

MINUTES
CITY OF FARMINGTON HILLS
CITY COUNCIL STUDY SESSION MEETING
CITY HALL – COMMUNITY ROOM
APRIL 8, 2019

The Study Session meeting of the Farmington Hills City Council was called to order by Mayor Massey at 6:06pm.

Council Members Present: Bridges, Knol, Lerner, Massey, Rich and Steckloff

Council Members Absent: Bruce

Others Present: City Manager Boyer, Deputy City Clerk Lindahl, Assistant City Manager Mekjian, Directors Barr and Mondora and City Attorney Joppich

NISSAN APPLICATION FOR INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE

Samantha Seimer, Economic Development Director, introduced the representatives from Nissan and explained that they are here this evening to present their request for a Tax Abatement and proposed expansion request and noted that they have been working with the City as well as the MEDC for a 50% tax abatement of real property (Industrial Facilities Exemption Certificate) for a period of 6 years.

Darryl Stolarczyk, Director of Safety Engineering, presented a power point presentation which showed Nissan's major US facilities highlighting that they have invested \$270 million in their Farmington Hills location which started operations in 1988 and provides 1,300 high paying jobs. He discussed the various locations of technical centers and noted that Farmington Hills is considered a hub for North American operations that has paid over 20 million in property taxes to the City since the mid 90's.

Mr. Stolarczyk explained that the proposed expansion is for a large prototype and testing facility which will provide all lab testing for Nissan and will be Nissan's largest R&D investment in the US. He discussed Nissan's MOVE to 2022 business plan to lead the evolution in intelligent mobility, noting that engineering plays a critical role in achieving this plan.

Amy Sanford, Manager of Safety Engineering, discussed Nissans community partnerships, pointing out the organizations they are involved with in Farmington Hills along with the many employee led initiatives that provide goods/services for the community.

Mike Bristol, Senior Manager of Safety Engineering, presented a background of Nissan's safety crash testing and stated that the proposed test crash facility would be a \$40 million plus investment providing approximately 25 new jobs.

Mr. Bristol discussed the scope of the expansion project noting that the current site will be reconfigured to include the 120,000 square foot proposed building with additional parking. He stated that the expansion will cost over \$40 million, add 25 jobs as well as support the 1,300 R&D current jobs, which will concrete Nissan's future in Farmington Hills.

Director Seimer reviewed the tax revenue graph provided to Council and discussed the increase to the City's tax revenues pointing out that after 6 years the proposed expansion will have a net positive gain for the City.

In response to Council, Director Seimer noted that the State requires the facility to be running by the end of year 2.

City Council was supportive of the proposed expansion. It was noted that the next step would be to place the request for the Industrial Facilities Exemption Certificate on the next regular City Council meeting agenda for consideration at which time a public hearing will also be held.

ILLICIT DISCHARGE ORDINANCE

Karen Mondora, Director of Public Services, presented the proposed Illicit Discharge Ordinance that would regulate illicit discharge into the City's storm sewer system. She explained that the ordinance would prohibit illegal discharges and connections, dumping or disposal of materials, establish legal authority and right of entry for inspections, sampling and monitoring and provide clear enforcement and compliance language. Engineering or DPW inspectors would follow-up on any complaints and those not in compliance would receive a Notice of Violation; if they fail to comply after being notified a ticket would be issued from Code Enforcement.

Discussion was held regarding enforcement of the ordinance and the procedures for a violator that is non-responsive.

Attorney Joppich indicated that his office along with the DEQ has reviewed the proposed ordinance.

Introduction of the ordinance will be considered by City Council at their next regular meeting.

ADJOURNMENT

The study session meeting adjourned at 7:04pm

Respectfully submitted,



Pamela B. Smith, City Clerk

