

COUNCIL COMMUNICATION

RESOLUTION TO APPROVE A TOOL AND DIE RENAISSANCE RECOVERY ZONE FOR MISTEQUAY GROUP, LTD. AND UNIVERSAL/DLIEG LLC

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

Council _____ offered and moved adoption of the following resolution:

WHEREAS, the City of Saginaw desires to promote economic activity and maintain and increase the number of jobs available to residents of the area; and

WHEREAS, certain industries in the state are facing difficult times and the tool and die industry, in particular, has sustained losses due to foreign competition; and

WHEREAS, the State of Michigan has enacted a law that offers the establishment of 35 Tool and Die Renaissance Recovery Zones; and

WHEREAS, the designation of a Tool and Die Renaissance Recovery Zone will temporarily reduce the tax burden paid by businesses enabling them to reposition themselves to compete globally; and

WHEREAS, two City of Saginaw businesses, Mistequay Group, LTD ("Mistequay") and Universal/DeVlieg ("Universal/DeVlieg") have entered into a collaborative agreement with other business entities having the appropriate North American industrial classification; and

WHEREAS, both Mistequay and Universal/DeVlieg are qualified tool and die operations that either own or lease property in the City of Saginaw; and

WHEREAS, should the area owned by Mistequay and Universal/DeVlieg be designated a Tool and Die Renaissance Recovery Zone, property within that zone will

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be exempt from taxes levied by the City, County, and other units of government as provided under this Act; and

WHEREAS, certain millage rates (City of Saginaw Police & Fire assessment, school debt, Community Hospital debt and Juvenile Home debt) would not be exempt, while others (school operating, Saginaw ISD special education & operating, Delta College, Saginaw Public Library and the State Education Tax) would be held harmless; and

WHEREAS, the City estimates that the foregone tax revenue, which is estimated on the attached schedules, would be a small portion of the benefits the designation of a Tool and Die Renaissance Recovery Zone will bring the community.

NOW THEREFORE BE IT RESOLVED, that the City of Saginaw requests that the State of Michigan designate a Tool and Die Renaissance Recovery Zone under Public Act 376 of 1996 for a duration of up to ten (10) years, for Mistequay Group, LTD, 1156 and 1212 North Niagara Street and Universal/DeVlieg LLC, 1156 North Niagara Street, described as follows:

Part of the S 1/2 of the SW FRL ¼ of Sec 24, T12N, R4E & Smith & Hayden's Addition commencing at the intersection of the centerline of W Remington St & the centerline of N Niagara St, thence NE'LY along said centerline 277.68 feet to the point of beginning, thence continuing NE'LY along said centerline 110.62 feet to the point of deflection, thence continuing NE'LY along said centerline of Niagara St 791.2 feet. Thence S43DEG25MINE to the west bank of the Saginaw River, thence SW'LY along said river bank to a line 6 feet SW'LY of and parallel to S'LY line of Block 69, Smith & Hayden's Addition extended SE'LY, thence NW'LY along said parallel line to the point of beginning, except the SW'LY 190 feet, also except the NW'LY 33 feet taken for N Niagara St.