



**Pittsfield Charter Township  
CLERK'S OFFICE**

6201 West Michigan Avenue, Ann Arbor, MI 48108  
Phone: (734) 822-3120 • Fax: (734) 944-8024  
Website: [www.pittsfield-mi.gov](http://www.pittsfield-mi.gov)

**Michelle L. Anzaldi**  
*Township Clerk*  
[Clerk@Pittsfield-mi.gov](mailto:Clerk@Pittsfield-mi.gov)

**Lyn Sebestyen**  
*Deputy Clerk*  
[SebestyenL@Pittsfield-mi.gov](mailto:SebestyenL@Pittsfield-mi.gov)

**MEMORANDUM**

**TO:** Pittsfield Charter Township Board of Trustees

**FROM:** Michelle L. Anzaldi, Clerk

**DATE:** September 15, 2020

**SUBJECT:** Application of Wacker Chemical Corporation for an Industrial Facilities Tax Exemption Certificate for a period of up to twelve (12) years

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**BOARD ACTION REQUESTED:** Adopt a Resolution to Approve Application of Wacker Chemical Corporation for an Industrial Facilities Tax Exemption Certificate for a period of up to twelve (12) years, Resolution #20-37.

**BACKGROUND:** This application came before the Board of Trustees on September 9, 2020. My office was required to send certified mailing of the Notice for Public Hearing for the Establishment of the Industrial Development District in accordance with state law prior to approving the Industrial Facilities Tax Exemption. The Notice for Public Hearing was sent via regular mail in error which necessitates the requirement of having a new hearing.

This application is related to the construction of a new headquarters, research, and development facility located at 4950 S. State Street, Ann Arbor, MI 48108. The facility will encompass roughly 140,000 square feet of office and laboratory space. Wacker Chemical Corporation is requesting a 12-year tax abatement and proposes to make real property improvements in the amount of \$44,555,194 and personal property improvements in the amount of \$6,541,617. The total amount of improvements is \$51,096,811. They plan to create 25 new jobs at this facility within 2 years of completion (as stated on the application) which does not include employees that will relocate from existing facilities.

**IMPACT ON TOWNSHIP:** If the tax abatement is approved, Wacker Chemical Corporation will receive a 50% reduction (as set by the State Tax Commission) on the property taxes for the new construction. The 50% reduction is an approximation because State Education Tax is not affected by the IFT. Although the Township will receive roughly half the amount owed, it will most likely still be a higher amount than if there were no improvements. Improvements increase the overall tax base. The tax abatement can last up to 12 years.

If approved, the Township and Applicant will enter into an Agreement. On August 8, 2018, the Board of Trustees approved the use of a standard IFT Agreement and authorized the Clerk to execute the IFT Agreement if approved. Once the Agreement is executed, documentation is sent to the STC for the final approval of the Wacker Chemical Corporation tax abatement.

**ATTACHMENTS:**

- Application for Industrial Facilities Tax Exemption Certificate
- Notice of Public Hearing on the Application for an Industrial Facilities Tax Exemption Certificate for Wacker Chemical Corporation
  - Mailed Applicant and Taxing Authorities on September 11, 2020
  - Posted on September 11, 2020
  - Published on September 13, 2020
- Abatement Contract
- Resolution to Approve Application of Wacker Chemical Corporation for an Industrial Facilities Tax Exemption Certificate for a period of up to twelve (12) years, Resolution #20-37.

Amended

Michigan Department of Treasury  
1012 (Rev. 04-19), Page 1 of 4**Application for Industrial Facilities Tax Exemption Certificate**

Issued under authority of Public Act 198 of 1974, as amended. Filing is mandatory.

**INSTRUCTIONS:** File the original and one copy of this form and the required attachments (two complete sets) with the clerk of the local government unit. The State Tax Commission (STC) requires one complete set (one original). One copy is retained by the clerk. If you have any questions regarding the completion of this form, call 517-335-7460.

To be completed by Clerk of Local Government Unit	
Signature of Clerk <i>Michelle Z. Angoldi</i>	Date Received by Local Unit <i>September 4, 2020</i>
STC Use Only	
Application Number	Date Received by STC

**APPLICANT INFORMATION**

All boxes must be completed.

1a. Company Name (Applicant must be the occupant/operator of the facility) <b>Wacker Chemical Corporation</b>		1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (4 or 6 Digit Code) <b>2869</b>	
1c. Facility Address (City, State, ZIP Code) (real and/or personal property location) <b>4950 S. State Street</b>		1d. City/Township/Village (Indicate which) <b>Pittsfield Charter Township</b>	1e. County <b>Washtenaw</b>
2. Type of Approval Requested <input checked="" type="checkbox"/> New (Sec. 2(5)) <input type="checkbox"/> Transfer <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Rehabilitation (Sec. 3(6)) <input type="checkbox"/> Research and Development (Sec. 2(10)) <input type="checkbox"/> Increase/Amendment		3a. School District where facility is located <b>Saline</b>	3b. School Code <b>81120</b>
		4. Amount of years requested for exemption (1-12 Years) <b>12 years</b>	

5. Per section 5, the application shall contain or be accompanied by a general description of the facility and a general description of the proposed use of the facility, the general nature and extent of the restoration, replacement, or construction to be undertaken, a descriptive list of the equipment that will be part of the facility. Attach additional page(s) if more room is needed.

This application is related to the construction of a new Headquarters and Research & Development facility to be occupied by Wacker (for a period of not less than 20 years, Wacker bears all tax liability) encompassing roughly 140,000SF of office and laboratory space for 300+ employees (including approximately 200+ jobs relocated from an existing facility) at full occupancy. The site is 11 acres and will include on-grade parking, utility improvements, and extensive landscape treatments to create a Class A corporate campus.

6a. Cost of land and building improvements (excluding cost of land) * Attach list of improvements and associated costs. * Also attach a copy of building permit if project has already begun.	▶ <b>\$44,555,194</b> Real Property Costs
6b. Cost of machinery, equipment, furniture and fixtures * Attach itemized listing with month, day and year of beginning of installation, plus total	▶ <b>\$6,541,617</b> Personal Property Costs
6c. Total Project Costs * Round Costs to Nearest Dollar	▶ <b>\$51,096,811</b> Total of Real & Personal Costs

7. Indicate the time schedule for start and finish of construction and equipment installation. Projects must be completed within a two year period of the effective date of the certificate unless otherwise approved by the STC.

	Begin Date (M/D/Y)	End Date (M/D/Y)	
Real Property Improvements	▶ <u>10/05/2020</u>	<u>03/10/2022</u>	▶ <input type="checkbox"/> Owned <input checked="" type="checkbox"/> Leased
Personal Property Improvements	▶ <u>12/01/2021</u>	<u>03/10/2022</u>	▶ <input type="checkbox"/> Owned <input checked="" type="checkbox"/> Leased

8. Are State Education Taxes reduced or abated by the Michigan Economic Development Corporation (MEDC)? If yes, applicant must attach a signed MEDC Letter of Commitment to receive this exemption. ☒ Yes ☐ No

9. No. of existing jobs at this facility that will be retained as a result of this project. <b>0</b>	10. No. of new jobs at this facility expected to create within 2 years of completion. <b>25</b>
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11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor's statement of SEV for the entire plant rehabilitation district and obsolescence statement for property. The Taxable Value (TV) data below must be as of December 31 of the year prior to the rehabilitation.

a. TV of Real Property (excluding land)	_____
b. TV of Personal Property (excluding inventory)	_____
c. Total TV	_____


12a. Check the type of District the facility is located in:  
☒ Industrial Development District      ☐ Plant Rehabilitation District

12b. Date district was established by local government unit (contact local unit) <b>Seeking IDD simultaneously with this application</b>	12c. Is this application for a speculative building (Sec. 3(8))? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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**APPLICANT CERTIFICATION - complete all boxes.**

The undersigned, authorized officer of the company making this application certifies that, to the best of his/her knowledge, no information contained herein or in the attachments hereto is false in any way and that all are truly descriptive of the industrial property for which this application is being submitted.

It is further certified that the undersigned is familiar with the provisions of P.A. 198 of 1974, as amended, being Sections 207.551 to 207.572, inclusive, of the Michigan Compiled Laws; and to the best of his/her knowledge and belief, (s)he has complied or will be able to comply with all of the requirements thereof which are prerequisite to the approval of the application by the local unit of government and the issuance of an Industrial Facilities Exemption Certificate by the State Tax Commission.

13a. Preparer Name <b>Matt Milliken</b>	13b. Telephone Number <b>(248) 354-5100</b>	13c. Fax Number	13d. E-mail Address <b>mmilliken@kircomanix.com</b>
14a. Name of Contact Person <b>Greg Brabec</b>	14b. Telephone Number <b>(423) 780-8334</b>	14c. Fax Number	14d. E-mail Address <b>gregory.brabec@wacker.c</b>
▶ 15a. Name of Company Officer (No Authorized Agents) <b>David Wilhoit</b>			
15b. Signature of Company Officer (No Authorized Agents)  <b>President &amp; CEO</b>		15c. Fax Number	15d. Date <b>04-Sep-2020</b>
▶ 15e. Mailing Address (Street, City, State, ZIP Code) <b>3301 Sutton Rd. Adrian, MI 49221</b>		15f. Telephone Number <b>(517) 264-8100</b>	15g. E-mail Address <b>david.wilhoit@wacker.com</b>

**LOCAL GOVERNMENT ACTION & CERTIFICATION - complete all boxes.**

This section must be completed by the clerk of the local governing unit before submitting application to the State Tax Commission. Check items on file at the Local Unit and those included with the submittal.

▶ 16. Action taken by local government unit <input type="checkbox"/> Abatement Approved for _____ Yrs Real (1-12), _____ Yrs Pers (1-12) After Completion <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Denied (Include Resolution Denying)		16b. The State Tax Commission Requires the following documents be filed for an administratively complete application: <b>Check or Indicate N/A if Not Applicable</b> <input type="checkbox"/> 1. Original Application plus attachments, and one complete copy <input type="checkbox"/> 2. Resolution establishing district <input type="checkbox"/> 3. Resolution approving/denying application. <input type="checkbox"/> 4. Letter of Agreement (Signed by local unit and applicant) <input type="checkbox"/> 5. Affidavit of Fees (Signed by local unit and applicant) <input type="checkbox"/> 6. Building Permit for real improvements if project has already begun <input type="checkbox"/> 7. Equipment List with dates of beginning of installation <input type="checkbox"/> 8. Form 3222 (if applicable) <input type="checkbox"/> 9. Speculative building resolution and affidavits (if applicable)
16a. Documents Required to be on file with the Local Unit <b>Check or Indicate N/A if Not Applicable</b> <input type="checkbox"/> 1. Notice to the public prior to hearing establishing a district. <input type="checkbox"/> 2. Notice to taxing authorities of opportunity for a hearing. <input type="checkbox"/> 3. List of taxing authorities notified for district and application action. <input type="checkbox"/> 4. Lease Agreement showing applicants tax liability.		
16c. School Code		
17. Name of Local Government Body		▶ 18. Date of Resolution Approving/Denying this Application

Attached hereto is an original application and all documents listed in 16b. I also certify that all documents listed in 16a are on file at the local unit for inspection at any time, and that any leases show sufficient tax liability.

19a. Signature of Clerk	19b. Name of Clerk	19c. E-mail Address
19d. Clerk's Mailing Address (Street, City, State, ZIP Code)		
19e. Telephone Number	19f. Fax Number	

State Tax Commission Rule Number 57: Complete applications approved by the local unit and received by the State Tax Commission by October 31 each year will be acted upon by December 31. Applications received after October 31 may be acted upon in the following year.

Local Unit: Mail one original of the completed application and all required attachments to:

**Michigan Department of Treasury  
State Tax Commission  
PO Box 30471  
Lansing, MI 48909**

(For guaranteed receipt by the STC, it is recommended that applications are sent by certified mail.)

<b>STC USE ONLY</b>				
▶ LUCI Code	▶ Begin Date Real	▶ Begin Date Personal	▶ End Date Real	▶ End Date Personal



## Instruction for Completing Form 1012, *Industrial Facilities Tax Exemption (IFT) Application*

The completed original application form 1012 and all required attachments, **MUST** be filed with the clerk of the local unit of government where the facility is or will be located. Complete applications must be received by the State Tax Commission by October 31 to ensure processing and certification for the following tax year. Applications received after the October 31 deadline will be processed as expeditiously as possible.

Please note that attachments listed on the application in number 16a are to be retained by the local unit of government, and attachments listed in number 16b are to be included with the application when forwarding to the State Tax Commission (STC).

(Before commencement of a project the local unit of government must establish a district, or the applicant must request in writing a district be established, in order to qualify for an IFT abatement. Applications and attachments must be received by the local unit of government **within six months of commencement of project.**)

**The following information is required on separate documents attached to form 1012 by the applicant and provided to the local unit of government (city, township or village). (Providing an accurate school district where the facility is located is vital.)**

1. Legal description of the real property on which the facility is or will be located. Also provide property identification number if available.
2. Personal Property Requirements: Complete list of new machinery, equipment, furniture and fixtures which will be used in the facility. The list should include description, **beginning date of installation** or expected installation by **month/day/year**, and costs or expected costs (see sample). Detail listing of machinery and equipment **must match amount shown** on question 6b of the application. Personal property applications must have attached a certified statement/affidavit as proof of the beginning date of installation (see sample).
3. Real Property Requirements: Proof of date the construction started (groundbreaking). Applicant must include one of the following if the project has already begun; building permit, footings inspection report, or certified statement/affidavit from contractor indicating exact date of commencement.
4. Complete copy of lease agreement as executed, if applicable, verifying lessee (applicant) has direct ad

valorem real and/or personal property tax liability. The applicant must have real and/or personal property tax liability to qualify for an IFT abatement on leased property. If applying for a real property tax exemption on leased property, the lease must run the full length of time the abatement is granted by the local unit of government. Tax liability for leased property should be determined before sending to the STC.

The following information is required of the local unit of government: [Please note that only items 2, 4, 5, 6, & 7 below are forwarded to the State Tax Commission with the application, along with items 2 & 3 from above. The original is required by the STC. The remaining items are to be retained at the local unit of government for future reference. **(The local unit must verify that the school district listed on all IFT applications is correct.)**]

1. A copy of the notice to the general public and the certified notice to the property owners concerning the establishment of the district.
2. Certified copy of the resolution establishing the Industrial Development District (IDD) or Plant Rehabilitation District (PRD), which includes a legal description of the district (see sample). If the district was not established prior to the commencement of construction, the local unit shall include a certified copy or date stamped copy of the written request to establish the district.
3. Copy of the notice and the certified letters to the taxing authorities regarding the hearing to approve the application.
4. Certified copy of the resolution approving the application. The resolution must include the number of years the local unit is granting the abatement and the statement "the granting of the Industrial Facilities Exemption Certificate shall not have the effect of substantially impeding the operation of (governmental unit), or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in (governmental unit – see sample).
5. Letter of Agreement (signed by the local unit of government and the applicant per P.A. 334 of 1993 (see sample)).
6. Affidavit of Fees (signed by the local unit of government and the applicant), (Bulletin 3, January 16, 1998). This statement may be

**incorporated into the Letter of Agreement (see sample).**

**7. Treasury Form 3222 (if applicable - *Fiscal Statement for Tax Abatement Request.*)**

**The following information is required for rehabilitation applications in addition to the above requirements:**

1. A listing of existing machinery, equipment, furniture and fixtures which will be replaced or renovated. This listing should include description, beginning date of installation or expected installation by month/day/year, and costs or expected costs.
2. A rehabilitation application must include a statement from the Assessor showing the taxable valuation of the plant rehabilitation district, separately stated for real property (EXCLUDING LAND) and personal property. Attach a statement from the assessor indicating the obsolescence of the property being rehabilitated.

**The following information is required for speculative building applications in addition to the above requirements:**

1. A certified copy of the resolution to establish a speculative building.
2. A statement of non-occupancy from the owner and the assessor.

Please refer to the following Web site for P.A. 198 of 1974: [www.legislature.mi.gov/](http://www.legislature.mi.gov/). For more information and Frequently Asked Questions, visit [www.michigan.gov/propertytaxexemptions](http://www.michigan.gov/propertytaxexemptions).

For guaranteed receipt by the State Tax Commission, it is recommended that applications and attachments are sent by certified mail.



Columbia Center | 101 W. Big Beaver Road, Suite 200 | Troy, MI 48084

O 248.680.7180 | www.kirco.com

# WACKER CHEMICAL CORPORATION

## APPLICATION FOR INDUSTRIAL FACILITIES TAX EXEMPTION

### CERTIFICATE

#### Project Costs

Description	Cost	Dates to be Incurred
<b>Site Improvements</b>		<b>10/2020 - 3/2022</b>
Earthwork	\$ 858,023	
Site Utilities	\$ 1,758,163	
Asphalt Paving	\$ 662,500	
Site Concrete	\$ 264,700	
Signage/Fencing	\$ 82,800	
Landscaping	\$ 595,000	
<b>Building Construction</b>		<b>10/2020 - 3/2022</b>
Concrete Foundations and Flatwork	\$ 1,524,070	
Masonry	\$ 322,300	
Structural Steel/Metals	\$ 3,399,707	
Carpentry and Millwork	\$ 345,000	
Roofing/Siding/Insulation	\$ 3,190,073	
Curtainwall/Doors/Hardware	\$ 3,309,889	
Interior Finishes	\$ 5,068,680	
Misc. Specialties	\$ 366,561	
Clean Room	\$ 30,678	
Elevators/Lifts	\$ 342,310	
HVAC/Plumbing/Fire Protection	\$ 13,690,740	
Electrical/Security/Telecom	\$ 8,744,000	
<b>Total Real Property Improvements</b>	<b>\$ 44,555,194</b>	
<b>Personal Property/Equipment</b>		<b>12/2021 - 3/2022</b>
Storage Shelving	\$ 200,000	
AV Equipment	\$ 386,617	
Food Service Equipment	\$ 550,000	
Exercise Equipment	\$ 10,000	
Lab Equipment	\$ 3,595,000	
Furniture	\$ 1,800,000	
<b>Total Personal Property</b>	<b>\$ 6,541,617</b>	

**BRINGING OUT THE BEST**



**Legal Description**

Property Address: 4950 S STATE ST, PITTSFIELD TOWNSHIP, MI 48108

Parcel Number: L -12-16-300-018

OWNER REQUEST PI 16-15B-1 COM AT SW COR SEC 16, TH E 20 FT IN S LINE OF SEC TO A POB, TH E 1295 FT IN S LINE OF SEC, TH N 347.50 FT IN CENT OF RD, TH DEFL 90 DEG 11' LEFT 290.9 FT, TH DEFL 90 DEG 11' RIGHT 149.38 FT, TH DEFL 90 DEG 11' LEFT 1023.67 FT, TH S 472.13 FT TO A PT 24.75 FT N OF SW COR OF SEC, TH SELY TO THE POB. PT OF SW 1/4 SEC 16, T3S-R6E. 13.99 AC. COMBINED ON 02/09/2015 FROM L -12-16-300-012, L -12-16-300-013;



## INDUSTRIAL FACILITIES EXEMPTION APPLICATION AFFIDAVIT OF PROJECT BEGIN DATES

I do swear and affirm by my signature below that the real property project beginning of construction date and/or personal property project installation begin date, associated with the application for Industrial Facilities Tax Exemption Certificate under P.A. Act 198 of 1974, as amended in the amount of \$ 51,096,811, filed with the Township of Pittsfield, for a facility located at 4950 S State St., are as follows:

Real Property Project Begin Date: 10/5/2020

Personal Property Project Installation Date: 12/1/2021

Applicant: KIRCO Development on behalf of Wacker Chemical

Signed 

Printed Name Matt Milliken

Title Project Manager

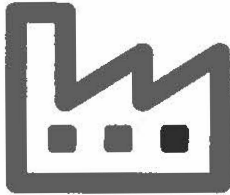
Date 8-10-2020



**MICHIGAN ECONOMIC**  
DEVELOPMENT CORPORATION

## PROJECT INFORMATION

Provided by Wacker Chemical  
Corporation



# of Jobs  
over five years

 **Up to 70**

Capital Investment  
**\$44,555,000**

## WHY MICHIGAN

### TOP 10

in net tech employment, net tech  
employment jobs added, and share  
of workers in the tech industry

### ANN ARBOR

ranks #3 among the nation's top tech  
hubs

### Top 12

Business tax climate as  
rated by the Tax Foundation

September 2, 2020

Dear Mr. David Wilhoit,

Thank you for recognizing that Michigan is the best place for your business investment. Michigan has been built by hard-working, innovative people who put the world on wheels. Now, Michigan is bringing the manufacturing industry of tomorrow to life-today.

The greater Ann Arbor region, known by some as the Silicon Valley of the Midwest, is home to a growing number of internationally recognized companies. These businesses are choosing the region to develop their world-changing technology because of the large concentration of highly educated employees, low cost of living, and ease of access to a new crop of talent through nationally known universities.

Based on the information you've provided we are pleased to offer a package of state and local incentives totaling \$9,781,000 including a total of \$2,695,000 in state incentives from a combination of the Michigan Business Development Program and the State Education Tax Abatement.

To accept this offer please sign, date and return this letter to the MEDC before September 25, 2020. Upon acceptance, this offer will remain active for 90 days while due diligence is conducted, and the MSF Board considers the recommendation for incentive support. After September 25, 2020, the proposal may be subject to renegotiation.

PURE MICHIGAN®

## TOTAL INCENTIVE PROFILE FOR WACKER CHEMICAL CORPORATION

INCENTIVE	ESTIMATED VALUES
	Pittsfield Charter Twp.
Michigan Business Development Program (MBDP)	\$1,000,000
State Education Tax Abatement (6 Mill SET)	\$1,695,000
Property Tax Abatement (PA198)*	\$7,086,000
<b>TOTAL VALUE OF PROPOSED INCENTIVE</b>	<b>\$9,781,000</b>

*\* Subject to formal application process, review, and Pittsfield Charter Township Board of Trustees approval. Acceptance of this incentive package is subject to a business integrity review, background check process, and other general due diligence as required, the results of which are satisfactory to the MEDC, the Office of the Chief Compliance Officer, and related authorities. Proposed incentives are dependent on availability of funds each year through the legislative budget process. Incentive amounts are contingent upon the ability of the project to meet program requirements and are subject to an application review and approval process. Proposed tax abatements will vary based on actual site selected.*

## Incentive Details

### Michigan Business Development Program

One of the 21st Century Jobs Fund's economic incentive programs in Michigan administered by the MEDC is the MBDP or "Program". The MBDP is designed to provide a grant, loan or other economic assistance to qualified businesses that make qualified investments, create qualified new jobs, or both, in Michigan. While the Program is operated and funded through the MSF, recommendations for awards under the Program are presented by the MEDC to the MSF Board. Under the Program, qualified new jobs are in addition to jobs already located in Michigan. Any incentive awarded to the company will be subject to a repayment provision, if the jobs are eliminated.

### State Education Tax Abatement (6 Mill SET)

The MEDC can abate half or all of the 6-mill State Education Tax on new investment when the project presents significant economic benefits to Michigan, and when the project receives a property tax abatement under PA 198 of 1974.

### Property Tax Abatement under PA 198 of 1974 (Non-Rehab) (Non-Border County)

Local units of government have the ability to reduce property taxes on new investment by 50% for manufacturers and high-tech businesses. These abatements can last up to 12 years and can provide relief on real property taxes. The local unit of government is responsible for approving these abatements and their duration.



August 26, 2020  
Page 3

## PROJECT INFORMATION

Provided by Wacker Chemical  
Corporation



# of Jobs  
over five years:

 **Up to 70**

Capital Investment  
**\$44,555,000**

In choosing Michigan, you will be well positioned for continued success with access to our hard-working, talented workforce; business-friendly climate; thriving communities; and services designed around synching business, talent, and place for a second-to-none work-life balance.

Pure Michigan means Pure Opportunity for your business and we welcome the opportunity to help Wacker Chemical Corporation through this exciting opportunity. If you have any questions, please contact Ryan Hundt at [hundtr1@michigan.org](mailto:hundtr1@michigan.org) or 517.614.1274.

Sincerely,

Stacy Bowerman  
Senior Vice President  
Business Development Projects and Services

### Attachments

cc: Ryan Hundt, MEDC  
Trevor Friedeberg, MEDC  
Jennifer Olmstead, Ann Arbor SPARK

The undersigned agrees to accept the above incentives and services proposed by the MEDC subject to the conditions stated in this letter.

\_\_\_\_\_  
Company Representative

\_\_\_\_\_  
Date

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Columbia Center | 101 W. Big Beaver Road, Suite 200 | Troy, MI 48064  
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**KIRCO Development, LLC**

101 W. Big Beaver Rd. Suite 200

Troy, MI 48084

**August 12, 2020**

**Ms. Michelle Anzaldi**

6201 W. Michigan Avenue

Pittsfield Township, MI 48108

Dear Clerk Anzaldi,

I am writing to summarize the key points of the lease currently in negotiation between KIRCO Development and Wacker Chemical Corporation for the project to be constructed at 4950 S State St in Pittsfield Township. Wacker Chemical is seeking a 12-year PA 198 tax abatement related to this project. Be it known that,

- The lease being considered will be, at minimum, 12 years in duration and will therefore not be less than the term of the proposed abatement. The goal for this lease is a 20 or 25-year term.
- The lease is structured in such a way that Wacker Chemical, as the Tenant, will be solely responsible for all taxes related to the subject property.

Thank you for your consideration of this information in relation to our formal application.

Sincerely,

A handwritten signature in black ink, appearing to read "Matt Milliken", with the date "8/12/20" written below it.

Matt Milliken

Project Manager

KIRCO Development, LLC

**PITTSFIELD CHARTER TOWNSHIP  
ABATEMENT CONTRACT**

**THIS AGREEMENT** is made pursuant to Act No. 198 of Public Acts of 1974, as amended, on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between Pittsfield Charter Township (“Township”) and **Wacker Chemical Corporation**, a Michigan corporation (“Company”) for the project identified in the Application for Industrial Facilities Tax Exemption Certificate dated October 31, 2018 with a property address of 4788 Runaway Boulevard.

The Company filed an application and made material representations for the purposes of inducing the Township to approve an Industrial Facility Exemption Certificate (“IFEC” or “IFT”). The Township has relied on these representations made by the Company to grant approval for the IFT. The Company understands and acknowledges that failure to satisfy any of the conditions as set forth in this Agreement could result in the Pittsfield Charter Township Board of Trustees (“Board of Trustees”) adopting a resolution recommending to the State Tax Commission revocation of the IFT at the sole option of the Township.

The Township and the Company agree to the following conditions and terms:

1. Upon request by the Township, the Company agrees to submit a report regarding the status of employment or construction/expansion project within thirty (30) days of a request. The Company understands that if employment has not been retained or reached as stated in the application or the construction and/or expansion project has not been completed or expenditures made as described in the application, the Township has the right to recommend revocation of the IFT by resolution presented to the State Tax Commission. The report, if it is requested by the Township, must include the following:
  - a) The number of new jobs promised in the application and the actual number of new jobs created to date; and
  - b) The date of hire for each employee listed in the report along with any termination dates of any employees who are no longer employed by the Company since the filing of the application; and
  - c) If the number of applicant’s employees is not equal to or greater than the number given in the application, an explanation for any shortfall shall be included; and
  - d) The estimated project cost in the application and the actual final project cost to date (required in the first report only) which includes a detailed listing of the new personal property acquired for the facility, including description, type, identification, year of acquisition, cost of purchase, sales tax, freight, and installation.
2. The Company shall file a personal property statement on a form approved by the Michigan State Tax Commission on or before February 20<sup>th</sup> of each year.
3. The Company represents that it intends to remain within the Township during the entire period of time for which the IFT has been approved and agrees that if, in the sole judgement of the Township, the Company has taken any action which constitutes relocation of a substantial part of its Company to another jurisdiction, then the Company shall reimburse all affected taxing units an amount equal to the difference between the IFT to be paid by the Company for the tax years remaining under the IFT

that is in effect and the general ad valorem property tax that the Company would have paid if the Company did not have a tax abatement in effect for years.

4. If in any year during the abatement period the Company files a petition with the Michigan Tax Tribunal seeking a reduction of assessed and/or taxable value of the real property to which the abatement applies, the Company shall immediately refund to each taxing authority the amount(s) abated during all years covered by the Certificate based on the higher assessment minus the amount(s) abated based on the reduced assessment. The Company shall also abandon and return to the Township the IFT. The Company agrees that this is a contractual right and may be enforced in court of competent jurisdiction. No sanctions hereunder will accrue to the Company in the event it files an action in the Michigan Tax Tribunal with respect to the abated property in order to correct a clerical error of the Township Assessor such as an error in addition or subtraction.

If in any year during the abatement period the Company files a petition with the Michigan Tax Tribunal for the purpose of seeking a reduction of the assessed and/or taxable value of the personal property to which the abatement applies beyond that allowed by the State Tax Commission Multiplier Table assigned to the property by the Township Assessor, the Company shall immediately refund to each taxing authority the amount(s) abated during all years covered by this Certificate based on the higher assessment minus the amount(s) abated based on the reduced assessment. The Company shall also abandon and return to the Township the IFT. The Company agrees that this is a contractual right and may be enforced in court of competent jurisdiction. No sanctions hereunder will accrue to the Company in the event it files an action in the Michigan Tax Tribunal with respect to the abated property in order to correct a clerical error of the Township Assessor such as an error in addition or subtraction.

It will be a substantial default of this Agreement if the Company asserts to any court or administrative agency during the term of this Agreement that the true cash value of the property (real or personal) is other than or different than the amounts stated in the tax abatement application. The Company hereby stipulates and certifies that it has accurately valued the personal property and/or real property which is the subject of the abatement and the Township can rely on the figures represented in the application.

The Company agrees to reimburse the Township for any costs the Township incurs in responding to or contesting any appeal the Company asserts to any court or administrative agency during the term of this Agreement that the true cash value of the property (real or personal) is other than or different than the amount stated in the tax abatement application except as offset by applicable State Tax Commission Multiplier Table(s) and asset disposals. The costs subject to this section include attorney fees, appraisal costs, filing fees, expert witness fees, travel costs, copying expenses, and any other cost or expense reasonably incurred by the Township in responding to or defending against such assertions.

5. The parties further agree that if any of the above referenced conditions are not met within thirty (30) days after written notice by the Township of such failure, the Township may recommend revocation of the IFT. The Township shall not recommend such revocation until after a hearing is conducted wherein the Company shall be offered an opportunity to demonstrate why it has breached any of the conditions set forth above or any other reasons why the IFT should not be revoked. The Company shall be given thirty (30) days written notice of such hearing which shall be conducted by the Township or its designee.
6. After such hearing, the Board of Trustees may (i) recommend revocation of the IFT, (ii) require the Company to post a performance bond, funded by a percentage of the abated taxes, or (iii) sue for money damages in a court of competent jurisdiction, in lieu of or in addition to recommending

revocation of the IFT. The performance bond shall be limited to the amount of abated taxes to ensure that all of the above conditions are met. The calculation of the amount of the bond shall be determined by the Board of Trustees and shall be binding upon the Company absent manifest error. The Township may make a claim against and enforce the terms of that performance bond.

The determination of whether to recommend revocation of the IFT shall be in the sole discretion of the Board of Trustees.

7. The Company or an agency or affiliate designated by the Company, is encouraged to contribute some percentage of its abated taxes yearly to local charitable organizations or community service groups or to the Township with a designation that the contribution is to be used for a specific purpose.
8. This Agreement shall not be transferred or assigned by the holder to a new owner or lessee of the Company without approval by resolution of the Board of Trustees. No transfer or assignment shall be considered if the new owner or lessee are liable to any jurisdiction for outstanding taxes or other obligations.
9. This Agreement shall become effective upon the issuance of the IFT for a tax abatement from Michigan State Tax Commission and shall be null and void and of no force and effect whatsoever if the Michigan State Tax Commission fails to issue such a Certificate.

By signature of representatives of both the Company and the Township below, it is understood that both the Company's investment in the project and the Township's investment through the granting of the Industrial Facilities Exemption Certificate is to encourage economic growth in Township and Company.

#### **AFFIDAVIT OF FEES**

In accordance with State Tax Commission Bulletin No. 3, representatives of the Township and the Company do hereby swear and affirm by their signatures below that no payment(s) in excess of the fee allowed by Act 198, as amended, whether referred to as fees, payments in lieu of taxes, donations, or by other like terms, has (have) been made or promised in exchange for favorable consideration of an Industrial Facilities Exemption Certificate application.

**APPLICANT:**

**PITTSFIELD CHARTER TOWNSHIP:**

**Wacker Chemical Corporation**

By: \_\_\_\_\_

**Applicant Name**

Its: \_\_\_\_\_

By: \_\_\_\_\_

Michelle L. Anzaldi

Its: Pittsfield Charter Township Clerk

DATED: \_\_\_\_\_

DATED: \_\_\_\_\_

Approved by the Pittsfield Charter Township Board of Trustees on \_\_\_\_\_.

Resolution No. \_\_\_\_\_



# Public Hearing Notice

## Notice of Public Hearing on the Application for an Industrial Facilities Tax Exemption Certificate for Wacker Chemical Corporation

NOTICE IS HEREBY GIVEN that Pittsfield Charter Township will hold a virtual public hearing on the 23rd day of September, 2020 at 6:30 p.m. to receive comments and consider the application for an Industrial Facilities Tax Exemption Certificate for Wacker Chemical Corporation, 4950 S. State Street, Ann Arbor, MI 48108, for a tax exemption from real property and personal property taxes for a period of up to twelve (12) years.

Additional information is available for review at the Pittsfield Township Clerk's Office located at 6201 W. Michigan Avenue, Ann Arbor, Michigan, and may be examined until the date of the hearing, Monday through Friday, between the hours of 8:00 a.m. and 5:00 p.m. Written comments will be received at the Clerk's Office or by email at [clerk@pittsfield-mi.gov](mailto:clerk@pittsfield-mi.gov) no later than 4:00 p.m. on the day of the hearing.

To participate as a member of the public:

- Online: <https://zoom.us/j/93753313984?pwd=Nld5b2l2eW0rZzVsQlgvTGJtWld6dz09>
- Password: 635497
- Call: (312) 626-6799 or (877) 853-5257 (toll-free)  
Meeting ID: 937 5331 3984, Password: 635497
- iPhone one-tap: +19292056099,,93753313984#,,,,,0#,,635497
- International numbers available at: <https://zoom.us/u/abdOiee6Sm>

If you cannot connect, please call (734) 822-3120.

Reasonable auxiliary aids and services can be provided at the meeting to individuals with disabilities by contacting the Clerk's Office at [clerk@pittsfield-mi.gov](mailto:clerk@pittsfield-mi.gov) or (734) 822-3120 at least three business days in advance.



Michelle L. Anzaldi, Clerk  
Pittsfield Charter Township  
6201 W. Michigan Ave.  
Ann Arbor, MI 48108

Post Date: September 11, 2020

Publish Date: September 13, 2020

**PITTSFIELD CHARTER TOWNSHIP  
WASHTENAW COUNTY, MICHIGAN  
RES #20-37  
RESOLUTION TO APPROVE APPLICATION OF  
WACKER CHEMICAL CORPORATION FOR AN  
INDUSTRIAL FACILITIES TAX EXEMPTION CERTIFICATE**

**September 23, 2020**

At a Regular Meeting of the Township Board of Pittsfield Charter Township, Washtenaw County, Michigan, held at the Township Administration Building located at 6201 W. Michigan Avenue, in said Township, on the 23<sup>rd</sup> day of September, 2020, at 6:30 p.m.

Present:

Absent:

The following preamble and resolution were offered by \_\_\_\_\_ and supported by \_\_\_\_\_.

**WHEREAS**, Wacker Chemical Corporation has filed an application for an Industrial Facilities Tax Exemption Certificate with respect to new real property improvements to be acquired and installed within Industrial Development District #60; and

**WHEREAS**, the Board of Trustees must vacate the previously adopted Resolution #20-31 because certain mailings were not sent by certified mail as required by law for the establishment of the Industrial Development District, necessitating a new public hearing because the District must be established prior to approving a Tax Exemption Certificate; and

**WHEREAS**, before acting on said application, the Pittsfield Charter Township Board of Trustees held a new public hearing on September 23, 2020 at which hearing the applicant, the assessor, and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

**WHEREAS**, construction of new real property improvements and installation had not begun earlier than six (6) months before September 4, 2020, the date of acceptance of the application for the Industrial Facilities Tax Exemption Certificate; and

**WHEREAS**, completion of the new real property improvements is calculated to and will at the time of issuance of the certificate have the reasonable likelihood to retain, create, or prevent the loss of employment in Pittsfield Charter Township; and

**WHEREAS**, the aggregate SEV of real and personal property exempt from ad valorem taxes within Pittsfield Charter Township, 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 RESOLVED**, Resolution #20-31 is hereby vacated; and

**BE IT FURTHER RESOLVED**, by the Board of Trustees of Pittsfield Charter Township that:

1. The Board of Trustees finds and determines that the granting of the Industrial Facilities Tax Exemption Certificate considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974 and Act No. 255 of the Public Acts of 1978, shall not have the effect of substantially impeding the operation of Pittsfield Charter Township, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in Pittsfield Charter Township.
2. The application of Wacker Chemical Corporation 4950 S. State Street, Ann Arbor, MI 48108, for an Industrial Facilities Tax Exemption Certificate with respect to new real property improvements to be installed on the following described parcel of real property situated within the Pittsfield Charter Township Industrial Development District #60, to wit:

LAND SITUATED IN THE TOWNSHIP OF PITTSFIELD, COUNTY OF WASHTENAW, STATE OF MICHIGAN MORE PARTICULARLY DESCRIBED AS FOLLOWS:

Legal Description for Wacker Chemical Corporation (known as 4950 S. State Street, Ann Arbor, MI 48108)

Parcel Number: L-12-16-300-018

OWNER REQUEST PI 16-15B-1 COM AT SW COR SEC 16, TH E 20 FT IN S LINE OF SEC TO A POB, TH E 1295 FT IN S LINE OF SEC, TH N 347.50 FT IN CENT OF RD, TH DEFL 90 DEG 11' LEFT 290.9 FT, TH DEFL 90 DEG 11' RIGHT 149.38 FT, TH DEFL 90 DEG 11' LEFT 1023.67 FT, TH S 472.13 FT TO A PT 24.75 FT N OF SW COR OF SEC, TH SELY TO THE POB. PT OF SW 1/4 SEC 16, T3S-R6E. 13.99 AC. COMBINED ON 02/09/2015 FROM L -12-16-300-012, L -12-16-300-013;

be and the same is hereby approved.

3. The Industrial Facilities Tax Exemption Certificate when issued shall be and remain in force and effect for a period of 12 years after completion.

**ROLL CALL VOTE:**

**AYES:**

**NAYS:**

**ABSENT:**

**ABSTAIN:**

**RESOLUTION DECLARED \_\_\_\_\_.**

---

Michelle L. Anzaldi, Clerk  
Pittsfield Charter Township

Dated:

**CERTIFICATE**

I, Michelle L. Anzaldi, hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Township Board of Pittsfield Charter Township, County of Washtenaw, State of Michigan, at a Regular Meeting held on September 23, 2020, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

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Michelle L. Anzaldi, Clerk  
Pittsfield Charter Township

Dated: