being the Intermediate School District, the School District of the City of Saginaw, the County of Saginaw, Saginaw Public Libraries, Delta College and Saginaw Transit Authority Regional Services, enclosing a copy of the above-described application for Industrial Facilities Tax Exemption Certificate and notifying each that it would be given an opportunity to be heard on this matter by the Council at its regular meeting on Monday, September 22, 2008.

3. The Council has on this date and earlier in this meeting afforded TRW, the

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Assessor of the City of Saginaw, and a representative of each affected taxing unit an opportunity for a hearing on the above-mentioned application for an Industrial Facilities Tax Exemption Certificate, and the Council has given due consideration to all information presented at said hearing.

4. Prior to approving the initial Industrial Facilities Tax Exemption Certificate for GM, the City Assessor determined and furnished to the then Council for the City of Saginaw the value of the property to which the initial application pertains, the aggregate state equalized valuation of real and personal property which would be exempt from ad valorem taxes under the Act in the City of Saginaw after granting GM's application for an Industrial Facilities Tax Exemption Certificate and the sum of the state equalized valuation of the City of Saginaw and the aggregate state equalized valuation of real and personal property exempt from ad valorem taxes under the Act in the City of Saginaw.

5. The application filed by TRW for transfer of the certificate indicates seven hundred fifty (750) current jobs will be retained, in the City of Saginaw, this being the community in which the facility is situated.

6. The aforementioned application for transfer complies in all respects with the applicable provisions of the Act, and all actions and proceedings necessary for the approval of said application by the Council of the City of Saginaw have been accomplished as required by said Act.

BE IT FURTHER RESOLVED, that the Council of the City of Saginaw does hereby approve the above-described application of TRW, under Section 21 of the Act, to transfer IFEC No. 1997-386 from Delphi to TRW, which certificate will expire on December 30, 2009.