

**MINUTES  
OWOSSO BROWNFIELD REDEVELOPMENT AUTHORITY  
MEETING OF OCTOBER 9, 2019**

Meeting was called to order at 9:01 a.m. by Chairperson Susan Osika.

**Roll Call.**

*Members Present:* Loreen Bailey, Treena Chick, Janae Fear, Julie Omer, Susan Osika, and Andrea Tuttle

*Members Absent:* Randy Woodworth

Superintendent Dr. Andrea Tuttle was present as a substitute for Owosso Public Schools representative Authority Member Jeff Phillips.

**AGENDA:**

**It was moved by Vice Chairperson Fear and supported by Authority Member Omer to approve the agenda for October 9, 2019 as presented.**

**Yeas all. Motion passed.**

**COMMUNICATIONS:**

- 1) Staff memorandum (Reference)
- 2) 152 Howard Street brownfield plan
- 3) Memorandum & Resolution – 344 W. Main Street

**PUBLIC HEARING:      **Owosso Brownfield Redevelopment District #21  
152 Howard Street****

Property owners Carl and Sue Ludington provided detail on the history of the building. It was built as a bakery in 1913. They purchased the property in 2005. Since that time they have installed new windows, installed a new roof, painted the exterior and constructed offices on the first floor. Unfortunately, the 2008 recession dramatically affected their plans, bringing them to a halt until 2017 when the Owosso Main Street/DDA approached them about the possibility of adding upper story apartments. The Ludingtons have teamed up with JP Buckingham from Triterra and Bruce Johnston of Revitalize, LLC and created a development proposal for the building including: 7 upper story apartments, a new elevator, installation of fire suppression, and additional office space. Ms. Ludington indicated she wants her property to make a great first impression for those visiting the SRI and hopes that their investment in the area will spur others to do the same.

JP Buckingham, COO and Principal Geologist for Triterra, delivered a PowerPoint presentation providing further details on the property and the planned project. The property meets the definition of a brownfield due to its functional obsolescence. Contamination of the site is currently unknown but potential asbestos and lead contamination are anticipated. Chlorinated gasses have been found under the building necessitating a ventilation system. The proposed Brownfield Plan will be in place for a period of 26 years. Local taxes will be subject to an OPRA for the first 12 years of the plan, then captured in a TIF for the following 14 years. School taxes will be captured for all 26 years of the proposed plan.

The public hearing was opened at 9:20 a.m.

Bruce Johnston, founder of Revitalize, LLC, indicated he had been working with the Ludingtons on the proposed project and tax incentives like the Brownfield are essential for the project to move forward. Without them the project would be capable of sustaining the cash flow necessary for bank financing. Creating new residential opportunities and cleaning up contamination are both worthy of incentives.

There were no other citizen comments received.

Authority Members asked questions on the following topics: whether the apartments would be rented or purchased, use of on-site parking, whether rental rates are anticipated to be affordable, and how the nested OPRA works with the Brownfield Plan.

Authority Member Fear indicated that as a City Council member she felt the City was taking hit after hit on abatements. She said she felt like she was missing something.

**Motion by Authority Member Bailey, supported by Authority Member Omer:**

WHEREAS, the Community Development Office of the City of Owosso, is in receipt of a Brownfield Plan proposal entitled "Brownfield Plan #21, Howard Street Development, 152 E. Howard Street" prepared pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, being Act 381 of the Public Acts of the State of Michigan of 1996, as amended (the "Act"), which is recommended for approval by the City of Owosso Brownfield Redevelopment Authority pursuant to and in accordance with Section 13 of the Act; and

WHEREAS, the City has provided notice to and fully informed all taxing jurisdictions which are affected by the Financing Plan (the "Taxing Jurisdictions") about the fiscal and economic implications of the proposed Financing Plan, and the City has previously provided to the Taxing Jurisdictions a reasonable opportunity to express their views and recommendations regarding the Financing Plan and in accordance with Sections 13 (10) and 14 (1) of the Act; and

WHEREAS, upon review the Authority has made the following determinations and findings:

- A. The Plan constitutes a public purpose under the Act;
- B. The Plan meets all of the requirements for a Brownfield Plan set forth in Section 13 of the Act;
- C. The proposed method of financing the costs of the eligible activities, as described in the Plan is feasible and the Authority has the ability to arrange the financing;
- D. The costs of the eligible activities proposed in the Plan are reasonable and necessary to carry out the purposes of the Act;
- E. The amount of captured taxable value estimated to result from the adoption of the Plan is reasonable; and

WHEREAS, as a result of its review of the Plan and upon consideration of their views and the recommendations of the Taxing Jurisdictions, the Authority desires to proceed with approval of the Amended Plan and to forward the Plan to the City Council of the City of Owosso for adoption.

**NOW THEREFORE, BE IT RESOLVED THAT:**

1. **Plan Approved.** Pursuant to the authority vested in the Authority by the Act, and pursuant to and in accordance with the provisions of Section 14 of the Act, the Plan is hereby approved in the form considered by the Authority on October 9, 2019 with an allowance of nonsubstantive agreement, and maintained on file in the office of the City Clerk.
2. **Severability.** Should any section, clause or phrase of this Resolution be declared by the Courts to be invalid, the same shall not affect the validity of this Resolution as a whole nor any part thereof other than the part so declared to be invalid.
3. **Repeals.** All resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

**Yeas 5, nays 1. Motion passed.**

**ITEMS OF BUSINESS**

**Brownfield Plan Termination Recommendation: – District #19, 344 W. Main Street**

City Manager Nathan R. Henne introduced the item saying the original Brownfield Plan for the property was authorized by Council on January 3, 2017. The project included a complete rehabilitation of the two-story building with the first floor housing a mix of professional office and retail space and the second floor containing 9 new living units. To date, the project has failed to occur with respect to the eligible property and a transfer of ownership occurred August 31, 2017 to Dwyerwood, LLC without a 30-day written notice to the Authority as agreed upon in the reimbursement agreement, necessitating consideration of termination of the plan.

**Motion by Authority Member Fear to recommend to City Council the termination of Brownfield Plan District #19 – 344 W. Main Street.**

**Motion supported by Authority Member Chick.**

**Roll Call Vote.**

**AYES:** Vice Chairperson Fear, Authority Members Bailey, Chick, Omer, Tuttle, and Chairperson Osika.

**NAYS:** None.

**ABSENT:** Authority Member Woodworth.

**PUBLIC COMMENT:**

None.

**BOARD COMMENTS:**

None.

**ADJOURNMENT:**

Motion by Authority Member Omer, supported by Authority Member Fear to adjourn the meeting at 9:41 a.m.

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Amy K. Kirkland, City Clerk