

**CITY OF OWOSSO  
SPECIAL MEETING OF THE CITY COUNCIL  
TUESDAY, SEPTEMBER 13, 2016  
7:30 A.M.**

**Meeting to be held at City Hall  
301 West Main Street**

City Council called a special meeting for Tuesday, September 13, 2016 immediately following the Owosso Brownfield Redevelopment Authority (OBRA) meeting, which is scheduled for 7:30am in the City Hall Council Chambers. This meeting will be to consider the recommendations of the Brownfield Authority regarding the proposal to rescind the current Brownfield Plan for District #8 Sugar Beet/Tuscarora, Inc. and approve a new plan for the site.

**AGENDA**

**PLEDGE OF ALLEGIANCE:  
ROLL CALL:**

**ADDRESSING THE CITY COUNCIL**

1. Your comments shall be made during times set aside for that purpose.
2. Stand or raise a hand to indicate that you wish to speak.
3. When recognized, give your name and address and direct your comments and/or questions to any City official in attendance.
4. Each person wishing to address the City Council and/or attending officials shall be afforded one opportunity of up to four (4) minutes duration during the first occasion for citizen comments and questions. Each person shall also be afforded one opportunity of up to three (3) minutes duration during the last occasion provided for citizen comments and questions and one opportunity of up to three (3) minutes duration during each public hearing. Comments made during public hearings shall be relevant to the subject for which the public hearings are held.
5. In addition to the opportunities described above, a citizen may respond to questions posed to him or her by the Mayor or members of the Council, provided members have been granted the floor to pose such questions.

**CITIZEN COMMENTS AND QUESTIONS**

**ITEMS OF BUSINESS**

1. Resolution Terminating Brownfield District #8. Consider the recommendation from the Owosso Brownfield Authority to terminate the current Brownfield plan for this district.
2. Resolution Approving Brownfield District #17. Consider approving a new brownfield plan that encompasses two of the five parcels from the District #8 brownfield and establishing a new District #17 for the Cargill-Sonoco Roadway Project.

**NEXT MEETING**

Monday, September 19, 2016

**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 seventy-two (72) hours notice to the City of Owosso. Individuals with disabilities requiring auxiliary aids or services should contact the City of Owosso by writing, calling, or emailing the following: Owosso City Clerk's Office, 301 West Main Street, Owosso, MI 48867; Phone: (989) 725-0500; Email: [city.clerk@ci.owosso.mi.us](mailto:city.clerk@ci.owosso.mi.us). The City of Owosso Website address is [www.ci.owosso.mi.us](http://www.ci.owosso.mi.us).



## MEMORANDUM

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301 W. MAIN ▪ OWOSSO, MICHIGAN 48867-2958 ▪ WWW.CI.OWOSSO.MI.US

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DATE: September 12, 2016

TO: Mayor Frederick and city council members

FROM: Susan Montenegro, Asst. city manager/director of community development

### **SUBJECT:**

This memo will be twofold: termination of the existing Brownfield Plan for District #8, which encompasses five parcels of land; and approving a new Brownfield Plan "District #17, that will retain two of the five parcels from District #8 pursuant to and in accordance with the provisions of Act 381 of the Public Acts of the State of Michigan of 1996, as amended.

### **RECOMMENDATION:**

The Owosso Brownfield Redevelopment Authority (OBRA) recommends the termination of the existing brownfield plan for District #8, also known as the Sugar Beet plan. The OBRA also recommends approval of the creation of a new brownfield site, District #17.

### **BACKGROUND:**

The MEDC would not accept changes to the current brownfield plan for District #8 because it was "too similar to the original plan." After hashing things out the MEDC agreed to let the city terminate the plan and establish a new plan. District #17 has two parcels associated with it (which was part of District #8) that will generate TIR to finance the construction of a new roadway to connect to the property Cargill is buying, and water main upgrades and installation that will loop the system that will serve the district and surrounding properties.

Engineering has already been done and bids have been received for the work. The holdup has been the MEDC and funding for this project. The city of Owosso will buy and sell municipal bond(s) in the amount of \$2.4 Million Dollars. The city has asked that interest for the bond(s), as well as costs associated with issuing the bond(s) be included as eligible expenses and repaid through tax capture throughout the plan. The new plan will have a duration period of 13 years and is set to expire in 2030. The total amount being sought through the Michigan Strategic Fund and local tax capture is \$3,180,653 (including interest).

### **FISCAL IMPACTS:**

Property taxes will be captured throughout the duration of the plan or until the total amount is repaid, whichever comes first.

Document originated by: Susan Montenegro

Please see Item of  
Business 1 for the memo  
regarding this item.

**RESOLUTION NO.**

**RESOLUTION TERMINATING  
SUGAR BEET/TUSCARORA BROWNFIELD PLAN**

WHEREAS ON November 4, 2002, the Owosso City Council established a Sugar Beet, Tuscarora, Inc. 381 Brownfield Plan,

WHEREAS the Owosso City Council has determined that other than site preparation and engineering, the eligible activities that were identified in the plan and any amendments failed to occur for at least five (5) years; and

WHEREAS the Owosso City Council has determined that no bonds were issued under the plan and all other obligations to which the tax increments were pledged have been paid.

NOW, THEREFORE, BE IT RESOLVED THAT:

- FIRST: The Owosso City Council hereby certifies that other than site preparation and engineering, the activities identified in the Sugar Beet/Tuscarora Inc. 381Brownfield Plan did not occur for over five (5) years because there was no purchaser for the real property and therefore the site was not redeveloped other than site preparation and engineering.
- SECOND: A full financial reconciliation including tax capture and reimbursement from February 7, 2001 to July 5, 2016 is attached hereto.
- THIRD: The Sugar Beet/Tuscarora 381 Brownfield Plan is hereby terminated pursuant to MCL 125.2666(8)(b).
- FOURTH: The Owosso City Council hereby finds that proper notice was given to the taxing jurisdictions.

### BROWNFIELD DISTRICT #8

Date	Ck#	Vendor	Amount	Description
2/7/2001	84054	Owosso Township	19.89	Taxes
2/12/2001	84081	City of Owosso	5,942.38	Taxes when property (1509 W Oliver:050-537-000-048) first purchased
12/31/2001	JE	Plante & Moran	200.00	Audit costs
6/19/2003	92116	Bartow & King	2,387.80	Pre engineering
10/17/2003	93542		390.00	Pre engineering
1/31/2004	JE	Plante & Moran	150.00	Audit costs
6/27/2004	96246	Bartow & King	3,437.62	Pre engineering
2/28/2005	JE	Plante & Moran	220.00	Audit costs
11/11/2005	100462	Landmark Surveying	400.00	Easements
6/23/2006	102486	Charles Walker	1,800.00	SCA-driveway
2/19/2007	104593	Environmental Consulting	1,193.50	Environmental cleanup
3/16/2007	104780	Environmental Consulting	4,675.89	Environmental cleanup
4/27/2007	105118	Environmental Consulting	2,440.00	Environmental cleanup
12/31/2007	JE	Plante & Moran	1,265.00	Audit costs
6/12/2015	125178	Landmark Surveying	400.00	Drawing
7/13/2016	126906	Argus Press	70.00	Advertisement-amending brownfield plan
7/13/2016	1424	Orchard Hiltz & Mccliment	13,850.00	Road design
7/13/2016	1424	Orchard Hiltz & Mccliment	7,499.00	Watermain design
<b>TOTAL EXPENDITURES</b>			<b><u>46,341.08</u></b>	Paid in advance by the City of Owosso

#### TAX CAPTURES

2/27/2004	650.31
3/13/2006	3,668.58
3/9/2007	4,612.16
3/25/2015	6,969.50
3/22/2016	8,323.38

#### TOTAL CAPTURE

**24,223.93**

Reimbursed back to the City of Owosso for eligible activies incurred above

## RESOLUTION

### RESOLUTION APPROVING A BROWNFIELD PLAN "DISTRICT #17, CARGILL-SONOCO ROADWAY PROJECT" FOR THE CITY OF OWOSSO PURUSANT TO AND IN ACCORDANCE WITH THE PROVISIONS OF ACT 381 OF THE PUBLIC ACTS OF THE STATE OF MICHIGAN OF 1996, AS AMENDED

WHEREAS, the Brownfield Redevelopment Authority (the "Authority") of the City of Owosso, 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"), has prepared and recommended for approval by the City of Owosso Council, a Brownfield Plan entitled "District #17, Cargill-Sonoco Roadway Project" (the "Plan"), pursuant to and in accordance with Section 13 of the Act, to be carried out within the Brownfield Redevelopment Zone (the "Zone"), said zone being the entire City and with said District #17 described as:

#### SITE 1:

##### **050-537-000-048-00 -1509 W. Oliver Street**

Part of Southwest 1/4 & part of Southeast fractional 1/4 of Section 14, T7N-R2E, beginning at center post, thence S1°32'12"W, 33', thence East 418.73', thence S42°07' E, 1066.59', thence N48°30'E, 34.45', thence S43°23' E, 177.7', thence S46°45'E, 180', thence S47°52'47"W, 52.92', thence S47°07'00"E, 146.16', thence on a curve to the left having a radius of 245', a delta angle of 38°22'13" and a chord bearing and distance of S61°18'07"E, 161.02', thence on a curve to the left having a radius of 245', a delta angle of 09°29'47" and a chord bearing distance of S85°4'07"E, 40.56', thence S89°59'00"E, 154.05', thence on a curve to the right having a radius of 305.00, a delta angle of 36°33'20" and a chord bearing and distance of S71°42'20"E, 191.31' to the East and West 1/8 line in the Southeast 1/4 of said Section 14, thence N89°59'W along 1/8 line 1025.59' to Northeast line of AARR R/W, thence N40°33'W along said r/w line to North-South 1/4 line, thence North to point of beginning, City of Owosso, Shiawassee County, Michigan.

(except road Right-of-Way described as: A Right-of-Way in the Southeast 1/4 of Section 14, T.7 N.-R. 2 E., City of Owosso. Shiawassee County, Michigan described as follows: To fix the point of beginning commence at the Southeast corner of said Section 14; thence N.00°-23'-20"E., on the East line of said Section, 682.01 feet to the Southwesterly Railroad Right-of-Way line; thence N.43°-30'-39"W., on said Southwesterly Railroad Right-of-Way line, 886.36 feet to the South 1/8 line of said Section; thence S.88°-38'-37"W., on said South 1/8 line, 7.99 feet to the point of beginning; thence continuing S.88°-38'-37"W., on said South 1/8 line, 606.99 feet; thence N.01°-21'-23"W., 46.00 feet to a point on a 78.00 feet radius curve to the right, having a chord bearing of N.20°-03'-58"E, 56.98 feet; thence along the arc of said curve 58.33 feet; thence N.41°-29'-19"E, 77.09 feet; thence S.48°-30'-43"E., 22.24 feet to a point on a 245.00 feet radius curve to the left. having a chord bearing of S.6°-26--42"E., 198.77 feet; thence along the arc of said curve 204.68 feet; thence N.88°-37'-19"E., 154.05 feet to a point on a 305.00 radius curve to the right, having a chord bearing of S.73°-06'-01"E., 191.31 feet; thence along the arc of said curve 194.59 feet to a point on said South 1/8 line and the point of beginning, containing 0.98 acres of land.)

(also except easement for power lines consumers power company).

#### SITE 2:

##### **050-537-000-036-00 - 121 N. Chipman Street**

Part of Section 14, T7N-R2E, city of Owosso; county of Shiawassee, state of Michigan, commencing 284' North & 33' West of Southeast corner of Section 14, thence West 686.85' to East line of AARR R/W, thence Northwesterly along said Section line 1350.93', thence East 1024.98' to MCRR R/W, thence Southeasterly along said R/W line to West line of Chipman Street, a point that is 33' West of East line of Section 14, thence South along west line of Chipman Street to point of beginning, City of Owosso, Shiawassee County, Michigan.

(Except road right-of-way described as: A Right-of-Way in the Southeast 1/4 of Section 14, T.7 N.-R.2 E., City of Owosso. Shiawassee County, Michigan described as follows: To fix the point of beginning commence at the Southeast corner of said Section 14; thence N.00°-23'-20"E, on the East line of said Section, 682.01 feet; thence N.43°-30--39"W. 47.58 feet to the intersection of the Westerly Right-of-Way line of N. Chipman Street and the Southwesterly Railroad Right-of-Way line, also being the point of beginning; thence S.OO°-23'-20"W. on said Westerly Right-of-Way line, 95.18 feet; thence N.43°-30'-39"W, 618.55 feet to a point on 767.00 feet radius curve to the left, having a chord bearing of N.6°-26'-40"W., 622.31 feet; thence along the arc of said curve 640.79 feet; thence S.88°-37'-19"W., 50.56 feet to a point on a 42.00 feet radius curve to the left. having a chord bearing of S.5°-27'-38"W., 13.68 feet; thence along the arc of said curve 13.74 feet to a point on a 78.00 feet radius curve to the right, having a chord bearing of N.84°-42'-16"W., 114.48 feet; thence along the arc of said curve 128.54 feet a point on

the South 118 line of said Section; thence N.88°-38'-37"E., on said South 1/8 line, 599.97 feet: thence S.43°-30'-39"E, 838.78 feet to the point of beginning, containing 1.84 acres of land.)

**CITY ROAD RIGHT OF WAY Complete Description per Survey**

Beginning at the Southeast ¼ of Section 14, T. 7 N.-R.2 E., City of Owosso, Shiawassee County, Michigan described as follows: To fix the point of beginning commence at the Southeast corner of said Section 14; thence N.00°-23'-20"E., on the East line of said Section, 682.01 feet; thence N.43°-30'-39"W., 47.58 feet to the intersection of the Westerly Right-of-Way line of N. Chipman Street and the Southwesterly Railroad Right-of-Way line, also being the point of beginning; thence S.00°-23'-20"W, on said Westerly Right-of-Way line, 95.18 feet; thence N.43°-30'-39"W, 618.55 feet to a point on 767.00 feet radius curve to the left. having a chord bearing of N.67°-26'-40"W, 622.31 feet; thence along the arc of said curve 640.79 feet; thence S.88°-37'-19"W., 50.56 feet to a point on a 42.00 feet radius curve to the left, having a chord bearing of S.57°-27'-38"W., 13.68 feet; thence along the arc of said curve 13.74 feet to a point on a 78.00 feet radius curve to the right, having a chord bearing of N.84°-42'-16"W, 114.48 feet; thence along the arc of said curve 128.54 feet a point on the South 1/8 line of said Section; thence S.88°-38'-37"W. on said South 1/8 line, 15.01 feet; thence N.01°-21'-23"W, 46.00 feet to a point on a 78.00 feet radius curve to the right, having a chord bearing of N.20°-03'-58"E., 56.98 feet; thence along the arc of said curve 58.33 feet; thence N.41°-29'-19 "E.77.09 feet; thence S.48°-30'-43"E., 22.24 feet to a point on a 245.00 feet radius curve to the left, having a chord bearing of S.67°-26'-42"E., 198.77 feet; thence along the arc said curve 204.68 feet; thence N.88°-37'-19"E., 154.05 feet to a point on a 305.00 radius curve to the right, having a chord bearing of S.73°-06'-01 "E., 191.31 feet; thence along the arc of said curve 194.59 feet to a point on said South 1/8 line; thence N.88°-38'-37"E, on said South 1/8 line, 7.99 feet to said Southwesterly Railroad Right-of-Way line; thence S.43°-30'-39"E., on said Southwesterly Railroad Right-of-Way line, 838.78 feet to the point of beginning, containing 2.82 acres of land, City of Owosso, Shiawassee County, Michigan.

And,

WHEREAS, the Owosso Brownfield Authority held a public hearing for District #17 on September 13, 2016 at its regular meeting to 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 Council 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, the Council 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 recommendations of the Taxing Jurisdictions, the Council desires to proceed with approval of the Plan.

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 approve the Brownfield Plan for District #17 "Cargill-Sonoco Roadway Project." Pursuant to the authority vested in the Council 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 Council on September 13, 2016, and maintained on file in the office of the City Clerk.
- SECOND: 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.
- THIRD: The mayor and city clerk are instructed and authorized to sign the document substantially in the form attached, Brownfield Plan between the City of Owosso, Michigan and Chamber Support Group.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF OWOSSO, SHIAWASSEE COUNTY, MICHIGAN THIS 13TH DAY OF SEPTEMBER, 2016.

AYES:  
NAYS:  
ABSTENTIONS:  
ABSENT:

CITY OF OWOSSO

ATTEST:

\_\_\_\_\_  
Benjamin R. Frederick, Mayor

\_\_\_\_\_  
Amy K. Kirkland, City Clerk