

**Meeting Agenda**  
**Brownfield Redevelopment Authority**  
Thursday January 23, 2024, 8:00 a.m.  
Basement Conference Room – Owosso City Hall, 301 W Main Street  
Owosso, MI

**Call to order and roll call:**

**Review and approval of agenda:** January 23, 2025

**Review and approval of minutes:** October 10, 2024

**Communications:**

**Public Comments:**

**Public Hearings:**

**Items of Business:**

1. BRA #23 Long Term Advancement
2. BRA #22 – Action needed due to expiration of Development Agreement

**Public Comments:**

**Board Comments:**

**Adjournment:**

[The City of Owosso will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities at the meeting/hearing upon 72 hours notice to the City of Owosso. Individuals with disabilities requiring auxiliary aids or services should contact the City of Owosso by writing or calling Amy Kirkland, City Clerk, 301 W. Main St, Owosso, MI 48867 (989) 725-0500 or on the Internet. The City of Owosso Website address is [www.ci.owosso.mi.us](http://www.ci.owosso.mi.us).]

**MINUTES  
OWOSSO BROWNFIELD REDEVELOPMENT AUTHORITY  
MEETING OF OCTOBER 10, 2024**

Meeting was called to order at 8:10 a.m. by Chairperson Susan Osika.

**Roll Call.**

*Members Present:* Vice Chairperson Janae Fear, Members Michael Dowler, Dallas Lintner, and Chairperson Susan Osika.

*Members Absent:* Authority Members Gregory Brodeur and Randy Woodworth.

**AGENDA:**

It was moved by Vice Chairperson Fear and supported by Authority Member Dowler to approve the agenda for the October 10, 2024 meeting as presented.

Yeas all. Motion passed.

**MINUTES:**

It was moved by Authority Member Dowler and supported by Vice Chairperson Fear to approve the minutes of the June 27, 2024 meeting as presented.

Yeas all. Motion passed.

**COMMUNICATIONS:**

1. 2023 Brownfield Reporting Acceptance

**PUBLIC COMMENTS:**

None.

**PUBLIC HEARING:**

None.

**ITEMS OF BUSINESS**

**Termination & Closeout – Qdoba BRA District #16**

Chairperson Osika indicated the owners have sold the property and all the obligations of the Brownfield Plan have been satisfied.

**Motion by Vice Chairperson Fear to approve the following resolution terminating Brownfield Plan #16 and distributing remaining captured funds:**

**RESOLUTION NO. 2024-05-BRA**

**A RESOLUTION OF THE OWOSSO BROWNFIELD REDEVELOPMENT AUTHORITY  
TO TERMINATE BROWNFIELD PLAN #16 FOR SOUTHWIND RESTAURANTS, LLC  
AND DISTRIBUTE REMAINING CAPTURED FUNDS**

WHEREAS, the Owosso Brownfield Redevelopment Authority (“Authority”) adopted Brownfield Plan #16 on August 13, 2015, for the redevelopment of the properties located at 830, 832, 834, and 910 East Main Street in the City of Owosso, Michigan (the “Site”), by Southwind Restaurants, LLC (the “Developer”); and

WHEREAS, the redevelopment included the construction of a new retail plaza, including a Qdoba restaurant, funded in part by captured tax increment revenues (TIR) and a brownfield loan from the State of Michigan; and

WHEREAS, the Developer has fulfilled all obligations under the terms of the Brownfield Plan, including the complete repayment of the brownfield loan from the State of Michigan; and

WHEREAS, the Authority has determined that all eligible activities have been completed and that there are no further obligations under Brownfield Plan #16; and

WHEREAS, the Authority intends to terminate and close out Brownfield Plan #16 and distribute the remaining captured funds in accordance with applicable laws and regulations.

NOW, THEREFORE, BE IT RESOLVED, by the Owosso Brownfield Redevelopment Authority as follows:

1. Termination of Brownfield Plan #16: The Authority hereby terminates and closes out Brownfield Plan #16 (Qdoba, BRA #16) for the Site located at 830, 832, 834, and 910 East Main Street, Owosso, Michigan.
2. Distribution of Remaining Captured Funds: The remaining captured tax increment revenues shall be distributed as follows:
  - a. Fifty percent (50%) of the remaining State Education Tax (SET) capture shall be remanded to the State of Michigan, in compliance with state law.
  - b. The balance of the remaining captured funds shall be distributed to appropriate taxing jurisdictions from whence it was captured.

**Motion supported by Authority Member Dowler.**

Roll Call Vote.

AYES: Vice Chairperson Fear, Authority Members Dowler and Lintner, and Chairperson Osika.

NAYS: None.

ABSENT: Authority Members Brodeur and Woodworth.

**Motion passes.**

**PUBLIC COMMENT:**

None.

**BOARD COMMENT:**

None.

**ADJOURNMENT:**

**Motion by Vice Chairperson Fear to adjourn the meeting at 8:14 a.m., supported by Authority Member Dowler, and concurred in by unanimous vote.**

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Susan J. Osika, Chairwoman



DATE: Jan 17, 2025  
TO: Owosso Brownfield Redevelopment Authority  
FROM: Nathan Henne – City Manager  
SUBJECT: BRA # 23 Long-Term Advancement

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**Background:**

The City of Owosso has established a Brownfield Redevelopment Authority (BRA) under Public Act 381 of 1996 to support redevelopment projects. In 2024, the BRA, in collaboration with the Owosso City Council, adopted a redevelopment plan for District 23 – Woodland Trails-Washington Park Development. This plan includes sewer-related improvements as part of the project scope.

**Funding Agreement:**

To facilitate these improvements, the following arrangements have been approved:

**1. Project Costs:**

- The city will undertake sewer-related improvements for Woodland Trails-Washington Park at a cost not to exceed \$172,500, as outlined in the BRA District 23 Plan.
- These expenses will initially be covered by the city's Sewer Fund.

**2. Reimbursement via Tax Increment Financing (TIF):**

- The Sewer Fund will be reimbursed through tax increment financing captured under the BRA District 23 Plan.

**3. Long-Term Advancement Terms:**

- A 30-year repayment term is established, spanning from 2025 to 2054.
- Annual payments will be due each April.
- The interest rate for the advancement will be 1% APR, calculated using the standard commercial method.

**Action Required:**

The Owosso Brownfield Redevelopment Authority is requested to formally acknowledge and commit to the terms of the long-term advancement as outlined. The BRA is tasked with ensuring timely annual repayments to the Sewer Fund according to the approved TIF schedule.

**RESOLUTION NO.**

**AUTHORIZE A LONG TERM ADVANCEMENT BETWEEN THE SEWER FUND  
AND BROWNFIELD REDEVELOPMENT AUTHORITY PLAN DISTRICT 23 –  
WOODLAND TRAILS – WASHINGTON PARK DEVELOPMENT**

WHEREAS, the City of Owosso, Shiawassee County, Michigan established a Brownfield Redevelopment Authority under Public Act 381 of 1996; and

WHEREAS, the City of Owosso Brownfield Redevelopment Authority and Owosso City Council adopted a Brownfield Redevelopment Authority (BRA) Plan for Woodland Trails – Washington Park Redevelopment in 2024; and

WHEREAS, the BRA Plan for Woodland Trails – Washington Park Development includes improvements that will require funding, which will be paid back through tax increment financing; and

WHEREAS, a development agreement and reimbursement agreement has been executed between multiple parties associated with the BRA District 23 Plan; and

WHEREAS, the city has agreed to complete sewer related improvements at both sites for an amount not to exceed \$172,500 per the approved BRA District 23 Plan; and

WHEREAS, the city's Sewer Fund will cover the improvement expenses with the understanding the BRA Plan District 23 will pay back the Sewer Fund with captured taxes per the BRA tax increment financing plan.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan and the Owosso Brownfield Redevelopment Authority, Shiawassee County, Michigan, that:

- FIRST: it has heretofore determined that is advisable, necessary and in the public interest for City Council to authorize a long term advancement between the Sewer Fund and BRA Plan District 23 – Woodland Trails-Washington Park Development.
- SECOND: it has heretofore determined that is advisable, necessary and in the public interest for the Owosso Brownfield Redevelopment Authority to pay a long term advancement between the Sewer Fund and BRA Plan District 23 – Woodland Trails-Washington Park Development.
- SECOND: the long term advancement term will be 30 years (2025-2054) with an annual payment due each April.
- THIRD: the interest rate for the long term advancement will be 1% APR for the term of the loan calculated using the standard commercial method.



DATE: Jan 17, 2025

TO: Owosso Brownfield Redevelopment Authority

FROM: Nathan Henne – City Manager

SUBJECT: BRA # 23 Long-Term Advancement

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**Background:**

The Development Agreement for Brownfield Plan #22, approved by the Owosso City Council in August, 2022 subsequent to approval of the Brownfield Plan by BRA and Council. These were established to support the redevelopment of 123 N Washington Street. This plan has facilitated the capture of tax increment revenues to offset eligible costs associated with the rehabilitation and redevelopment of the property. The plan was designed to run concurrently with the Obsolete Property Rehabilitation Act (OPRA) certificate, which provides property tax abatements for the redevelopment.

As of this date, the duration of Brownfield Plan #22 is nearing its conclusion without any meaningful action to construct the project. The plan's expiration prompts the need for a decision on how to proceed.

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**Request for Direction:**

**1. Close-Out Process:**

- Does the Authority recommend initiating the formal close-out of Brownfield Plan #22 at this time?

OPRA/BROWNFIELD DEVELOPMENT AGREEMENT

Between

CITY OF OWOSSO

and

WOODWORTH INVESTMENTS, LLC

a Michigan limited liability company, as Owner

Dated: August 1, 2022



## DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (“Agreement”) is made as of the 1<sup>st</sup> day of August, 2022 (“Effective Date”) between the City of Owosso, A Michigan municipality (“City”), and Woodworth Investments, LLC, a Michigan limited liability company (“Owner”). City and Owner are sometimes collectively referred to herein as the “Parties.”

This Agreement is based upon the following recitals:

- A. Owner owns the real property located at 123 N Washington Street in the City of Owosso, Shiawassee County, Michigan, herein by this reference (the “Property”) with the following legal description:

W 44' OF LOT 3 & THE N 44' OF THE E 88' OF LOT 3 BLK 22 ORIGINAL PLAT

- B. Owner desires to rehabilitate the existing building to continue to accommodate a first floor commercial entity and create nine (9) new residential units on the upper floors (“the Project”) at 123 N Washington Street;
- C. City desires the Owner complete this project in accordance with their building plan to benefit the City and its residents;
- D. A 12-year Obsolete Property Rehabilitation Act (PA 146 of 2000) certificate was issued for the Project by the Owosso City Council on July 5, 2022;
- E. A 20-year Brownfield Plan was recommended by the Owosso Brownfield Authority on June 23, 2022 and approved by the Owosso City Council on July 18, 2022. This plan will run concurrently with the OPRA certificate, capturing local taxes for only the last 8 years of the Brownfield Plan due to the 12 year OPRA.
- F. The execution and delivery of this Agreement by the City and Owner shall validate both Parties intent on renovating this Property in accordance with the Project and by the terms set forth in this Agreement

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other valuable consideration, the receipt and adequacy of which is hereby mutually acknowledged, the Parties agree as follows:

1. Property Development: Owner agrees to develop the Project and to organize, supervise, monitor, and manage the Project, subject to an in accordance with the plans and specifications for the Project (the “Plans and Specifications”) which are attached as Exhibit A to this Agreement, to completion. Completion shall mean the full and final completion of the improvements and the balance of the Project, in a good and workmanlike manner, lien free (which may include liens removed by the posting of bond acceptable to remove such lien from title) and material defect free on or before the completion date in compliance with all requirements, including, without limitation, rules and regulations promulgated and

adopted in connection therewith to the extent they relate to construction, substantially in accordance with the Plans and Specifications, and in accordance with the terms of this Agreement and to a qualitative standard (including, without limitation, as to construction standards and materials) at least equivalent to the standard achieved at comparable projects of similar size with similarly situated amenities located in the Owosso, Michigan metropolitan statistical area, as evidenced by issuance of a final certificate of occupancy for all applicable components of the Project.

2. Capital Requirements: The Owner will be expending \$2,932,970 to complete the project.
3. Timeline: Owner is required to complete the project within twenty-four (24) months according to the requirements set forth in the City's Tax Abatement Policy, as amended, and Public Act 146 of 2000, as amended, and Public Act 381 of 1996, as amended. Failure to do so may result in recession of the OPRA Certificate and Brownfield Plan.
4. Remedies: In the event that the Project fails to meet the requirements of the City's Tax Abatement Policy, the City shall have the right to terminate the OPRA certificate and Brownfield Plan subject to Article VII of the City's Tax Abatement Policy and be reimbursed for any abatement accrued up to date of termination.
5. Good Faith: Owner hereby covenants that it shall perform its actions, obligations, and duties in connection with this Agreement in good faith and put forth its best effort to fulfill its obligations under this Agreement.
6. Applicable Law: This Agreement and the rights and obligations of the Parties hereunder will be governed by the laws of the State of Michigan. For the purposes of construction, the Parties have drafted this Agreement in concert and neither Party alone will be deemed to have drafted any particular provision.
7. Entire Agreement: This Agreement embodies the entire agreement and understanding between the Parties relating to the transaction discussed herein, and will be binding upon and inure to the benefit of the Parties hereto.
8. Counterparts: This Agreement may be signed in one or more counterparts, and each counterpart will be considered an original Agreement. All of the counterparts will be considered one document and become a binding agreement when one or more counterparts have been signed by each of the Parties and delivered to the other. A telefacsimile or email transaction of an original signature will serve as an original.
9. Enforceability: This Agreement will become a valid and binding agreement between City and Owner in accordance with its terms upon execution by the Parties.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

City of Owosso

Christopher T. Eveleth

Woodworth Investments, LLC

Randy Woodworth

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ITS: Mayor

Dated: August \_\_\_\_\_, 2022

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ITS: President

Dated: August \_\_\_\_\_, 2022

Amy K. Kirkland

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ITS: City Clerk

Dated: August \_\_\_\_\_, 2022