

Chesterfield Township

47275 Sugarbush Road; Chesterfield, MI 48047
www.chesterfieldtp.org



APPLICATION PACKET

FOR

INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE (IFEC)

APPLICANTS TAKE NOTICE OF THE FOLLOWING:

All applications must contain each and every page from this application packet, including the checklist and any unused pages. If your application does not include all items, it will not be received by the Clerk's Office.

Please use only the forms provided with this application. No other forms, however similar, will be accepted.

This application packet was prepared in accordance with Public Act 198 of 1974, as amended.

Cindy Berry
Township Clerk

**CHECKLIST OF DOCUMENTS REQUIRED FOR APPLICATION FOR
INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE (IFEC)**

**Chesterfield Township
47275 Sugarbush Road
Chesterfield, MI 48047
www.chesterfieldtwp.org
(586) 949-0400 EXT.5**

Please place a check mark in the box next to each item as you assemble the following required information. When complete, submit the completed application package to the Chesterfield Township Clerk's Office.

- Payment of review fee **of (\$800) Eight Hundred Dollars**. Please make your check payable to '**Chesterfield Township Treasurer**'.
- One (1) completed original and three (3) copies of the IFT Certificate Application form (Form L4380) as established by the State Tax Commission. The application is attached or can be obtained by visiting the State Treasury website at www.michigan.gov/treasury then click on "Go to local Government" scroll down to the "Forms and Instructions" click on: Abatement /Exemption Form 1012, L-4380. This form will ask the applicant to provide the following:
 - A complete list of new machinery, equipment, furniture and fixtures which will be used in the facility. The list should include description, type, identification, date of (expected) acquisition/installation by month/day/year, and (expected) cost. **However, if the project is industrial in nature, personal property is no longer applicable under the act. The applicant is directed to file the Eligible Manufacturing Personal Property (L-5278) statement instead.** (207.556 (2) of PA 198 of 1974)
 - If construction has already commenced, proof of the date construction started (groundbreaking) such as building permits, footing inspection reports, certified statements or affidavit from the contractor. **Start of construction may not occur more than 6 months before the filing of this application** (§207.559(2)(c) of PA 198 of 1974).
- Verification that the petitioner bears the tax liability for ad valorem tax for the subject property. You may use the Affidavit of Ownership form, found on page 6.
- Two (2) copies of Proof of Ownership; Land Contract, Affidavit of Land Contract, Option/Purchase Agreement, Deed, etc.
- If applicable, two (2) copies of the lease agreement between the owner and occupant of the facility. That must state who is responsible for the Ad Valorem taxes.
- One (1) completed Verification of Recorded Legal Property form, found on page 11. This form must include an accurate legal description showing the specific location of the property within which the proposed exempt use will take place.

APPLICANTS TAKE NOTICE OF THE FOLLOWING:

1. **Legal Basis.** This application packet was prepared in accordance with Public Act 198 of 1974, as amended. All section references, except where otherwise noted, refer to this act.
2. **Submittal Deadline.** Submittal of an **IFEC application MUST be received by the Township no later than six (6) months after commencement of the project.** The Industrial Development District must be established before an IFT application can be accepted.
3. **Attendance Required at Public Hearing.** The Chesterfield Township Board of Trustees requires the Petitioner or their Representative to be present at the Public Hearing, otherwise the item will be tabled to another meeting date.
4. **IFEC Employment Status Report.** The Township requires all certificate holders to file an IFEC Employment Status Report, (UIA 1017) wage detail report on the January 31st two years after the certificate's effective date and also on the January 31st every year after that date. The Assessing Office will send this report directly to all of the certificate holders that will ask the company to certify the actual number of full-time jobs created as a direct result of the project. The Township will not seek a reduction in the existing IFEC term as long as the certificate holder provides a detailed explanation of the contributing cause(s) of the shortfall in the original job creation estimate. The form is on page 13 of this packet.
5. **Continued Operation of the Facility.** The certificate holder further agrees to continue to operate the Facility within the Township for the period of the IFEC in order to retain the benefits of the IFEC. If the applicant vacates the Facility prior to the end of the term of the IFEC, the applicant shall be responsible for the following:
 - a. If the certificate holder intends to vacate the facility for which the IFEC has been approved and issued prior to the end of the term of this agreement, the certificate holder agrees to notify the Assessor in writing of such intent and the reasons for vacating not less than 60 days prior to vacating the facility.
 - b. The certificate holder shall pay any outstanding taxes and shall repay to all affected taxing authorities an amount equal to the total tax amount abated by the IFEC within 30 days of the date of an invoice for such taxes.
 - c. If the certificate holder fails to pay the amount of the invoice for abated taxes within 30 days of the of the Township invoice, the certificate holder shall be responsible for any additional costs incurred by the Township in recovery of such taxes, including, but not limited to administrative fees, court costs, and attorney fees incurred.

ACCEPTED BY: Certificate Holder

NAME: _____

TITLE: _____

SIGNATURE: _____

**STATE OF MICHIGAN
COUNTY OF MACOMB**

The forgoing acceptance was acknowledged this _____ day of _____

by _____, _____ on behalf of _____
(Name) (Title) (Company Name)

Notary Public, _____ County, MI

My Commission expires: _____

ACCEPTED BY: Chesterfield Township

**STATE OF MICHIGAN
COUNTY OF MACOMB**

The forgoing acceptance was acknowledged this _____ day of _____
by Township Clerk, respectively, on behalf of the Township of Chesterfield.

Notary Public, _____ County, MI

My Commission expires: _____

When recorded, return to: Drafted by:

Township Clerk, Chesterfield Township
47275 Sugarbush Road
Chesterfield Township, MI 48047

INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE (IFEC) REVIEW PROCESS

- Step 1:** Applicant submits a completed application form as prescribed by the State Tax Commission. Items required include a general description of the facility and its proposed use, the general nature and extent of the proposed restoration, replacement or construction, a descriptive list of equipment that will be part of the facility and a timeline for the project.
- Step 2:** The Clerk's Office will verify that the property in question is located in a previously established IDD. If an IDD has not already been established, the applicant must first request the Township Board establish a district as required by law.
- Step 3:** The Clerk's Office will send a copy of the application to the Township Attorney and Assessor for review and verification.
- Step 4:** If approved by the attorney, the item will be placed on the next available Board of Trustees agenda for consideration of the application. The Board of Trustees will set a Public Hearing date.
- Step 5:** The item is placed on the next available Board of Trustees agenda for a Public Hearing (see MCL 207.555 (2)). The Local Clerk shall notify in writing the Township Assessor and the legislative body of each taxing unit within the district that collects ad valorem taxes (see MCL 207.555(2)). The applicant must be present at the public hearing.
- Step 6:** The Clerk's Office drafts a Resolution and Abatement Agreement, according to State requirements, for consideration by the Board to either approve or deny the application.
- Step 7:** The Township Board holds the public hearing and acts on the request. The Board shall, by resolution, state its decision to either approve or deny the application. If denied, the reasons shall be set forth in writing in the resolution. If approved, the Board shall set the number of years for which the district will be valid and they will instruct the Clerk to sign the resolution (see MCL 207.556).
- Step 8:** The Township and the operator of the facility will execute an agreement outlining the conditions and recourses to be upheld during the abatement period.
- Step 9:** If necessary, Forms T-1044A and/or T-1044, 3222, as created by the State Tax Commission, shall be completed. These are necessary if the abated SEV exceeds 5% of the Township's total SEV.
- Step 10:** If the application is approved, the Clerk shall forward the application, resolution and other necessary information to the State Tax Commission (see MCL 207.556).
- Step 11:** After review by the State Tax Commission, they will send the Industrial Facilities Exemption Certificate, or notice that the application was denied, to the applicant and township Clerk by certified mail (see MCL 207.557(2)).
- Step 12:** A copy of the Exemption Certificate shall be kept for the file with the Clerk', and another sent to the Assessor's Office for implementation.

APPLICATION FOR INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE

1. APPLICANT INFORMATION

Name of Applicant/Business _____

Parcel Number _____

Address _____

Telephone _____ Email _____

Represented by _____
(include address and telephone, if different from above)

2. PROJECT INFORMATION *(Check all that apply)*

Real Property Personal Property

New facility Expansion of existing facility

Speculative building* Rehabilitation/Restoration of existing facility

**A resolution must be previously approved by the Chesterfield Township Board of Trustees for the speculative building.*

Green Technology/ Process and design innovation to include: water efficiency, energy, and indoor environmental quality. Applicant must register with U.S. Green Building Council <https://www.usgbc.org> to obtain certification and provide written proof of this technology to the Chesterfield Township Building Department.

Location of proposed project _____
(Address preferred, if unknown use legal description)

Current zoning of project site: **M-1** Light Industrial **M-2** General industrial
 Other: _____

Date of Industrial Development District: _____

Resolution Number: _____

Project commencement date: _____

(List the building permit date or footings inspection date. Date must be within 6 months of the date of this application. If this application is for a speculative building, list the date of occupancy. If application pertains to personal property, list the first installation date.)

Please describe nature of Applicant's business: _____

3. COMPANY INFORMATION

Company Partners/Officers/Directors addresses:

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

If any of the above Partners/Officers/Directors are affiliated with any other company, please give name, company name, and company address:

_____	_____	_____
_____	_____	_____
_____	_____	_____

List all community involvement by the applicant and its Partners/Officers/Directors: (Examples include: Kiwanis, Lions, Rotary, Goodfellow's, Chamber of Commerce, etc.) NOTE: A strong participation in community service may assist in determining the period of tax abatement recommended for approval.)

When did applicant begin operation of business in Chesterfield Township? _____

Previous location(s) of applicant's business: _____

List previous tax abatements received in Chesterfield Township or elsewhere: _____

4. SPECIFIC INFORMATION

New construction: Briefly describe size, story height, and type of new building or addition

Speculative building: Resolution adopted by Township Board on _____

Name of Developer/Builder: _____

Personal Property: Purchase and installation Installation only Not applicable

SIC/NAICS Code: _____

5. PROJECT COST INFORMATION

Cost of **land improvements** (*Example: paving, fencing, sidewalks*)

Cost of **building improvements & real leasehold improvements:** _____

Cost of **furniture and fixtures** (Schedule 2c – Section A): _____

Cost of **machinery and equipment** (Schedule 2c – Section B): _____

Cost of **office equipment** (Schedule 2c – Section D): _____

Cost of **coin operated/vending equip.** (Schedule 2c – Section E): _____

Cost of **computer equipment** (Schedule 2c – Section F): _____

Cost of **personal leasehold improvements** (Schedule 2c – Sec M) _____

Total estimated project cost: _____

6. EMPLOYMENT INFORMATION

Number of existing employees prior to start of project: _____

Number of new employees to be hired as a result of this project: _____

Total number of employees anticipated upon completion of project: _____

Estimated number of employees who will be residents of Chesterfield Township: _____

Is the applicant employing (or planning to employ) students and/or residents attending local schools and colleges? Has the applicant contacted any Chesterfield Township schools regarding cooperative training programs? Please explain:

7. COMMUNITY IMPACT INFORMATION

Describe any additional road or utility services this project will require:

Describe the benefits this project will provide to the Chesterfield Township, its residents and businesses:

Describe anticipated new business and/or industry that will develop in Chesterfield Township as a result of this project:

Reason for this exemption request:

State any additional information which will assist in reviewing and deciding this application:

Number of years of exemption requested (1 - 12 years): _____

SIGNED: _____

DATE: _____

TITLE: _____

Verification of Recorded Legal Property

Project Name: _____

Permanent Parcel Number: 15-09-__ - ___ - ___

Public Road Frontage: _____

Address of Parcel: _____

Owners Name: _____

Address of Owner: _____

Legal Description

(Insert Here)

- *If the legal description below does not follow an existing parcel boundary, please attach a survey of the proposed area that is described.*
- *If the legal description below describes an area encompassing more than one parcel number, please submit a copy of this form for each parcel, or portion thereof that is involved.*

Do Not Write Below This Line – Assessor’s Use Only

Is the property proposed for use properly recorded with Chesterfield Township? Yes No

If no, does the proposed description fall within the boundaries of the parcels identified? Yes No

Comments:

Kerry Beauvais, Township Assessor

INDUSTRIAL FACILITIES EXEMPTION APPLICATION AFFIDAVIT OF FEES

We swear and affirm by our signatures below that no payment of any kind in excess of the fee allowed by PA 198 of 1974, as amended by PA 323 of 1996, has been made or promised in exchange for favorable consideration of an exemption certification application.

Chesterfield Township

Signed: _____ Printed Name: _____

Title: _____ Date: _____

Applicant: _____

Signed: _____ Printed Name: _____

Title: _____ Date: _____

The IFEC application and accompanying fee of **(\$800) Eight Hundred Dollars** was received on this day of _____, _____.

CINDY BERRY, Clerk
Chesterfield Township

Chesterfield Township
IFEC Employment Status Report

PROPERTY ADDRESS: _____

CERTIFICATE NUMBER: _____

CERTIFICATE HOLDER: _____

CERTIFICATE EXPIRATION: _____

CLERK'S ACKNOWLEDGMENT OF RECEIPT _____

EMPLOYMENT STATUS

Number of employees prior to start of project: _____

Estimated full-time jobs to be created within two years of effective date: _____

Actual full-time jobs that were created as a direct result of this project: _____

UIA 1017 Wage Detail Report _____

- The Township requires all certificate holders to file an IFEC Employment Status Report also known as UIA 1017, Wage Detail Report on January 31st, two years after the approved certificate's effective date and on January 31st every year after that date.

Explanation if actual job creation amount is different than estimated amount: _____

CERTIFICATION On behalf of the certificate holder referenced above, I hereby certify that the forgoing is a true statement of the status of this company as of the date hereof and is submitted as required by the IFEC Letter of Agreement between the company and the Township of Chesterfield.

PRINT NAME: _____

TITLE: _____

SIGNATURE: _____

DATE: _____

This page is an intended placeholder for

**Michigan Department of Treasury Form 1012:
Application for Industrial Facilities Tax Exemption Certificate**

Please insert completed pages 1-4 of Form 1012 here

**A fillable copy of form 1012 can be found online at
<https://treas-secure.state.mi.us/TaxFormSearch>**

Chesterfield Township Industrial Tax Abatement Criteria

(Plant Rehabilitation and Industrial Development Districts, Act 198 of 1974)

1. The following criteria will be used in evaluating projects for tax abatements.
 - a. Encourage specific land uses in Chesterfield Township (e.g. home offices for large corporations, high technology and research, light industry).
 - b. Renovating of existing businesses or industry in Chesterfield Township. (PRD)
 - c. Expansion of existing business or industry in Chesterfield Township. (IDD)
 - d. Retention and/or increase in employment. Applicant to provide Twp. with (UIA 1017) post IFEC approval.
 - e. Magnitude of expenditure in terms of Chesterfield Township tax base.
 - f. Incentive to locate in Chesterfield Township.
 - g. Necessity of tax abatement to complete the project.
 - h. Economic conditions.
2. Based upon an evaluation using the above criteria, a tax abatement may be:
 - a. Granted from 1-12 years based on:
 - i. As determined by examination of the different criteria below (Use, Investment, Employment).
 - ii. The amount of incentive needed to attract the project to Chesterfield Township.
 - b. Denied.

3. Criteria adopted as follows:

<u>a) Type of Use</u>	<u>Recommended years of Abatement</u>
Warehousing	1
Manufacturing & Assembly	2
Research Technology	3
<u>b) Investment – Real Property</u>	
\$0 – 1.5 million	1
\$1.5 – 2.0 million	2
\$2.0 – 4.0 million	3
\$4.0 – 6.0 million	4
In excess of \$6.0 million	5
<u>c) Investment – Personal Property*</u>	
\$0 – 1 million	1
\$1 – 2 million	2
\$2 – 3 million	3
In excess of \$3 million	4
<u>d) Total Annual New Fulltime Employees</u>	
Under 10 employees	1
11 – 25 employees	2
26 – 100 employees	3
100 or more employees	4

*207.556 (2) A new industrial facilities exemption certificate shall not be approved and issued under this act after December 30, 2021 for any personal property that qualifies as eligible manufacturing personal property as defined under section 9m of the general property tax act, 1893 PA 206, MCL 211.9m.

Chesterfield Township encourages sustainable green technology building and development practices that include water efficiency, energy, and indoor environmental quality for process and design innovation. IFEC applicants shall register with U.S. Green Building Council at <https://www.usgbc.org> to obtain certification and provide written proof of this technology to the Chesterfield Township Building Department to be awarded an **additional one-year tax abatement** to the recommended IFEC term.