

SUMMARY REPORT TO MANAGER
for City Council Meeting of July 14, 2008

SUBJECT: Request from Dow Corning Corporation for approval to revise Industrial Facilities Tax Exemption Certificate No. 2006-445.

RESOLUTION SUMMARY: This resolution will approve the request by Dow Corning to revise the real and personal property components of Industrial Facilities Tax Exemption Certificate No. 2006-445 by increasing the real property component from \$45,000 to \$182,000 and decreasing the personal property component from \$1,239,500 to \$1,102,500 and request the State Tax Commission to issue a revised certificate.

ITEMS ATTACHED:

- 1. Letter of transmittal
- 2. Letter from Dow Corning dated May 29, 2008
- 3. Letter from Dow Corning dated June 23, 2008
- 4. Amended IFT application
- 5. Resolution

COUNCIL ACTION:

- 1. 3/5 vote required to approve resolution

Reid Duford
City Assessor
July 9, 2008



City Hall • 333 West Ellsworth Street • Midland, Michigan 48640-5132 • 989.837.3300 • 989.835.2717 Fax • www.midland-mi.org

July 9, 2008

Mr. Jon Lynch
City Manager
City of Midland

Subject: Request from Dow Corning Corporation for approval to revise Industrial Facilities Tax Exemption Certificate No. 2006-445.

Dear Jon:

On September 25, 2006, the City Council held a public hearing and approved an Industrial Facilities Tax Exemption (IFT) certificate application for Dow Corning Corporation. The State Tax Commission (STC) requires the applicant to estimate costs of both new real and personal property to be acquired and constructed for a project. For this project, Dow Corning estimated the cost of the real property to be \$45,000 and personal property to be \$1,239,500. On December 13, 2006, the STC issued IFT Certificate No. 2006-445 in those respective amounts for the real and personal property.

Dow Corning sent a letter, dated May 29, 2008, notifying the State Tax Commission and the Assessor's Office that the project was now complete. The letter informed us that after Dow Corning completed their final reconciliation of the new assets, they discovered costs applicable to the real and personal property had changed. If there is a change, which exceeds the original approved amount by more than 10%, the procedures in STC Rule 54 must be followed.

R 209.54 Revision of final cost; approval; request for revised certificate

Rule 54: (1) If the final cost of a project, either the real or tangible personal property components, will be greater by more than 10% of the estimated amount in item 6 of application form 1012, a certificate holder shall request that the local governmental unit approve the revised cost.
(2) If a local unit of government approves a revised cost in accordance with subrule (1) of this rule, the holder of the certificate shall request that the commission issue a revised certificate. The request shall be accompanied by a copy of a resolution of approval adopted by the local governmental unit.

Dow Corning sent a letter, dated June 23, 2008, with the required documentation, requesting the City Council approve the revised cost. Approval by the City Council is the

first step in Dow Corning's quest to have a revised certificate issued. Dow Corning will then file a request for a revised certificate with the STC along with a copy of the resolution of approval, which was adopted by the City Council.

Attached is a resolution approving the request by Dow Corning to revise the real and personal property components of IFT Certificate No. 2006-445.

Sincerely,

A handwritten signature in black ink, appearing to read "Reid Duford". The signature is fluid and cursive, with the first name "Reid" and last name "Duford" clearly distinguishable.

Reid Duford
City Assessor

R:\IFT\Corningrevised.sumB



May 29, 2008

State Tax Commission
PO Box 30471
Lansing, MI 48909-791

Attn: Commission Members

Reference: Industrial Facilities Tax Certificate # 2006-445

Subject: Notification of Completion and Final Cost Summary

Pursuant to the requirements of Act 198, P.A. 1974 and STC Administrative Rule 55 please let this serve as notification that the above project has been completed and attached is the final cost summary.

The said referenced industrial facilities exemption agreement was made and entered into between the City of Midland and Dow Corning Corporation in the total project amount of \$1,248,500 which consists of \$45,000 real property and \$1,239,500 personal property. The State Tax Commission issued the certificate on December 13, 2006 with a commencement date of December 31, 2006 and an ending date of December 30, 2018. The final costs for the above project are as follows:

Real:	\$ 126,205
Personal:	\$ 1,076,048
Total Cost of Project:	\$ 1,202,253

If additional information concerning this project is needed please do not hesitate to call.

Regards,

John Tierney
Tax Manager
989-496-8076

\Cc: City of Midland Assessor's Office

Scout
rel/6/08
n/1

DOW CORNING

RECEIVED
CITY CLERK
MIDLAND, MICHIGAN

June 23, 2008

2008 JUN 24 P 2: 39

Selina Tisdale

Ms. Selina Tisdale
City Clerk
City of Midland
333 West Ellsworth St
Midland MI 48640

Re: Revised applications for Industrial Facilities Tax Exemption

Dear Ms. Tisdale:

When applying for an IFT exemption, the total cost of the capital project is estimated based on information that is available at that time. Once the project is complete, a reconciliation is performed to properly classify the assets to be placed in service. After such, the final cost summary is prepared and submitted to the State Tax Commission indicating the total amount of personal and real property.

The projects related to IFT 2006-097 and 2006-445 were recently completed. A few assets listed on these applications capitalized as real property rather than personal property. Since the scope of these projects did not change, the State Tax Commission has advised Dow Corning to submit an amended IFT application so that City Council can make the necessary changes through adopting a resolution. It is our understanding, no public hearing is necessary as this is just a clerical change.

Please find attached the required documentation for City Council to act on this request. If additional information concerning these projects is needed, please do not hesitate to call me at the number listed below.

Regards,

John Tierney
John Tierney, Tax Manager
Dow Corning Corporation
Tax Department, CO1112
P.O. Box 994
Midland, MI 48686-0994
Phone: 989-496-8076

Enclosures

Amended

Michigan Department of Treasury
1012 (Rev. 4-06)

Application for Industrial Facilities Tax Exemption Certificate

Issued under authority of P.A. 198 of 1974, as amended. Filing is mandatory.

RECEIVED
CITY CLERK
MIDLAND, MICHIGAN

INSTRUCTIONS: File the original and two copies of this form and the required attachments (three complete sets with the clerk of the local government unit. The State Tax Commission (STC) requires two complete sets (one original and one copy). One copy is retained by the clerk. If you have any questions regarding the completion of this form or would like to request an informational packet, call (517) 373-3272.

2008 JUN 24 PM 2:39

Alexia Sinclair

To be completed by Clerk of Local Government Unit	
Signature of Clerk	Date received by Local Unit
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) Dow Corning Corporation		1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (Four or Six Digit Code) 2815	
1c. Address of Facility (real property or personal property location) City of Midland		1d. Name of City/Township/Village (Indicate which) City of Midland	1e. County Midland
2. Type of Approval Requested <input checked="" type="checkbox"/> New (Sec. 2(4)) <input type="checkbox"/> Transfer (1 copy only) <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Rehabilitation (Sec. 3(1)) <input type="checkbox"/> Research and Development (Sec. 2(9))		3a. School District where facility is located Midland	3b. School Code 56010
5. Thoroughly describe the project for which exemption is sought: Real Property (Type of Improvements to Land, Building, Size of Addition); Personal Property (Explain New, Used, Transferred from Out-of-State, etc.) and Proposed Use of Facility. (Please attach additional page(s) if more room is needed). See Attachment #1		4. Amount of years requested for exemption (1-12 Years) 12	
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.		\$182,000.00 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 costs		\$1,102,500.00 Personal Property Costs	
6c. Total Project Costs * Round Costs to Nearest Dollar		\$1,284,500.00 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.			
	<u>Begin Date (M/D/Y)</u>	<u>End Date (M/D/Y)</u>	
Real Property Improvements	6/1/06	6/1/08	<input checked="" type="checkbox"/> Owned <input type="checkbox"/> Leased
Personal Property Improvements	2/1/06	2/1/08	<input checked="" type="checkbox"/> Owned <input 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. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
9. Number of existing jobs at this facility that will be retained as a result of this project. 24		10. Number of new jobs at this facility expected to be created within two years of project completion. 0	
11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor's statement of valuation for the entire plant rehabilitation district and obsolescence statement for property. The SEV data below must be as of December 31 of the year prior to the rehabilitation.			
a. SEV of Real Property (excluding land)		_____	
b. SEV of Personal Property (excluding inventory)		_____	
c. Total SEV		_____	
12a. Check the type of District the facility is located in: <input checked="" type="checkbox"/> Industrial Development District <input type="checkbox"/> Plant Rehabilitation District			
12b. Date district was established by local government unit (contact local unit) 2/23/81		12c. Is this application for a speculative building (Sec. 3(8))? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

- Original - as Filed -
IFT 2006-445

Michigan Department of Treasury
1012 (Rev. 4-06)

Application for Industrial Facilities Tax Exemption Certificate

Issued under authority of P.A. 198 of 1974, as amended. Filing is mandatory.

INSTRUCTIONS: File the original and two copies of this form and the required attachments (three complete sets) with the clerk of the local government unit. The State Tax Commission (STC) requires two complete sets (one original and one copy). One copy is retained by the clerk. If you have any questions regarding the completion of this form or would like to request an informational packet, call (517) 373-3272.

To be completed by Clerk of Local Government Unit	
Signature of Clerk	Date received by Local Unit
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) Dow Corning Corporation		1b. Standard Industrial Classification (SIC) Code - Sec. 2(10) (Four or Six Digit Code) 2815	
1c. Address of Facility (real property or personal property location) City of Midland		1d. Name of City/Township/Village (Indicate which) City of Midland	1e. County Midland
2. Type of Approval Requested <input checked="" type="checkbox"/> New (Sec. 2(4)) <input type="checkbox"/> Transfer (1 copy only) <input type="checkbox"/> Speculative Building (Sec. 3(8)) <input type="checkbox"/> Rehabilitation (Sec. 3(1)) <input type="checkbox"/> Research and Development (Sec. 2(9))		3a. School District where facility is located Midland	3b. School Code 56010
		4. Amount of years requested for exemption (1-12 Years) 12	
5. Thoroughly describe the project for which exemption is sought: Real Property (Type of Improvements to Land, Building, Size of Addition); Personal Property (Explain New, Used, Transferred from Out-of-State, etc.) and Proposed Use of Facility. (Please attach additional page(s) if more room is needed). See Attachment #1			
6a. Cost of land and building improvements (excluding cost of land).....		\$45,000.00	
* Attach list of improvements and associated costs. * Also attach a copy of building permit if project has already begun.		Real Property Costs	
6b. Cost of machinery, equipment, furniture and fixtures.....		\$1,239,500.00	
* Attach itemized listing with month, day and year of beginning of installation plus total costs		Personal Property Costs	
6c. Total Project Costs		\$1,284,500.00	
* Round Costs to Nearest Dollar		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.			
	<u>Begin Date (M/D/Y)</u>	<u>End Date (M/D/Y)</u>	
Real Property Improvements	<u>6/1/06</u>	<u>6/1/08</u>	<input checked="" type="checkbox"/> Owned <input type="checkbox"/> Leased
Personal Property Improvements	<u>2/1/06</u>	<u>2/1/08</u>	<input checked="" type="checkbox"/> Owned <input 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. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
9. Number of existing jobs at this facility that will be retained as a result of this project. 24		10. Number of new jobs at this facility expected to be created within two years of project completion. 0	
11. Rehabilitation applications only: Complete a, b and c of this section. You must attach the assessor's statement of valuation for the entire plant rehabilitation district and obsolescence statement for property. The SEV data below must be as of December 31 of the year prior to the rehabilitation.			
a. SEV of Real Property (excluding land)		_____	
b. SEV of Personal Property (excluding inventory)		_____	
c. Total SEV		_____	
12a. Check the type of District the facility is located in: <input checked="" type="checkbox"/> Industrial Development District <input type="checkbox"/> Plant Rehabilitation District			
12b. Date district was established by local government unit (contact local unit) 2/23/81		12c. Is this application for a speculative building (Sec. 3(8))? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

COPY

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 Erin Witte	13b. Phone Number (989) 496-4742	13c. Fax Number (989) 496-1560	13d. E-mail Address erin.witte@dowcorning.com
14a. Name of Contact Person John Tierney	14b. Phone Number (989) 496-8076	14c. Fax Number (989) 496-6132	14d. E-mail Address j.tierney@hscpoly.com
15a. Name of Company Officer (No Authorized Agents) Michael Kapp			
15b. Signature of Company Officer (No Authorized Agents) <i>Michael Kapp</i>		15c. Fax Number (989) 496-6132	15d. Date 7/22/06
15e. Mailing Address (Street, City, State, ZIP) PO Box 994, Midland, MI 48686-0994		15f. Phone Number (989) 496-1808	15g. E-mail Address michael.kapp@dowcorning.co

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 _____ Years (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: Check or Indicate N/A if Not Applicable <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 Check or Indicate N/A if Not Applicable <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. LUCI Code	16d. School Code
17. Name of Local Government Body	18. Date of Resolution Approving/Denying this Application

Attached hereto is an original and one copy of the 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.

19a. Signature of Clerk	19b. Name of Clerk	19c. E-mail Address
19d. Clerk's Mailing Address (Street, City, State, ZIP Code)		
19e. Phone 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 and one copy of the completed application and all required attachments to:

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

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

STC USE ONLY			
LUCI Code	Begin Date	End Date	End Date2

Attachment # 1

RUBBER BUSINESS

Dow Corning's rubber business has added a new straining line. This has added capacity and flexibility in the airbag coatings production process. This had generated new business for Dow Corning's rubber area. Other sites were considered for this capital investment; however, Midland Plant was chosen to be the best location. Improving capacity and flexibility through this expansion has allowed the Rubber business to improve its production process and in turn stay competitive in the market. Twelve jobs were maintained as a result of this expansion.

Additionally, the rubber business has added a polymer highline to their processes. This has helped to increase capacity in the airbag coatings production process. This addition has generated new business for Dow Corning. Due to the capacity increase, the rubber business is able to better meet demand of its customers, thus making Dow Corning more competitive in the industry. Twelve jobs were maintained as a result of this polymer highline addition.

Attachment #2

Order	Title	Spending	Status Date	Category
Real				
770003860/600037960	602 SECOND FLOOR VENTILATION	45,000	1-Jun-2006	Real
	Total Real	<u>45,000</u>		
Personal				
600036775/770003903	602 6-3445 IMPLEMENTATION	100,000	1-Feb-2006	Personal
600036862	207 FORK TRUCK	40,000	14-Feb-2006	Personal
600036897	207 MIXER 5 SEAL UPGRADE	55,000	15-Feb-2006	Personal
770003523/600036895	602 D4 DAY TANK INSTALLATION FO	121,000	16-Feb-2006	Personal
600037187/770003992	207 BULK 2-7063	142,000	13-Mar-2006	Personal
600037186/770003844	207 HCR STARTER ROOM HVAC	137,000	16-Mar-2006	Personal
600037185	CAPILLARY RHEOMETER FOR AMER	70,000	14-Mar-2006	Personal
600037576	109 2206 SPARE VACUUM PUMP	40,000	13-Apr-2006	Personal
600037581/770004248	109 CO2 NEUTRALIZATION UPGRADI	50,000	13-Apr-2006	Personal
600037591	2202 SCRUB TESTER MACHINE	35,000	17-Apr-2006	Personal
600036885	207 STRAINING LINE 7	360,000	26-Apr-2006	Personal
770004281/600037764	604 SYLTHERM SPRINKLER UPGRAC	38,000	8-May-2006	Personal
770003958/600037767	207 MIXER 4, 1-6002 AUTO ADDITION	39,000	15-May-2006	Personal
600037936	2202 LSR METER MIX PUMPS	12,500	25-May-2006	Personal
	Total Personal	<u>1,239,500</u>		
	Total Real and Personal	<u>1,284,500</u>		

INDUSTRIAL FACILITIES EXEMPTION APPLICATION
AFFIDAVIT OF FEES

In accordance with State Tax Commission Bulletin No. 3, dated January 1998, the Local Unit and Applicant for Industrial Facilities Exemption Certificate do hereby swear and affirm that no payment of any kind, whether they be referred as "fees", "payments in lieu of taxes", "donations", or by other like terms, such payments are contrary to the legislative intent of Act 198 that exemption certificate have the effect of abating all ad valorem property taxes levied by taxing units with the unit of local government which approves the certificate.

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

City/Twp./Village of _____

Signed: _____

Print Name: _____

Title: _____

Dated: _____

Applicant Dow Corning Corporation

PK Signed: *Michael Kapp*

Print Name: Michael Kapp

Title: Assistant Treasurer

Dated: 7/22/06

Industrial Facilities Exemption Certificate Application
Dow Corning Corporation –
Midland Plant
Industrial District
Established 2/27/81

Legal Description of Property

BEGINNING AT THE WEST QUARTER CORNER OF SECTION 26, TOWNSHIP 14 NORTH, RANGE 2 EAST, THENCE NORTH 1950.24 FEET, THENCE EAST 2693.61 FEET, THENCE SOUTH 653.01 FEET, THENCE EAST 2639.55 FEET, THENCE SOUTH 3936.805 FEET, THENCE WEST 3907.91 FEET, THENCE NORTH 45 DEGREES 24 MINUTES 50 SECONDS 1184.36 FEET, THENCE EAST 845.99 FEET, THENCE NORTH 314.42 FEET, THENCE WEST 210.0 FEET, THENCE NORTH 400.0 FEET, THENCE EAST 110.0 FEET, THENCE NORTH 160.0 FEET, THENCE WEST 110.0 FEET, THENCE NORTH 545.0 FEET, THENCE EAST 210.0 FEET, THENCE NORTH 370.0 FEET, THENCE WEST 340.0 FEET, THENCE NORTH 540.0 FEET, THENCE WEST 549.75 FEET, THENCE SOUTH 224.33 FEET, THENCE EAST 20.0 FEET, THENCE SOUTH 59.33 FEET, THENCE WEST 20.0 FEET, THENCE SOUTH 256.33 FEET, THENCE WEST TO POINT OF BEGINNING 440.25 FEET. TOTAL AREA – 438.55 ACRES.

Affidavit as to Commencement Date of Installation of Real Property for
Industrial Facilities Exemption Certificate Application

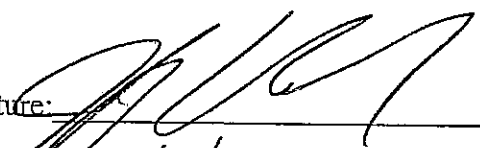
Property Location: Dow Corning Corp, Midland Plant Facility

Property Address: 3901 S. Saginaw Road, Midland, MI

Project Title: 602 Second Floor Ventilation CIO # 600037960

I, Jeff Baker, RUBBER SUPPLY CHAIN AMERICAS MGR, hereby attest that
Print Name Print Title

the installation of tangible real property for which this application is sought was
commenced on June 1, 2006.

Signature: 

Date: 7/11/06

Company Name: Dow Corning Corporation

Title: MIDLAND RUBBER SUPPLY CHAIN LEADER



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

JENNIFER M. GRANHOLM
GOVERNOR

ROBERT J. KLEINE
STATE TREASURER

January 17, 2007

Sent Certified Mail

Certificate Notice Letter

MICHAEL KAPP
DOW CORNING CORPORATION
PO BOX 994
MIDLAND, MI 48686-0994

Re: Industrial Facility Tax Exemption Certificate # 2006-445, DOW CORNING CORPORATION, CITY OF MIDLAND, MIDLAND COUNTY

Dear Sir/Madam:

Pursuant to the requirements of Act 198, P.A. 1974, as amended, the State Tax Commission (STC), with the approval of the State Treasurer and the concurrence of the Michigan Economic Development Corporation, has issued a certificate for exemption of the above mentioned industrial facility at a meeting held on December 13, 2006 in the amount of \$45,000 for real property and \$1,239,500 for personal property.

The State Tax Commission has made a finding as provided in Act 198, P.A. 1974, as amended, that the amount by which 5% is exceeded will not substantially impede or impair the operation of the local unit of government by reason of the loss of tax revenue. The facility will provide employment and be a positive influence in the development of the entire area, whereupon a resolution by the local unit of government was adopted directing that the certificate be issued. The State Education Tax to be levied for this certificate is 6 mills.

A party aggrieved by the issuance of an industrial facility exemption certificate may call 517-373-3272 to discuss the issues. Per MCL 24.304, the local unit of government or applicant has sixty days from the date of the Certificate Notice Letter (date of this letter) to request a hearing to correct an error contained in the enclosed certificate. Notification of completion of the project shall be filed with the Commission within 30 days of completion and final costs will be filed with the assessing officer of the local unit and the Commission within 90 days of completion (STC Administrative Rule 55).

The Certificate is enclosed.

Very truly yours,

Kelli Sobel, Executive Secretary
State Tax Commission

c: Assessor, CITY OF MIDLAND
Michigan Economic Development Corporation



City Hall • 333 West Ellsworth Street • Midland, Michigan 48640-5132 • 989.837.3300 • 989.835.2717 Fax • www.midland-mi.org

BY COUNCILMAN

WHEREAS, pursuant to Rule 54(1) of the Administrative Rules of the State Tax Commission, if the final cost of a project will be greater by more than 10% of the estimated amount on the application, a certificate holder shall request that the local governmental unit approve the revised cost; and

WHEREAS, Dow Corning Corporation was issued Industrial Facilities Tax Exemption Certificate No. 2006-445 which has a real property component of \$45,000 and a personal property component of \$1,239,500; and

WHEREAS, Dow Corning now knows the final cost of this project and that some of the assets originally classified as personal property were in fact real property; and

WHEREAS, Dow Corning has requested the City Council approve a change in the real and personal property components of Industrial Facilities Tax Exemption Certificate No. 2006-445; now therefore

RESOLVED, that the City Council of the City of Midland does hereby approve the request by Dow Corning to increase the real property component of Industrial Facilities Tax Exemption Certificate No. 2006-445 from \$45,000 to \$182,000 and decrease the personal property component from \$1,239,500 to \$1,102,500; and

RESOLVED FURTHER, that the City Council of the City of Midland does hereby request the State Tax Commission to issue a revised certificate to Dow Corning based on the revised real and personal property cost.

YEAS:

NAYS:

ABSENT:

I, Selina Tisdale, City Clerk, City of Midland, Counties of Bay and Midland, State of Michigan, do hereby certify that the foregoing is a true and correct copy of a resolution adopted by a yea vote of all the Councilmen present at a regular meeting of the City Council held Monday, July 14, 2008.

Selina Tisdale, City Clerk