



CITY OF SPRINGFIELD, MICHIGAN
GUIDELINES FOR TAX ABATEMENT UNDER PA 198 OF 1974

SCOPE:

To develop uniform, fair, equitable and objective guidelines for determination of length of tax exempt certificate and eligibility.

OBJECTIVE:

The Springfield Tax Abatement Review Board and/or the Council of the City of Springfield will evaluate all P.A. 198 applications and will ensure that the following objectives have been attained:

1. The project will expand the City's tax base.
2. The project will either expand or retain the employment levels.
3. The project will provide stimulus to others in the private sector.
4. The project will improve the City's land use and support the City's environmental objectives.

QUALIFICATIONS:

All applicants for Industrial Facilities Tax Exemptions shall comply and meet the following qualifications:

1. Applicant shall comply with all the provisions of P.A. 198 of 1974 and all of its amendments.
2. Applicant shall have no delinquent property taxes or be currently appealing property assessment before the Michigan Tax Tribunal or have any other pending suit against the City.
3. Applicant shall make all reasonable efforts to follow an affirmative action program.
4. Applicant shall make special effort to give preference to the Battle Creek Metropolitan Area (defined as the Cities of Springfield and Battle Creek, and the Charter Townships of Bedford, Emmett and Pennfield) contractors, vendors, and labor force while constructing or rehabilitating.
5. Applicant who has been granted tax exemption shall be responsible for submitting, no later than August 15th, a status report to the City Manager including the following information:
 - A. Number of jobs created expressed as full-time equivalent.
 - B. Number of jobs retained expressed as full-time equivalent.
6. Applicant or a representative shall be required to be present during a scheduled public hearing for the granting of an Industrial Facilities Tax exemption. If no representative is present no action will be taken.
7. Applicant shall pay a filing fee of \$250. The fees received shall be applied to the General Fund of the City of Springfield and the Economic Development Corporation of Springfield, at the rate of \$125 to each account.



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EVALUATION POINTS:

The evaluation point system will be utilized for determination of eligibility and the length of tax exempt certification under P.A. 198 of 1974.

Criteria	Points
Cost of the Project:	
under \$25,000 or 10% of true cash value	2
\$25,001 to \$50,000	4
\$ 50,000 to \$100,000	6
\$100,001 to \$200,000	8
\$200,001+	10
 Number of jobs created or retained:	
1-5	5
6-10	10
11-25	15
26+	20
 Need:	
Project starts after City Council action	5
Does not involve a move within the city	5
 Bonus:	
Project is located with the areas described in the Economic Development Project Plan of the City of Springfield:	
Project Area "A"	N/A
Project Area "B"	4
Project Area "C"	N/A
Project Area "D"	5
Length of facility vacancy:	
Less than 1 year	1
12-24 months	2
25-48 months	3
49-60 months	4
61+ months	5
Project is a new industry for Springfield	5
Beautification and Landscaping	7



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POINT AWARDS:

Total Points	Eligibility	Years of Tax Exemption
10 or less	No	0
11-14	Yes	3
15-18	Yes	4
19-22	Yes	5
23-26	Yes	6
27-30	Yes	7
31-34	Yes	8
35-38	Yes	9
39-42	Yes	10
43-46	Yes	11
47 or more	Yes	12

Additional Eligibility and/or Qualification Requirements:

1. To be eligible for a Rehabilitation Exemption, the real property shall have been vacant for one (1) year or more.
2. An exemption for personal property shall not exceed the useful life of the personal property.