

SPECIAL MEETING MINUTES
OWOSSO DDA / MAIN STREET
Council Chambers, City Hall
April 27, 2015 – 7:30 am.

MEETING CALLED TO ORDER at 7:40 a.m. by Bill Gilbert.

Josh Adams introduced Char Haskins as a new board member. A formal introduction will be at the regular board meeting.

ROLL CALL was taken by Secretary Alaina Kraus.

MEMBERS PRESENT: Authority Members Ken Cushman, Dawn Gonyou, Bill Gilbert, Kevin Wiles, Benjamin Frederick (7:44) and Secretary Alaina Kraus

MEMBERS ABSENT: Chairman Dave Acton & Authority Member Lance Omer

OTHERS PRESENT: Susan Montenegro, City of Owosso; Josh Adams, Main Street Manager; Bill Brown, City Attorney

PUBLIC / BOARD / STAFF COMMENTS:
None

ITEMS OF BUSINESS:

1. WESENER DEVELOPMENT (104-108 N WASHINGTON)

The property owner, Rock Solid Associates LLC, was advanced \$50,000 in 2007 for on-site demolition, blight removal, etc. as a result of the fire earlier that year. This debt was assumed by Wesener Building in 2013 with the purchase of the building.

This began compounding interest on December 31, 2013, to be paid annually on December 1st over the course of 10 years. The first payment made out of pocket by the owner for the 2014 year.

The subordination agreement says that the \$50,000 can't be closed until the 1.2 million loan to Bank of Holland is paid as it would take precedence. Brown said he has never seen a provision quite like this before, but it would not make sense for the owner to foreclose on our debt with the much larger debt already incurred.

This would not stop payments from being made, but permission will have to be given by Bank of Holland for payments to be made and debt ratio must be maintained. There is no reason to believe this will be a problem.

MOTION BY AUTHORITY MEMBER CUSHMAN SUPPORTED BY AUTHORITY MEMBER WILES TO APPROVE THE RESOLUTION TO ENTER INTO THIS AGREEMENT AS PRESENTED.
YEAS ALL. MOTION CARRIED.

PUBLIC / BOARD / STAFF COMMENTS:

None

MOTION MADE BY KRAUS, SUPPORTED BY AUTHORITY MEMBER FREDERICK TO
ADJOURN AT 7:52 AM.

YEAS ALL. MOTION CARRIED.

Alaina Kraus, Secretary