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BOYNE CITY ECONOMIC DEVELOPMENT CORPORATION

Monday March 12, 2019 City Hall-Noon
319 N Lake Street, Boyne City, MI 49712

1. CALL MEETING TO ORDER

2. OATH OF OFFICE

Kelly Bellant and Ralph Gillett

3. ROLL CALL

Excused Absences

4. READING AND APPROVAL OF MINUTES

Approval of January 16, 2012 and February 9, 2012 meeting minutes

5. HEARING CITIZENS PRESENT (ON NON-AGENDA ITEMS)

6. CORRESPONDENCE

7. REPORTS OF OFFICERS, BOARDS, AND STANDING COMMITTEES

8. UNFINISHED BUSINESS

- a. Park Business update
- b. Other

9. NEW BUSINESS

- a. IFEC extension
- Sim-Tech
- b. Other

10. GOOD OF THE ORDER

11. ANNOUNCEMENTS

The next regular meeting is scheduled for May 14, 2012

12. ADJOURNMENT



Approved _____

MEETING OF
January 16, 2012

MINUTES OF THE BOYNE CITY ECONOMIC DEVELOPMENT CORPORATION MEETING DULY CALLED AND HELD ON MONDAY, JANUARY 16, 2012, AT 12:00 NOON.

CALL TO ORDER

Chair Gillett called the meeting to order at 12:03 p.m.

OATH OF OFFICE

Recording Secretary Seeley swore in new member Josette Lory

ROLL CALL

Present: Pat Anzell, Michael Cain, Michelle Cortright, Richard Copeland, Pete Friedrich, Ralph Gillett, Marilea Grom and Josette Lory

Absent: Jim Howell

Staff: DPW Supervisor Andy Kovolski and Recording Secretary Karen Seeley

Public: One

APPROVAL OF MINUTES

Cain moved Grom seconded PASSED UNANIMOUSLY to approve the minutes of September 12, 2011 as presented.

MOTION

HEARING CITIZENS COMMENTS

None

CORRESPONDENCE

None

UNFINISHED BUSINESS

- **Kirkland Products – Noise & Odor concerns:** City Manager Cain reported that Kirtland is making progress. Two mufflers for the stacks have been installed and operations have been cut back to one shift. He also reported sixty three people were in attendance at the City Commission meeting and it was pretty much a split of those opposed to those in support. The city is trying to keep a good balance between the homeowners and Kirtland.

Board discussion regarding the sound ordinance. Does the city have a decimal meter, or can we borrow one to get a baseline on the sound? There is no decimal limit in the sound ordinance.

- **Precision Edge:** Is moving along nicely/ the building is heated now. No confirmed date for completion.
- **Classic Instruments:** Making progress and changes to the building. Hope to have someone in there in June.
- **High School training Program:** The City has been in discussion for the last two months with representatives of IMI, Precision Edge, Boyne City School District, NLEA, Char/Em and NCMC to provide a training

NEW BUSINESS

program through the schools to support the potential growth of businesses in the area. Sault Saint Marie schools offer this service and it has worked great for them. Peter Moss, of Boyne City Schools traveled there for a tour. These classes offered are much like the Building Trades classes through the local schools. This would provide a “pipeline” of trained and reliable people to support potential growth in the area. The old middle school would be a perfect place, but the school needs start up funds to make it happen, to help pay for overhead. The EDC may want to use their resources to help start up this training program. There is potential, need and opportunity. The development plan would have to be amended for this to be an authorized expense.

MOTION

- **Resignation of Jim Howell:** The board reviewed the letter of resignation received from Jim Howell on January 3, 2012. All were in agreement that he served the board well. **Friedrich moved Copeland seconded PASSED UNANIMOUSLY** to accept the resignation of Jim Howell with regret and send him a letter thanking him for his years of service.
- **Board Vacancy:** The board received a copy of an application from Kelly Bellant, who is employed by LexaMar. **Cain moved, Grom seconded PASSED UNANIMOUSLY** to recommend that the city commission appoints Kelly Bellant to the EDC (Economic Development Corporation) to fill the unexpired term of Jim Howell expiring March 11, 2016 and to the LDFA (Local Development Finance Authority) for a term expiring March 11, 2014.
- **Gillette term expires March 11, 2012:** **Lory moved Grom seconded PASSED UNANIMOUSLY** to reappoint Ralph Gillett to the EDC board with a term expiring March 11-2018.

MOTION

ADJOURNMENT

The January 16, 2012 Economic Development Corporation meeting was adjourned at 12:53 p.m.

Karen Seeley, Recording Secretary



Approved _____

**MEETING OF
February 9, 2012**

MINUTES OF THE BOYNE CITY ECONOMIC DEVELOPMENT CORPORATION/LOCAL DEVELOPMENT FINANCE AUTHORITY MEETING DULY CALLED AND HELD ON MONDAY, FEBRUARY 9, 2012, AT 8:30, AT KIRTLAND PRODUCTS, ONE ALTAIR DRIVE.

CALL TO ORDER

Chair Gillett called the meeting to order at 8:32p.m.

ROLL CALL

Present: Pat Anzell, Michael Cain, Michelle Cortright, Richard Copeland, Pete Friedrich, Ralph Gillett, and Josette Lory

Absent: Marilea Grom

Staff: Main Street Manager Hugh Conklin, Assistant Planning/Zoning Administer Shannon McMaster and Recording Secretary Karen Seeley

Public: Four

The board met at Kirtland Products, One Altair Drive. Leon Tupper, CEO and owner, Tom Monley and Mike Lange welcomed the board and gave them an overview of how the plant works, how far they have come and where they hope to be in the future. They are aware of the issues in the community with the odor, plume and noise and are working to rectify the situation. They have installed mufflers on the stacks and have reduced the plants running time to twenty four hours for three days, Tuesday, Wednesday and Thursday. They explained that there are no additives in the process, the release of vapors, is VOC (Volatile Organic Compound) the wood releases moisture with some wood particles, and are at safe levels as permitted by the EPA and DEQ. The stack testing has to be done after six months and running at full capacity. Mr. Tupper explained that they have been looking into grant money and other sources of funding to hire a sound engineer. City Manager Cain stated that the LDFA may have resources to help with a sound abatement tech.

Anzell out 9:40 a.m.

Cortright out 9:50 a.m.

**ADJOURNMENT
MOTION**

The February 9, 2012 Economic Development Corporation/Local Development Finance Authority meeting was adjourned at 10:00 a.m.

Cain out 10:00 a.m. Anyone who wished toured the Kirtland Products facility.

Karen Seeley, Recording Secretary

Dear City of Boyne City:

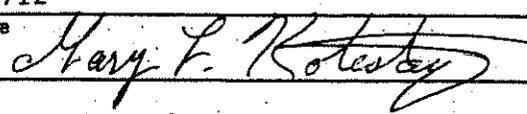
Thank you for your generous sponsorship of our Boyne City Blaze Robotics Team for the coming FIRST Robotics Competition. We are currently working hard on the design and build of our robot. We are excited for this opportunity to represent Boyne City in this distinguished, world renowned program. We couldn't do it without your support! Thanks so much

~ The BCHS Blaze Robotics Team

APPLICANT'S CERTIFICATION

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.

18. Name of Person to Contact for Further Information Gary L. Koteskey		Title President	Phone 231 582 7327
Mailing Address 06598 Horton Bay N. Road, Boyne City, MI 49712			
Type Name of Company Officer Gary L. Koteskey		Signature 	
Title President		Date November 28, 2002	

LOCAL GOVERNMENT ACTION

This section is to be completed by the clerk of the local governing unit before submitting application to the State Tax Commission

19. Action Taken <input checked="" type="checkbox"/> ABATEMENT APPROVED FOR _____ Years Ending December 30, _____ (not to exceed 12 years after project completion) There are circumstances in which the words "after completion" could extend the length of the exemption by 2 to 3 years. Please call the Property Tax Division at (517) 373-2408 if a further explanation is needed. <input type="checkbox"/> DISAPPROVED	DOCUMENTS REQUIRED <input type="checkbox"/> 1. Application plus attachments. (See inst. pg. 4, # 1-7) <input type="checkbox"/> 2. Notice to the public prior to hearing to establish district. <input type="checkbox"/> 3. Resolution establishing district. <input type="checkbox"/> 4. Notice to taxing authorities prior to hearing to approve application. <input type="checkbox"/> 5. List of taxing authorities notified. <input type="checkbox"/> 6. Resolution approving application. <input type="checkbox"/> 7. (a) Letter of Agreement (Signed by local unit and applicant) per P.A. 334 of 1993. (b) Affidavit of Fees (Bulletin 3, 1/16/98). <input type="checkbox"/> 8. 3222 (formerly T-1044A) (If applicable). <input type="checkbox"/> 9. Speculative building resolution & affidavits.
	20. Name of Local Government Body City of Boyne City

Attached hereto is a copy of the application and all documents required.

Signature of Clerk	Date	Phone 231 582 0332
Clerk's Mailing Address 319 North Lake Street	City Boyne City	ZIP Code 49712

State Tax Commission Rule Number 57:

Complete applications approved by the local unit and received by the State Tax Commission by October 31 will be acted upon by December 31.

Applications received after October 31 will be acted upon in the following year.

Mail completed application and all attachments to:

**State Tax Commission
 Michigan Department of Treasury
 P.O. Box 30471
 Lansing, Michigan 48909-7971**

If you have any questions, please call (517) 373-2408 or 373-3302.

APPLICATION FOR INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE

This form is issued as provided by P.A. 198 of 1974, as amended. Section references on this form are to specific sections of the act that explain or require the data. Filing of this form is voluntary. **The application should be filed after the district is established and no later than (within) six months after the commencement of the project.** This project will not receive tax benefits until approved by the State Tax Commission.

INSTRUCTIONS: Read the instructions on page 4 before completing this application. File the original and four copies of this form and the required attachments (five complete sets) with the clerk of the local government unit. **(The State Tax Commission requires four complete sets (one original and three copies)). One copy is retained by the clerk.**

TO BE COMPLETED BY CLERK OF LOCAL GOVERNMENT UNIT Clerk must also complete sections 19 and 20, page 3.		THIS SECTION FOR USE BY THE OFFICE OF THE STATE TAX COMMISSION	
Signature <i>Sue Hobbs</i>		Application No.	
Date Received December 16, 2002		Date Received	Written Agreement? <input type="checkbox"/> YES <input type="checkbox"/> NO

Applicant, do not write above this line. Begin entries at 1 below.

1a. Applicant (Company) Name (Applicant must be the occupant/operator of the facility) GAG Sim/Tech Filter, Inc.		b. Standard Industrial Classification Code (Sec. 2(10)) Four Digit Code 28	
c. Company Mailing Address (No. and Street, P.O. Box, City, State, ZIP) 06598 Horton Bay North Road, Boyne City, MI 49712		First time applicants attach copy of Worker's Compensation policy displaying workers codes	
d. Location of Facility (No. and Street, City, State, ZIP) (Attach Legal Description) 1455 Lexamar Drive, Boyne City, MI 49712		e. City/Twp./Village Boyne City	f. County Charlevoix
2. Type of Approval Requested <input checked="" type="checkbox"/> NEW (SEC. 2(4)) <input type="checkbox"/> REHABILITATION (SEC. 3(1))		3. School District Where Facility is Located Boyne City/Boyne Falls	
<input type="checkbox"/> SPECULATIVE BUILDING (SEC. 3(8)) <input type="checkbox"/> TRANSFER (of existing certificate) (1 copy only) <input type="checkbox"/> RESEARCH and DEVELOPMENT (SEC. 2(9))		4. How Many Years of Exemption Requested? (See note in box 19 regarding inclusion of the words "after completion.") 12	
5. Explain Applicant's Principal Type of Business (Detailed description of operations) Manufacturing and assembly of performance products for the on-site septic industry. This includes pressure filters, passive filters, orifice shields, risers, covers, valve boxes, clean-out sweeps, unions, and pressure switches.			
6a. Rehabilitation Applicants Only: General Description and Use of Existing Facility (Number of buildings, type, size, use, products manufactured, type of research or development.)			
b. Explain Degree and Type of Obsolescence Affecting Existing Facility.			
7. Describe Project for Which Exemption is Sought (Type of improvements to Land, Building; Size of Addition; Personal Property Acquired - Explain New - Used, Transferred from Out-of-State, etc.) and Proposed Use of Facility This is a new industrial building, measuring 70' x 120', constructed of steel and concrete. This facility will be utilized for the manufacture and assembly of products for the On-site Septic Industry.			
8. a. Cost of land improvements (Itemize) Excluding cost of land		\$ a. 10,000	
b. Cost of building improvements. (List major types & cost on attachment.) Building permit required (See instructions on page 4, item 4)		b. 300,000	
c. Cost of machinery and equipment. (Itemize: month, day & year and total on attachment; see instructions on page 4, item 2)		c. 5,590	
d. Cost of furniture and fixtures. (Itemize: month, day & year on attachment; see instructions on page 4, item 2)		d. 10,000	
TOTAL PROJECT COST		\$ 325,590	

Continue on Page 2

List Time Schedule for Start and Finish of Construction Stages and Equipment installation. Project dates must be projected and completed within a two year period. (See instructions, page 4, items 2 and 4.)

NOTICE AFTER DEC. 31, 1983: Section 9 (2) (c) specifies that restoration, replacement or construction commence not earlier than 6 months before this application is filed. Estimate dates when applicable.

THIS SECTION MUST BE COMPLETED WITH ACTUAL DATES. (REFERENCE TO SEE ATTACHMENTS NOT ACCEPTABLE).

	Begin (M/D/Y)	End (M/D/Y)
Real Property Improvements:	7/8/02	1/15/03
Personal Property Improvements:	1/15/03	6/15/03

- a. Are the Buildings Owned or Leased by the Operator of the Facility? OWNED LEASED (Attach copy of lease.)
- b. Is Applicant Liable for Payment of Ad Valorem Taxes on This Property? YES NO
- c. Are Machinery and Equipment, Furniture and Fixtures Owned or Leased by the Operator of this Facility? OWNED LEASED (Attach a copy of the lease.)

1. Will the Property for Which This Application is Filed be Included in an:
- a. State Enterprise Zone or State Renaissance Zone YES NO
 - b. 307 Site Contaminated Property File Number _____ Clerk's Certification YES NO

2. If State Education Taxes are abated, attach Michigan Jobs Commission Letter of Commitment.
- a. Enter total number of employees at site prior to start of project. _____ 0
 - b. Number of existing jobs that can be identified at this site that will be retained as a result of this project? _____ 0
 - c. Number of new jobs at this site expected to be created within 2 years of project completion? _____ 16

3. Has the project caused or will it cause, a relocation of employment from one or more Michigan governmental units to the unit in which the project is or will be located?
- a. YES NO
 - b. Number of Jobs Involved in Facility Relocation _____
 - c. Previous Location of Facility (City, Township, Village) _____
 - d. Attach a certified copy of the resolution passed by the governmental unit from which employment is to be transferred consenting to the transfer of employment. Date resolution was adopted _____

14. Rehabilitation applications: Complete a, b and c. Attach assessor's statement of valuation for the entire plant rehabilitation district.
- a. SEV of Real Property (Exclude Land) _____
 - b. SEV of Personal Property (Exclude Inventory) _____
 - c. Total SEV as of Dec. 31, 19 _____

- 15a. The Facility is Located in the following Type of District Established by the Local Governing Unit:
- INDUSTRIAL DEVELOPMENT DISTRICT
 - PLANT REHABILITATION DISTRICT
- b. Name of Governing Unit that Established District: City of Boyne City
- c. Date District was Established: August 29, 2000
- Attach certified copy of resolution and drawing of district.

NOTICE AFTER DEC. 31, 1983: Section 9(2)(b) provides that a written request (Date stamped by local unit) to establish the district MUST be filed prior to the commencement of any improvements or construction. Please furnish a copy of the written request.

- 16a. Is This Application for a Speculative Building (Sec. 3(B))? NO - Go to 17 below YES - Complete b, c and d
- b. Name of Governmental Unit Which Passed Resolution to Establish a Speculative Building. _____
 - c. Date of Resolution (Attach copy) _____
 - d. Date of Construction Commenced (See page 4, item 4) _____
 - e. Attach a Certified statement from the building owner and assessor that the building has not been occupied since completion of construction. (See page 4, item 13.) Owner Assessor

17. Complete this section if application is for a replacement facility which will not be located on the same site or contiguous to the obsolete facility. The obsolete facility will be disposed of as follows:

GAG Sim/Tech Filters, Inc.

New Machinery, Equipment, Furniture and Fixtures

All equipment to be installed between January and July 2003:

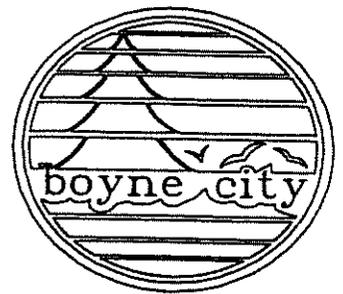
1.	Air Compressor (used)	\$2,000
2.	Reid Surface Grinder	650
3.	Drill Press	150
4.	Craftsman cordless drill	80
5.	Dewalt router	200
6.	Roybi router & table	200
7.	2 Craftsman hardwood benches	200
8.	Craftsman bench drill press	100
9.	Homemade work table	200
10.	Hot plate	10
11.	Small light steel bench	25
12.	Steel shelves 36"x84"	25
13.	Steel desk	100
14.	Orifice shields beading fixture	100
15.	Orifice shield sawing fixture (6 slots at one time)	100
16.	Orifice shield sawing fixture (1 groove out of whole pipe)	200
17.	Orifice shield heating table	100
18.	12" DeWalt miter saw	100
19.	Steel glueing table	200
20.	Trade show equipment	500
21.	Heavy steel bench	100
22.	24" height gage (Starrett)	50
23.	Plastic bag sealer	50
24.	Exhaust blower	100
25.	2 gasket punchers	25
26.	Msc. Hand tools	25
	Total	\$5,590

CITY OF BOYNE CITY

319 North Lake Street

Boyne City, MI 49712

(616) 582-6597



INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE WORKSHEET

THE BOYNE CITY ECONOMIC DEVELOPMENT CORPORATION RECOGNIZES THE STATE AND NATIONAL LEVEL OF COMPETITION FOR INDUSTRIAL GROWTH, AND IS WILLING TO AWARD THE MAXIMUM NUMBER OF YEARS POSSIBLE FOR A TAX ABATEMENT. PLEASE COMPLETE THE FOLLOWING SO WE MAY EVALUATE YOUR PROJECT.

1. What will be the number of full time jobs created and/or retained by project? Please list by categories i.e., Management, Administration, Technical, Labor, etc., and include anticipated wage scale.

Two new full time jobs in labor and retain six (6) full time jobs in Management and Administration at a pay rate of \$10.00 to \$12.00 per hour. Ten additional jobs created within two years.

2. How will you attempt to use local labor?

All employees will be hired from the local labor force.

3. Describe type of specialized employee training and/or skilled labor required.

At this time we do not need specialized training or skilled labor. All labor that we require will be easily found in this area.

4. Cost of construction for new facilities or renovation of existing, including machinery and equipment.

\$325,590, excluding land, but including land improvements.

5. Please list fire and/or burglary protection systems that will be installed.

Building is constructed of concrete and steel with dead bolts on all doors and outside lighting at night. Other burglary protection systems are being discussed.

"THE GOAL OF THE BOYNE CITY ECONOMIC DEVELOPMENT CORPORATION IS TO FACILITATE ECONOMIC GROWTH THROUGH THE RETENTION AND ATTRACTION OF COMMERCIAL AND INDUSTRIAL ENTERPRISES."

6. How will the finished project fully comply with applicable handicapped access laws?

In most cases we exceeded handicapped requirements, and met all others with sidewalks and bathrooms to Federal Handicap specifications.

7. Describe extraordinary beautification and/or landscaping of the project site.

In the spring of 2003 the site will be landscaped with small and large fieldstones and shrubs.

8. Has a technically qualified engineer or architect certified that energy-saving devices, material, and/or design has been incorporated into the renovation or new construction which exceed code requirements? If yes, describe and include cost.

The building is a VP building with the best insulating package available with furnaces, heaters and appliances all being high efficiency.

9. Describe environmental issues and safeguards.

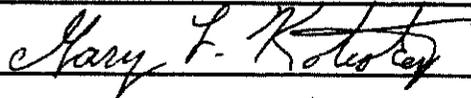
Our facility is currently largely assembly and shipping and is not emitting ground or air pollutants.

Loss of Exemption As outlined in Section 15 (2) of Act 198, the Industrial Facilities Exemption Certificate may be revoked if the project has not been completed within 24 months of the effective date of the certificate, or may be reduced or terminated at any time if the public commitments are not met.

Transfer Section 21 of Act 198 indicates that an exemption certificate may be transferred to a new owner or lessee with approval of the governing body of the municipality, following a public hearing.

Corporate Name GAG Sim/Tech Filters, Inc.

Local Address 1455 Lexamar Drive, Boyne City, MI 49712



Corporate Officer Gary L. Koteskey, President

Corporate Headquarters 1455 Lexamar Drive, Boyne City, MI 49712

CITY OF BOYNE CITY

Criteria for IFEC Applications
Public Act 198 - Tax Abatement Policy

(Revised 3-25-98)

Abatement Criteria

(100 Points Maximum)

I. JOBS created within 2 years of certificate

(45 Points Maximum)

A. Number of jobs: 1 Point per 5 Jobs

(20 Points Maximum)

3

B. Wages:

1 Point per every \$0.20/hour over \$5.15/hour

(15 Points Maximum)

15

C. Stability:

10 Points if jobs are non-seasonal and non-cyclical.

(10 Points Maximum)

10

II. INVESTMENTS within 2 years of certificate.

(20 points Maximum)

Total Investment: 1 Point for every \$200,000 invested in new or rehabilitated plant and equipment.

-2

III. INDUSTRY

(28 Points Maximum)

A. Type of Industry: Does it fit community's desires, including diversification?

(20 Points Maximum)

20

B. Public Services Required: 8 Points if no public expenditures for utilities is required.

(8 Points Maximum)

8

IV. BUILDING

(7 Points Maximum)

Exterior Appearance: 7 Points if effort is planned and developed above what is required.

7

Criteria for Industrial Facilities Exemption Applications
(Revised 3-25-98)

V. OTHER

(10 Points Maximum)

Up to 10 additional points may be awarded for specific community considerations to supplement Items I-IV.

TOTAL POINTS

10

TAX ABATEMENT WILL BE GRANTED ON THE FOLLOWING SCALE: 15

<u>Points</u>	<u>Years of Abatement</u>
90-100	12
80-89	10
70-79	8
60-69	6
50-59	4

Each abatement project will be reviewed every two years to determine if abatement criteria is being maintained. Abatement may be terminated or reduced if project commitments are not maintained.

NOTE: THE MICHIGAN DEPARTMENT OF TREASURER FORM T-1044

"FISCAL STATEMENT FOR TAX ABATEMENT REQUEST" MUST ALSO BE COMPLETED.

Approved 4-7-03

**MEETING OF
JANUARY 6, 2003**

MINUTES OF THE BOYNE CITY ECONOMIC DEVELOPMENT CORPORATION MEETING DULY CALLED AND HELD ON MONDAY, JANUARY 6, 2003, IN THE CITY COMMISSION CHAMBERS AT CITY HALL, 319 NORTH LAKE STREET.

CALL TO ORDER

Acting Chair LaPointe called the meeting to order at 12:05 p.m.

ROLL CALL

Present: Michael Cain, Michelle Cortright, Pete Friedrich, Tom LaPointe and Ralph Stowe.

Absent: Pat Anzell, Richard Copeland, Ralph Gillett and Jim Howell (arrived 12:10p.m.).

**MEETING
ATTENDANCE**

Staff: Recording Secretary Karen Seeley, Deputy Clerk Josette Lory and City Planner Tim O'Leary.

Public: There were two people in attendance.

**APPROVAL OF
MINUTES**

Stowe moved Cortright seconded approval of the August 5, 2002 and November 4, 2002 minutes as presented.

**GAG SIM/TECH
FILTER, INC. IFEC
1455 LEXAMAR DR.**

Considerations to recommend the City Commission approve an IFEC (Industrial Facilities Exemption Certificate) application from GAG Sim/Tech Filter, Inc.

Upon board review of the five criteria presented with the IFEC application, LaPointe moved, Friedrich seconded, PASSED UNANIMOUSLY, to recommend the City Commission award an 8 year Industrial Facilities Exemption Certificate to GAG Sim/Tech Filter, Inc. 1455 Lexamar Drive, Boyne City, MI. 49712

**DEVELOPMENT
PLANS LOT 7, EAST
AIR INDUSTRIAL
PARK**

The board reviewed the site plans from Christopher Furness for Great Lakes Golf & Site Development. After discussion, Stowe moved, LaPointe seconded, PASSED UNANIMOUSLY, to recommend the Planning Commission proceed with the site plan reviewed.

**BOARD
APPOINTMENT**

Stowe moved, Friedrich seconded, PASSED UNANIMOUSLY, to recommend the City Commission reappoint Richard Copeland to the Boyne City Economic Development Committee for a six year term expiring March 11, 2008.

MEETING SCHEDULE

After some discussion, Cain moved, LaPointe seconded, PASSED UNANIMOUSLY, a motion that this the Boyne City Economic Development Corporation meet quarterly,

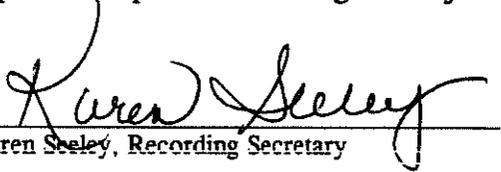
but reserve the first Monday of each month for special meetings if needed, beginning with the January 2003 meeting.

NEXT MEETING

The next, regular meeting of the Economic Development Corporation is scheduled for Monday, April 7, 2003.

ADJOURNMENT

The January 6, 2003, Economic Development Corporation meeting was adjourned at 12:47 p.m.


Karen Sealey, Recording Secretary

Clerk\boards-commissions\edc\2003\1-6 minutes

MEMORANDUM

Agenda Item 7.C.

To: Mayor Stackus and City Commissioners

From: Michael Cain, City Manager *MC*
Sue Hobbs, City Clerk *SH*

Subject: Industrial Facilities Exemption Certificate for GAG Sim/Tech Filter, Inc.

Date: January 7, 2003

On December 18, Gary Koteskey, of Sim/Tech, filed a request for an Industrial Facilities Exemption Certificate for the new construction and equipment on lot 13, Phase II of the Industrial Park. At the January 6, 2003 meeting, the EDC/LDFA, based on the attached Criteria for IFEC Applications, unanimously recommended approval of an eight year IFEC for Sim/Tech to the City Commission. This certificate would abate 50% of the taxes for Sim/Tech during the eight year period. Because of the Act 425 Agreement with Boyne Valley Township, all taxing units connected with the Township were given notice of the hearing also. There has been no opposition received from any taxing unit.

The building previously received site plan approval from the Planning Board, as well as approval of the landscaping plan.

A very positive aspect to Sim/Tech is that this industry is not tied to the automobile manufacturing, as a lot of local industries are. This variety in product will help to stabilize the local economy, if one element of the economy is experiencing a downturn. The filters and septic systems manufactured by Sim/Tech are a new product. This business has a lot of potential for growth and additional job creation. It is through programs such as the IFECs that small, startup industries have the chance to invest in our community.

The jobs created will not count toward forgiving of the CDBG Loan for construction of the Industrial Park. The provisions of the CDBG Loan included \$10,000 forgiven for each new job created in the Park, up to a maximum of \$100,000 for 100 new jobs. Currently there have been 140 new jobs in the Park since September, 2000; therefore we have already met the maximum of \$100,000. However, the 16 new jobs in the Park will have a positive impact on the local economy, which was a goal when the Park was expanded.

Boyne City currently has ten Certificates in effect; six were issued to Lexamar, Inc., two to Control Engineering, and two to Federal Screw Works. Of these ten, three will expire in 2006.

As you can see by the attached list of jobs created since the beginning of 2001, the City's Industrial Park has been very successful. I believe the Commissioner's willingness to give industries incentive to locate in Boyne City, in part by approval of Exemption Certificates, is a big part of this success. The EDC/LDFA Board was very supportive of this business, as well as the IFEC. It is my recommendation that the City Commission act on their recommendation and approve the Exemption Certificate for Sim/Tech.