

## Appendix D: City of Coopersville Application Criteria

*Note that this is the original criteria that was implemented in 1978 by the City. No revisions or changes have been made since then.*

### COOPERSVILLE'S TAX ABATEMENT PROGRAM

#### I. INTENT

The basic objective of the City's tax policies is to provide services to the citizens of our community with the lowest property taxes possible. Using correct selection criteria for industrial tax abatements can help meet that primary objective by expanding and diversifying the City's tax base. Therefore, Coopersville encourages the growth and development of its industrial base if the conditions listed below are complied with.

#### A. GENERAL REVIEW CRITERIA

The following criteria will be used by City Council to evaluate Act 198 applications:

- The project should help diversify Coopersville's industrial base.
- The project should result in additional employment opportunities for the citizens of this community.
- The project should not impair the financial condition of any governmental or school tax unit.
- The project should not overly burden the City's sewer and water system.
- The industry should be serviced by the City's sewer and water system. If these systems need to be extended to the a new or expanded facility, and if this extension will help expand sewer and water service into residential areas, and if the industrial concern is willing to pay for or share in the cost of this extension, the project will be more favorably considered by Council.
- The Council may waive the requirement to hook up to the City's sewer system if it is not economically feasible to do so, provided the applicant agrees to discharge a private sewer system monitored by the applicant and to comply with State, County, and City reporting requirements.
- The project should be environmentally sound, complementing the City's comprehensive plan, future land use plan and environmental objectives. Noise, odor, clean air, solid and hazardous waste, traffic congestion and other environmental concerns will be investigated and will be part of the decision process.
- The project should not overly burden the City's road system or negatively impact the public safety of Coopersville citizens.

- The applicant is currently meeting current financial obligations to the City, is in compliance with all applicable state and city codes and ordinances, and has no pending or current litigation against the City (including appeals to the Michigan Tax Tribunal).

The above criteria are not intended to be exhaustive. The Coopersville City Council reserves the right to consider such additional criteria as they deem necessary to meet these general objectives and which are consistent with the general health, safety, welfare and financial condition of the City of Coopersville. Periodic review of tax abatement policy is necessary to insure consistency with changing community needs and objectives.

## B. REVIEW PROCEDURES / STANDARD

### 1. Tax Abatement Review

- a. Tax abatement applications shall be properly completed and submitted to the City Clerk. The application will not be accepted until all required information has been satisfactorily submitted and all required fees have been fully paid.
- b. A tax abatement incentive application received under P.A. 198 will be referred to the City Manager for review and report. The review and report will be provided to the Council for consideration at the public hearing on the establishment of the district. The administrative review will consist of the following:
  - i. Preparation of a Project Impact Analysis which shall examine benefits and costs associated with the proposed manufacturing industry;
  - ii. Preparation of a Preliminary Environmental Analysis of the proposed manufacturing industry which will examine the availability of utilities to support the proposed land use; and any relevant environmental conditions or land, water or air resources that may be effected including impacts on adjacent properties; and
  - iii. Preparation of a Property Tax Analysis which shall estimate the taxes received by each affected taxing unit with and without the requested tax abatement incentive. The Property Tax Analysis must also specify the total abatement valuation percentage approved in the City.
- c. The City Clerk shall prepare the notices of the public hearing in accordance with the Act. In addition, the Clerk shall forward a copy of the application to all affected taxing units together with a notice of the place, date, and time of the public hearing on the creation of the district.

## II. **INDUSTRIAL DEVELOPMENT DISTRICTS/PLANT REHABILITATION DISTRICT AND ABATEMENT CONDITIONS**

- A. An Industrial Development District or Plant Rehabilitation District can be created and a certificate recommended for a new industrial development and replacement or restoration development that meets the provisions established in P.A. 198 and the extent

and configuration of such district will conform to the building foundation outline of the proposed industrial facility.

- B. Up to a twelve (12) year abatement on real property will be considered for a proposed industrial development which meets the criteria outlined under General Review Criteria and after analysis of the projects' impacts, including benefits and costs, environmental impacts, and the effect on taxing units determine that the proposed facility/restoration will benefit the community.
- C. The normal abatement period for personal property within new or replacement facilities shall be six (6) years. If the Council determines that a particular facility or restoration is of great benefit to the City, an additional period will be considered. Conversely, less than six (6) years may be granted by Council.
- D. There will be no abatements for office equipment. The City Assessor will determine which equipment will be considered office equipment.

### **III. DISSOLUTION OF INDUSTRIAL DEVELOPMENT AND PLANT REHABILITATION DISTRICTS**

- A. The City Council may, upon its own initiative, abolish a district if the Industrial Facilities Exemption Certificate application is not filed within two (2) years of the date upon which the City Council created the district or if the applicable certificate has been revoked by the State Tax Commission.
- B. Prior to the abolition of the district, a public hearing shall be held by the City Council. The City Clerk shall provide written notice of the public hearing to the owners of the property within the district and to the applicant who originally submitted the application. Written notice shall also be given to the affected taxing units. Such notice shall be provided by certified mail.
- C. If the district is abolished by the council, the City Clerk shall forward a copy of the resolution to the State Tax Commission.

### **IV. INDUSTRIAL FACILITIES EXEMPTION CERTIFICATES**

- A. Following the creation of the district, an industrial facilities exemption certificate application shall be submitted to the City Clerk for inclusion on the city Council agenda.
- B. The City Clerk shall notify the affected taxing units of the date, place and time of the hearing in accordance with statute.
- C. Subsequent to the decision of the Council, the application and resolution shall, if approved, be forwarded to the Michigan State Tax Commission. If disapproved, the Clerk shall return the application to the applicant.

### **V. REVOCATION OR TRANSFER OF CERTIFICATES**

- A. The City Council will consider a resolution requesting the State Tax Commission to revoke the certificate if:
  - 1. The proposed industrial facility has not been completed within two (2) years after the effective date of the industrial facilities exemption certificate; or

2. The purpose for which the certificate was issued is not being fulfilled as a result of a failure of the certificate holder to proceed in good faith with the replacement, restoration, construction, or operation of the industrial facility.
- B. An industrial facilities exemption certificate may be transferred and assigned by the certificate holder to a new owner or lessee subject to a public hearing and approval of the council and the approval of the State Tax Commission as provided in the Act.

#### **VI. EXTENSION OF TWO YEAR TIME LIMIT TO COMPLETE THE FACILITY**

- A. One extension of time may be granted by the Council to complete the industrial facility.
- B. The certificate holder shall file the request with supporting information with the City Clerk in the manner specified by the State Tax Commission. The request for an extension of time to complete the facility must be filed not later than 6 months of the ending date of the certificate.
- C. The City Council may deny or approve the request for extension. Following action by the City Council, the City Clerk shall forward a copy of the resolution to the State Tax Commission.

#### **VII. MONITORING AND FOLLOW-UP**

- A. If a tax abatement incentive is approved by the City Council, and if the industrial facilities exemption certificate is approved by the State Tax Commission, follow-up reports shall be submitted by the certificate holder to the City Clerk not less than on an annual basis. The follow-up report will contain information pertaining to:
  1. The projected jobs to be created and/or retained in comparison with the actual number of full-time equivalent jobs (2,000 hours worked annually) created and/or retained. This comparison shall be in sufficient detail to determine the number of jobs created and/or retained by job classification.
  2. For certificate holders subject to a contractual agreement with the City due to the unavailability or municipal sewer utilities, a report on the discharges to the private sewer system in sufficient form and detail to ascertain environmental effects.
- B. Failure to supply the required report will result in a recommendation to the State to revoke the industrial facilities exemption certificate per VII.A.2. above.