



**CITY OF NOVI CITY COUNCIL
JUNE 21, 2021**

SUBJECT: Approval of a resolution to request the State Tax Commission revoke an Industrial Facilities Exemption Certificate for Bluewater Technologies.

SUBMITTING DEPARTMENT: City Manager

BACKGROUND INFORMATION: City Council approved an Industrial Facilities Tax (IFT) Certificate through the Public Act 198 for Bluewater Technologies, to be located at 45833 W. Twelve Mile Road on September 23, 2019. An Industrial Development District was also established at that address, paving the way for the IFT approval. Bluewater anticipated investing \$19 million into the property to construct their new headquarters. Due to a myriad of issues, Bluewater scrubbed their plans to expand in Novi and now occupies a new facility in nearby Wixom.

Since Bluewater has moved on, City Council does need to make a formal request to the State Tax Commission (STC) to revoke the exemption certificate from 2019. If City Council agrees with this course of action and the STC concurs, then City Council will be asked to consider if the Industrial Development District that was also approved should be revoked. Such action will be presented to City Council at a later date.

RECOMMENDED ACTION: Approval of a resolution to request the State Tax Commission revoke an Industrial Facilities Exemption Certification for Bluewater Technologies.

50-22-16-226-003 at 45833 W. Twelve Mile Road



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.



1 inch = 376 feet



Map Print Date:
6/17/2021



City of Novi

45175 Ten Mile Rd
Novi, MI 48375
cityofnovi.org

**CITY OF NOVI
COUNTY OF OAKLAND, MICHIGAN**

**RESOLUTION TO REQUEST THE STATE TAX COMMISSION TO REVOKE AN INDUSTRIAL
FACILITIES EXEMPTION CERTIFICATION**

Minutes of a Meeting of the City Council of the City of Novi, County of Oakland, Michigan, held in the City Hall of said City on June 21, 2021, at 7 o'clock P.M. Prevailing Eastern Time.

PRESENT: Councilmembers _____

ABSENT: Councilmembers _____

The following preamble and Resolution were offered by Councilmember _____ and supported by Councilmember _____.

WHEREAS ; Bluewater Technologies Group, Inc. ("Bluewater") requested that the City establish an Industrial Development District on a parcel of land located at 45833 W. Twelve Mile Road, with tax ID number 50-22-16-226-033. Bluewater indicated they were going to use this parcel as the site for its new corporate headquarters. One of the reasons that Bluewater requested the creation of this District was to enable it to request an Industrial Facilities Exemption certificate from the State Tax Commission, which was granted; and

WHEREAS ; On September 23, 2019 the Novi City Council adopted Resolution CM-19-09-162 to establish an Industrial Development District under the Plant Rehabilitation and Industrial Development Districts Act, Public Act 198 of 1974, MCL 207.551 et. seq. ("Act") for the approximate 10-acre parcel with the following legal description;

T1N, R8E, SEC 16 PART OF N 1/2 OF NE 1/4 BEG AT PT DIST E 1155.04 FT FROM N 1/4 COR, TH E 495 FT, TH S 00-53-00 W 880 FT, TH W 495 FT, TH N 00-53-00 E 880 FT TO BEG 10 AMN297A-1; and

WHEREAS ; Approximately twenty months have passed since the City of Novi established the Industrial Development District without Bluewater making any attempt to utilize this parcel. Bluewater failed to act in good faith to proceed with its intended development plan. Its failure to act was not the result of circumstances beyond their control. Since the purposes for which the preferential tax status was granted no longer exist, the City of Novi would like to have the parcel return to its prior tax status.

WHEREAS ; To terminate the Industrial Development District, the City of Novi must first request the State Tax Commission to revoke the Industrial Facilities Exemption certificate. If the State Tax Commission revokes the Industrial Facilities Exemption, the City may then revoke the Industrial Development District. MCL 207.554 (8)

NOW THEREFORE, IT IS THEREFORE RESOLVED that the Mayor and Council of the City of Novi request that the State Tax Commission revoke the Industrial Facilities Exemption Certificate it approved for Bluewater for parcel 50-22-16-226-033, because the purposes for which the certificate was issued are not being fulfilled as a result of the certificate holder's failure to proceed in good faith for the construction and operation of a new facility in a manner consistent with the purposes of the Act and in the absence of circumstances that are beyond the control of the holder.

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.

Cortney Hanson, City Clerk

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Novi, County of Oakland, and State of Michigan, at a regular meeting held this 21st day of June, 2021, and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976, and that the minutes of said meeting have been kept and made available to the public as required by said Act.

Cortney Hanson, City Clerk
City of Novi