



# *City of Hamtramck*

*3401 Evaline Street Hamtramck, Michigan 48212*

*Telephone 313-876-7700*

*Cathy L. Square, Emergency Manager*

**Dated: November 8, 2013**

**ORDER NO. S-006**

**RE: Issuance of an industrial facilities exemption certificate – Hamtramck Recycling, LLC.**

**TO: City Clerk  
Mayor  
City Council**

The Local Financial Stability and Choice Act (Public Act 436 of 2012/MCL 141.1541-.1575.) in Section **10(1)** states that “[a]n emergency manager shall issue orders to the appropriate local elected and appointed officials and employees, agents, and contractors of the local government the orders the emergency manager considers necessary to accomplish the purposes of [the] act, including, but not limited to, orders for the timely and satisfactory implementation of a financial and operating plan... or to take actions, or refrain from taking actions, to enable the orderly accomplishment of the financial and operating plan.” Any such orders are binding on the local elected and appointed officials and employees, agents, and contractors of the local government to whom they are issued.

**MLC 141.1552(1)** provides that an Emergency Manager may take one or more of the following actions: **(g)** Make, approve, or disapprove any appropriation, contract, expenditure, or loan, the creation of any new position, or the filling of any vacancy in a position by any appointing authority; **(i)** Establish and implement staffing levels for the local government; **(j)** Reject, modify, or terminate 1 or more terms and conditions of an existing contract **(n)** Consolidate or eliminate departments of the local government or transfer functions from 1 department to another and appoint, supervise, and, at his or her discretion, remove administrators, including heads of departments other

than elected officials; (o) Employ or contract for, at the expense of the local government and with the approval of the state financial authority, auditors and other technical personnel considered necessary to implement this act; (ee) Take any other action or exercise any power or authority of any officer, employee, department, board, commission, or other similar entity of the local government, whether elected or appointed, relating to the operation of the local government. The power of the emergency manager shall be superior to and supersede the power of any of the foregoing officers or entities. **MLC 141.1552(2)** provides that, except as otherwise provided in this act, during the pendency of the receivership, the authority of the chief administrative officer and governing body to exercise power for and on behalf of the local government under law, charter, and ordinance shall be suspended and vested in the emergency manager. **MCL 141.1550** provides that An emergency manager shall issue to the appropriate local elected and appointed officials and employees, agents, and contractors of the local government the orders the emergency manager considers necessary to accomplish the purposes of this act, including, but not limited to, orders for the timely and satisfactory implementation of a financial and operating plan, including an educational plan for a school district, or to take actions, or refrain from taking actions, to enable the orderly accomplishment of the financial and operating plan. An order issued under this section is binding on the local elected and appointed officials and employees, agents, and contractors of the local government to whom it is issued. Local elected and appointed officials and employees, agents, and contractors of the local government shall take and direct those actions that are necessary and advisable to maintain compliance with the financial and operating plan.

I, Cathy L. Square, the duly appointed Emergency Manager for the City of Hamtramck, Michigan (the "City"), by the power and authority conferred upon such Emergency Manager by Public Act 436 of 2012 ("Public Act 436"), do hereby order and resolve as follows:

WHEREAS, the Emergency Manager has been appointed by the State of Michigan with the power and authority to take certain actions with respect to the operation of the City; and

WHEREAS, the Plant Rehabilitation and Industrial Development Districts Act, Act 198 of 1974, as amended ("Act 198"), provides the process by which Industrial Facilities Tax Exemption Certificates may be granted; and

WHEREAS, the City of Hamtramck meets the definition of a "Local Government Unit" under Act 198; and

WHEREAS, on August 23, 2011, the City Council reviewed and adopted resolutions to establish a plant rehabilitation district and approve the application of Hamtramck Recycling, LLC for the issuance of an industrial facility exemption certificate for property located at 3300 Denton, Hamtramck, Michigan; and

WHEREAS, due to the inability of City personnel to confirm past compliance with all requirements of Act 198, the Emergency Manager provided notices to the affected property owner, the City assessor, all affected taxing units and the public of a public hearing conducted by the Emergency Manager on November 8, 2013 concerning the company's application and thereafter considered any and all comments received at the public hearing; and

WHEREAS, the granting of the industrial facilities exemption certificate, considered together with the aggregate amount of industrial facilities exemption certificates previously granted and currently in force, shall not have the effect of substantially impeding the operation of the City of Hamtramck or impairing the financial soundness of a taxing unit that levies an ad valorem property tax in the City; and

WHEREAS, the state equalized valuation of the property proposed to be exempt, considered together with the aggregate state equalized valuation of property exempt under certificates previously granted and currently in force, does not exceed 5% of the state equalized valuation of the City; and

WHEREAS, the commencement of the restoration, replacement, or construction of the facility occurred not earlier than 6 months before the filing of the application for the industrial facilities exemption certificate prior to August 23, 2011; and

WHEREAS, the application relates to a construction, restoration, or replacement program that when completed constitutes a new or replacement facility within the meaning of the Act and that shall be situated within an industrial development district duly established by the City; and

WHEREAS, completion of the facility is calculated to, and will at the time of issuance of the certificate have the reasonable likelihood to create employment, retain employment, prevent a loss of employment, or produce energy in the community in which the facility is situated; and

WHEREAS, completion of the facility does not constitute merely the addition of machinery and equipment for the purpose of increasing productive capacity but rather is primarily for the purpose and will primarily have the effect of restoration, replacement, or updating the technology of obsolete industrial property; and

WHEREAS, the Emergency Manager, under Section 16 (1) of Act 198, has determined that the length of the Certificate shall remain in force and effect for a period of 12 years.

**NOW, THEREFORE, BE IT RESOLVED AND ORDERED:**

a. The Emergency Manager is authorized under Public Act 436 to exercise the powers of the Chief Administrative Officer and governing body concerning the adoption of resolutions and ordinances affecting the financial condition of the unit of local government.

b. The Emergency Manager or any City official, may be, and hereby is, authorized and directed to take all actions and to execute and deliver all documents, instruments, certificates and agreements which the Emergency Manager in her discretion reasonably believes are necessary to carry out the intent and purpose of this Order.

c. The Emergency Manager hereby approves the application of Hamtramck Recycling, LLC for an "Industrial Facilities Exemption Certificate" for a period of twelve (12) years pursuant to the provisions of Act 198, at 3300 Denton, Hamtramck, Michigan.

d. To the extent required by state law or local ordinance, or as may be needed to effectuate this Order to the fullest extent possible, this Order shall be deemed a Resolution of the City.

**This Order is effective immediately.**

Copies of the documents referenced in this Order are to be maintained in the offices of the City Clerk and may be reviewed and/or copies may be obtained upon submission of a written request consistent with the requirements of the Michigan Freedom of Information Act and subject to any exemptions contained in that state statute and subject to any exemptions allowed under that statute (Public Act 442 of 1976, MCL 15.231, et. seq.).

Dated: November 8, 2013

Emergency Manager  
for the City of Hamtramck, Michigan

  
Cathy Square  
City of Hamtramck  
Emergency Manager

cc: State of Michigan Department of Treasury