



DATE: 9.5.23
TO: CITY COUNCIL
FROM: CITY MANAGER
SUBJECT: Schedule Public Hearing – Revoke Covenant Eyes Industrial Facilities Tax Exemption

BACKGROUND:

In October, 2019, an Industrial Facilities Tax (IFT) exemption was approved for the 1525 W. King Street property. This IFT was approved for 12 years as an incentive to add on to the existing facility at a cost of \$350,000 to create 40 new jobs. The construction was not completed, and the owners are requesting that the IFT be revoked.

RECOMMENDATION:

Schedule a public hearing for Monday, October 16, 2023 at 7:30 P.M. at Owosso City Hall to receive comment on the revocation of the 1525 W King St IFT for not proceeding to complete construction within 2 years, and because the owner requested the revocation. This process is in accordance with MCL 207.565 (PA 198) governing the revocation of Industrial Facilities Tax exemptions.

RESOLUTION NO.

**SETTING A PUBLIC HEARING
TO CONSIDER REVOCATION OF
INDUSTRIAL FACILITIES TAX EXEMPTION CERTIFICATE NO. 2019-121
FOR 1525 W KING STREET – COVENANT EYES**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, approved an Industrial Facilities Tax (IFT) Exemption in October, 2019 for 1525 West King Street; and

WHEREAS, the City of Owosso approved this exemption for the maximum of 12 years based on project cost and number of jobs to be created; and

WHEREAS, the project was rendered moot by the COVID epidemic; and

WHEREAS, the applicant submitted a letter requesting that the IFT be revoked; and

WHEREAS, notice was provided to the owner of the property by certified mail dated August 29, 2023.

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

- FIRST: The City of Owosso has theretofore determined that it is advisable, necessary and in the public interest to hold a public hearing on Monday, October 16, 2023 at 7:30 P.M. in the City Hall Council Chambers to consider revocation of the IFT Exemption Certificate No. 2019-121 for Covenant Eyes at 1525 W King Street.



July 27, 2023

Nathaniel R. Henne
City of Owosso
301 W. Main St.
Owosso, MI 48867

Mr. Henne,

Thank you for the opportunity to receive an IFT in 2019 for Covenant Eyes, Inc. I'm writing to request a termination of IFT 2019-121 (ID# 050-537-000-049-21). 90% of our work force has transitioned into a permanent remote work environment since covid. An onsite workforce is no longer needed, and we have terminated our plans for expanding into the empty warehouse.

Please accept this letter as an official termination request for IFT 2019-121 (ID# 050-537-000-049-21).

Thank you,

Chris Taphouse
VP of Finance
Covenant Eyes
989-721-9738