



CITY of NOVI CITY COUNCIL

Agenda Item 1
July 9, 2018

SUBJECT: Approval of Resolution to establish an Industrial Development District by its owner Novi Corporate Park V, LLC for parcel 50-22-09-451-031 at 46200 Twelve Mile Road.

SUBMITTING DEPARTMENT: City Assessor

CITY MANAGER APPROVAL: 

BACKGROUND INFORMATION:

A request to establish an Industrial Development District (IDD) has been submitted on April 16, 2018 by Novi Corporate Park V, LLC for the property identified as 46200 Twelve Mile Road and for parcel having tax ID: 50-22-09-451-031.

The parcel has the following legal description:

T1N, R8E, SEC 9 PART OF SE 1/4 BEG AT PT DIST N 87-03-04 E 510 FT FROM S 1/4 COR, TH N 03-08-19 W 75 FT, TH S 87-03-04 W 100 FT, TH N 03-08-19 W 235 FT, TH N 87-03-04 E 100 FT, TH N 03-08-19 W 18.37 FT, TH N 87-03-04 E 158.85 FT, TH N 03-08-19 W 207.14 FT, TH N 86-40-14 E 253.67 FT, TH S 02-57-36 E 537.19 FT, TH S 87-03-04 W 410.84 FT TO BEG 4.85 A 4-9-15 FR 028 & 030

Split/Combined on 04/06/2015 from 50-22-09-451-028, 50-22-09-451-030;

Subsequent to filing its request to establish an IDD, Nachi Robotic Systems, Inc. (Nachi) has filed an abatement application for new real property improvements and personal property installations in the amount of approximately \$5,735,410. This is an existing shell building finished by Nachi as its tenant into a 65,500 square foot facility having a 26,600 two-story office area and 39,500 square foot shop area, with laboratory and warehouse space. The facility will be used for "general business operations, a research and development lab and a show room for NRS's robot equipment."¹

Industrial Development Districts

Industrial Development Districts are established for new real property or personal property projects as provided for by Public Act 198, 1974 as amended.

"The legislative body of a local governmental unit may establish a plant rehabilitation district or an industrial development district on its own initiative or upon a written request filed by the owner or owners of 75% of the state equalized value of the industrial property." (PA 198 4(2), 1974 as amended)

Establishing this parcel within an Industrial Development District will serve to enable Nachi the ability to apply for its respective industrial facility exemption certificate.

¹ Per Abatement application description.

Pending Appeals

To the best of staff's knowledge, there is no outstanding and/or pending property tax appeal(s) involving the property that is the subject of this request. There is no outstanding and/or pending appeal(s) involving the owner filing for IDD or subsequent IFEC tax incentive within the city.

Abatement Eligibility

Establishment of an industrial development district is a prerequisite to consideration of an industrial facility exemption certificate for any new real property and personal property improvements.

Based on reviewing the property records, the owner's request, and the applicant's subsequent request, staff recommends approval of Novi Corporate Park V, LLC's request for establishing an Industrial Development District encompassing parcel 50-22-09-451-031, consisting of a total of 4.850± acres.

RECOMMENDED ACTION: Approval of Resolution to establish an Industrial Development District for Novi Corporate Park V, LLC for parcel 50-22-09-451-031 located at 46200 Twelve Mile Road.

**CITY OF NOVI
RESOLUTION
ESTABLISHING AN INDUSTRIAL DEVELOPMENT DISTRICT
FOR NACHI ROBOTIC SYSTEMS, INC**

At a meeting of the City Council held on the **9th day of July, 2018** at the City Council Chambers at 45175 Ten Mile Road, Novi, Michigan 48375

It was moved by Councilperson ----- and supported by Councilperson -----

WHEREAS, Act 198 of the Public Acts of 1974, as amended, authorizes the City Council of Novi to establish an Industrial Development District; and

WHEREAS, **Novi Corporate Park V, LLC** has petitioned this City Council to establish an Industrial Development District on the property herein described; and

WHEREAS, construction, acquisition, alteration, or installation of a proposed facility within the district has not commenced as of this date of the filing of the request to establish the district; and

WHEREAS, the City Council of the City of Novi, has given written notice by certified mail to the owners of real property within the proposed Industrial Development District and to the public by newspaper advertisement in the **Novi News**, and public posting of the hearing on the establishment of the proposed district; and

WHEREAS, a public hearing was held on **9th day of July, 2018** at which all of the owners of real property within the proposed Industrial Development District and all residents and taxpayers of City of Novi were afforded an opportunity to be heard; and

WHEREAS, the City Council deems it to be in the best interest of the City of Novi to establish the Industrial Development District as proposed;

NOW, THEREFORE, BE IT RESOLVED by the City Council of Novi that the following described parcel of land situated in the City of Novi, County of Oakland, State of Michigan, to wit:

Parcel identification: 50-22-09451031, legally described as

T1N, R8E, SEC 9 PART OF SE 1/4 BEG AT PT DIST N 87-03-04 E 510 FT FROM S 1/4 OR, TH N 03-08-19 W 75 FT, TH S 87-03-04 W 100 FT, TH N 03-08-19 W 235 FT, TH N 87-03-04 E 100 FT, TH N 03-08-19 W 18.37 FT, TH N 87-03-04 E 158.85 FT, TH N 03-08-19 W 207.14 FT, TH N 86-40-14 E 253.67 FT, TH S 02-57-36 E 537.19 FT, TH S 87-03-04 W 410.84 FT TO BEG 4.85 A 4-9-15 FR 028 & 030 Split/Combined on 04/06/2015 from 50-22-09-451-028, 50-22-09-451-030;

be and here is established as an Industrial Development District pursuant to the provisions of Act 198 of the Public Acts of 1974 to be known as the **Nachi Robotic Systems, Inc. Industrial Development District.**

AYES:
NAYS:
ABSENT:
ABSTENTIONS: None

April 16, 2018

Via Federal Express

Mr. Michael Lohmeier
City of Novi
45175 Ten Mile Road
Novi, Michigan 48375

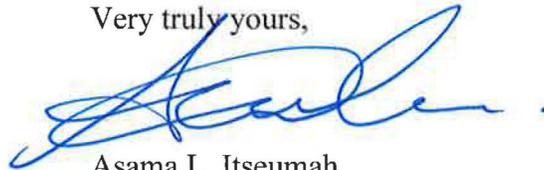
Re: **Nachi Robotic Industrial Development District Request**

Dear Mr. Lohmeier:

Enclosed please find a request letter on behalf of Novi Corporate Park V, LLC and Nachi Robotic Systems, Inc. for the City of Novi to establish an industrial development district. We have also enclosed a check payable to the Clerk, City of Novi in the amount of \$1,000.00 in payment of the industrial development district request fee.

Please contact me with any questions you may have.

Very truly yours,



Asama L. Itseumah

ALI/jlh
Enclosures
17070735

Novi Corporate Park V, LLC
27750 Stansbury, Suite 200
Farmington Hills, MI 48334

April 11, 2018

City Clerk
City of Novi
45175 W. Ten Mile Road
Novi, MI 48375

**Re: Request to Establish Industrial Development District (IDD)
46200 Twelve Mile Road, Parcel No. 50-22-09-451-031**

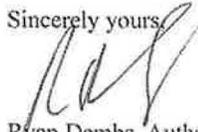
Dear Mayor and Members of City Council:

Please be advised that Novi Corporate Park V, LLC, a Michigan limited liability company (“**Owner**”) and Nachi Robotic Systems, Inc., a Delaware corporation (“**Nachi**”) have entered into a Lease for the real property commonly known as 46200 Twelve Mile Road, Novi, Michigan, that is legally described on attached **Exhibit A** (“**Property**”). Pursuant to the Lease, Owner will construct improvements on the building currently located on the leased Property in order to make it compatible with Nachi’s business operations.

Based on the investment to be made in the Property, Owner hereby requests that the Novi City Council establish an industrial development district (“**IDD**”) for the Property pursuant to Act 198 of 1974, as amended, MCL 207.554. If the City Council establishes the requested IDD, Nachi, as tenant of the Property, would then apply for the issuance of an Industrial Facilities Exemption Certificate relating to the ad valorem real and/or personal property taxes for the Property.

If you need or desire any additional information to consider and/or process this request, please contact me. Thank you for your consideration and assistance.

Sincerely yours,



Ryan Dembs, Authorized
Representative of Owner

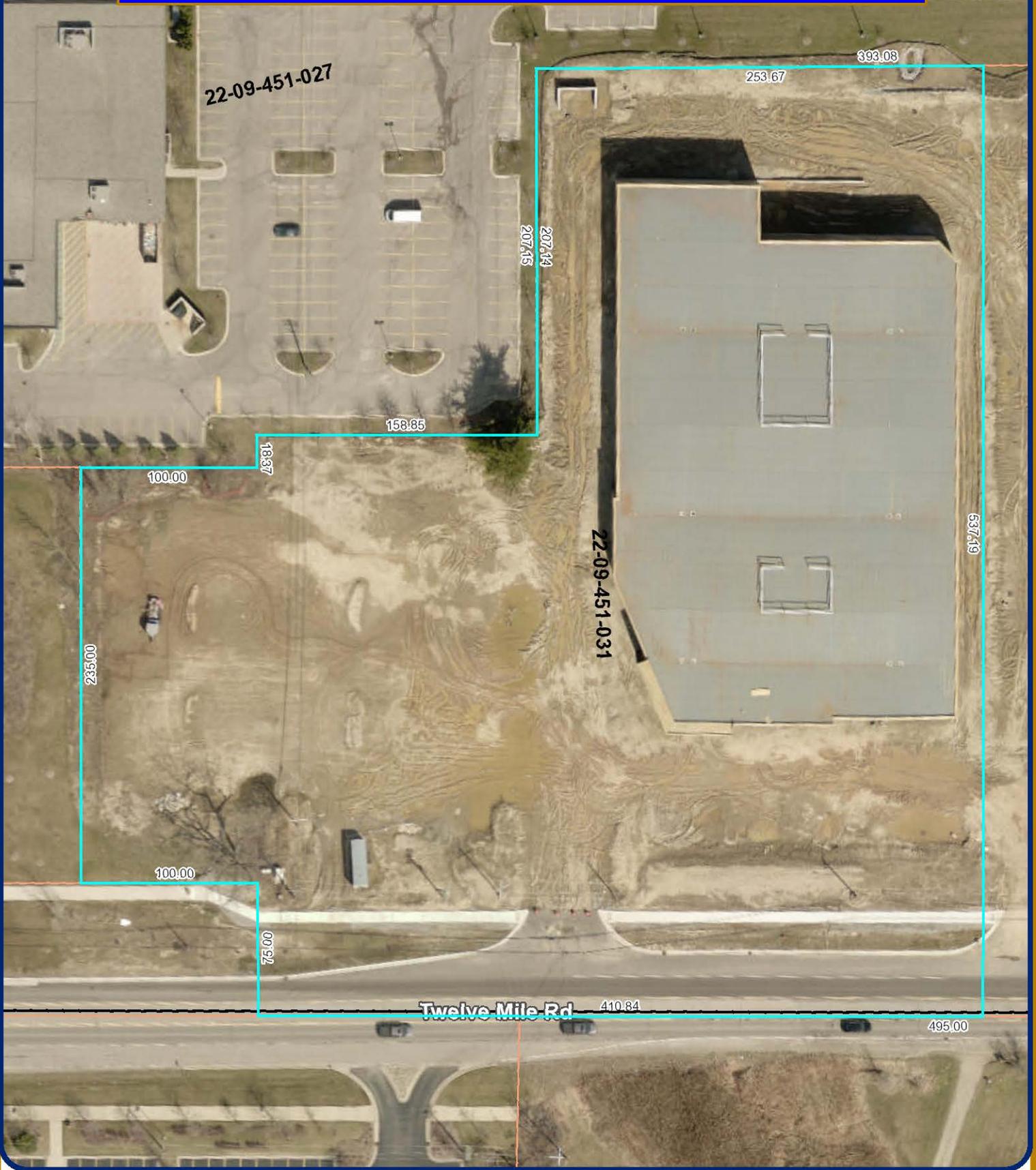
EXHIBIT A
LEGAL DESCRIPTION

The real property situated in the City of Novi, Oakland County, Michigan described as follows:

Part of the Southeast quarter of Section 9, Town 1 North, Range 8 East, more particularly described as: Beginning at a point North 87 degrees 03 minutes 04 seconds East 510 feet from the South 1/4 corner of said Section 9; thence North 03 degrees 08 minutes 19 seconds West 75 feet; thence South 87 degrees 03 minutes 04 seconds West 100 feet; thence North 03 degrees 08 minutes 19 seconds West 235 feet; thence North 87 degrees 03 minutes 04 seconds East 100 feet; thence North 03 degrees 08 minutes 19 seconds West 18.37 feet; thence North 87 degrees 03 minutes 04 seconds East 158.85 feet; thence North 03 degrees 08 minutes 19 seconds West 207.14 feet; thence North 86 degrees 40 minutes 14 seconds East 253.67 feet; thence South 02 degrees 57 minutes 36 seconds East 537.19 feet; thence South 87 degrees 03 minutes 04 seconds West 410.84 feet to the point of beginning

Property Address: 46200 Twelve Mile Road
Tax Parcel No: 50-22-09-451-031

46200 Twelve Mile Rd



MAP INTERPRETATION NOTICE

Map information depicted is not intended to replace or substitute for any official or primary source. This map was intended to meet National Map Accuracy Standards and use the most recent, accurate sources available to the people of the City of Novi. Boundary measurements and area calculations are approximate and should not be construed as survey measurements performed by a licensed Michigan Surveyor as defined in Michigan Public Act 132 of 1970 as amended. Please contact the City GIS Manager to confirm source and accuracy information related to this map.



Map Print Date:
6/26/2018



City of Novi
45175 Ten Mile Rd
Novi, MI 48375
cityofnovi.org