

**RESOLUTION NO. 23-14
CITY OF ST. CLAIR
COUNTY OF ST. CLAIR, MICHIGAN**

**RESOLUTION APPROVING AN APPLICATION FROM MAGNA ELECTRIC VEHICLE
STRUCTURES-MICHIGAN, INC. FOR INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE
IN ACCORDANCE WITH ACT 198 OF THE 1974 PUBLIC ACTS OF MICHIGAN,
AS AMENDED**

WHEREAS, the City Council of the City of St. Clair has, heretofore, by Resolution, adopted at a Regular Meeting thereof, established an Industrial Development District, pursuant to the provisions of 1974 PA 198, as amended, consisting of lands in the City of St. Clair, County of St. Clair, Michigan; and

WHEREAS, the City Council has received an application from Magna Electric Vehicle Structures-Michigan, Inc., 1811 Range Rd., St. Clair, Michigan 48079, an owner or lessee of a facility within said District for an Industrial Facilities Exemption Certificate; and

WHEREAS, before acting upon the application, the City Council of St. Clair afforded the said applicant, the Assessor and a representative of the affected taxing units, an opportunity to be heard at a hearing held pursuant to said notice, on May 15, 2023; and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within the City of St. Clair, after granting this certificate, will not exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.

NOW, THEREFORE, BE IT AND IT HEREBY IS RESOLVED:

(1) It is hereby found and determined by the City Council of the City of St. Clair that the granting of the Industrial Facilities Exemption Certificate, considered together with the aggregate amount of Industrial Facilities Exemption Certificates previously granted and currently in force, shall not have the effect of substantially impeding the operation of the local governmental unit of impairing the financial soundness of a taxing unit which levies an ad valorem property tax in the local governmental unit in which the facility is located; and,

(2) It is further hereby found and determined by the City Council of the City of St. Clair that the applicant complies with all of the following requirements:

- a. The proposed facility shall be located within an industrial development district or industrial development district which was duly established in the City of St. Clair, and which district was established upon a request filed or by the City of St. Clair's own initiative taken before the commencement of the restoration, replacement or construction of the facility.
- b. The commencement of the restoration or replacement of the facility occurred not earlier than six (6) months before the filing of the application for the Industrial Facilities Exemption Certificate.

- c. The application relates to a construction, restoration, or replacement program which, when completed, constitutes a new or replacement facility within the meaning of 1974 PA 198, and which shall be situated within an industrial development district duly established pursuant to 1974 PA 198, as amended, by the City of St. Clair, a local governmental unit eligible under said Act to establish such a District.
- d. Completion of the facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to create employment, retain employment, prevent a loss of employment or produce energy in the City of St. Clair.
- e. Completion of the facility does not have the effect of transferring employment from one or more local governmental units of the State to the local governmental unit in which the facility is located.
- f. Completion of the facility does not constitute merely the addition of machinery and equipment for the purpose of increasing productive capacity, but rather is primarily for the purpose and will primarily have the effect of restoration, replacement, or updating the technology of obsolete industrial property.
- g. The replacement, when completed, will be located on the same premises or contiguous premises as the obsolete industrial property. This application does not relate to a "speculative building" as defined in the Act.

(3) Unless earlier revoked as provided in Section 15 of Act 198 of the 1974 Public Acts, as amended, the Industrial Facilities Exemption Certificates approved herein shall remain in force and effective for twelve (12) years on real property, conditioned upon the facilities' continuation in operation throughout each period, otherwise of no force or effect, commencing with its effective date and ending not later than December 31, 2035 on real property, which period of time is not more than twelve (12) years after completion of the facility with respect to the real property component of said facility, and otherwise is in compliance with Section 16 of 1974 PA 198, as amended.

(4) The City Council of the City of St. Clair does hereby approve the application for an Industrial Facilities Exemption Certificate filed by Magna Electric Vehicle Structures, Inc-Michigan, Inc., as aforesaid, subject to the payment of seven hundred and fifty dollars (\$750) incurred by the City in the processing costs hereof, and hereby requires the applicant to annually submit to the city a summary of improvements, job creation and wage information.

(5) The Clerk of the City of St. Clair is hereby directed to forward such application and a certified copy of this Resolution to the State Tax Commission for the State of Michigan.

RESOLUTION DECLARED ADOPTED

Bill Cedar Jr., Mayor
City of St. Clair

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 St. Clair, County of St. Clair, State of Michigan, at a regular meeting of the City Council held on the 15th day of May, 2023, and public notice of said Meeting was given pursuant to and in accordance with the requirements of Act No. 267 of the Public Acts of 1976, as amended, the same being the Open Meetings Act, and the Minutes of said meeting have been or will be made available as required by said Act.

Members Present: Cedar, Gottler, Kuffa, LaPorte, Paul, Volz, Watt
Members Absent: None

It was moved by Member Paul and supported by Member Kuffa to adopt the Resolution.

Members Voting Yes: Paul, Volz, Watt, Gottler, Kuffa, LaPorte, Cedar
Members Voting No: None

The Resolution was declared adopted by the Mayor and has been duly recorded in the Resolution Book of the City of St. Clair.

Annette Sturdy, City Clerk
City of St. Clair, Michigan