MEMORANDUM



301 W. MAIN • OWOSSO, MICHIGAN 48867-2958 • (989) 725-0599 • FAX (989) 723-8854

DATE:	11.9.2021
TO:	CITY COUNCIL
FROM:	CITY MANAGER
SUBJECT:	Schedule Public Hearing – Revoke Wesener Building OPRA

BACKGROUND:

In 2013, an Obsolete Property Rehabilitation Certificate was approved for 104-108 N Washington St – known as the Wesener Building. This OPRA was approved for 12 years as incentive to redevelop the property after a fire. The certificate was approved based on an application submitted by the developer promising to spend over \$2 million on the project and create 12 jobs. The construction was completed but the jobs were never created. The city's tax abatement policy assigned the maximum number of years for the tax incentive based on the cost and the jobs to be created.

RECOMMENDATION:

Schedule a public hearing for December 6, 2021 at 7:30 P.M. at Owosso City Hall to receive comment on the revocation of the Wesener OPRA for not fulfilling the requirements of the city's tax abatement policy and the lack of performance in job creation. This process is in accordance with MCL 125.279(1) governing the revocation of Obsolete Property Rehabilitation Certificates.

RESOLUTION NO.

RESOLUTION SETTING PUBLIC HEARING TO CONSIDER REVOCATION OF THE OBSOLETE PROPERTY REHABILITATION CERTIFICATE FOR THE WESENER BUILDING

WHEREAS, the City of Owosso, Shiawassee County, Michigan, approved an Obsolete Property Rehabilitation Certificate in 2013 for 104-108 N Washington Street, known as the Wesener Building, for 12 years; and

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

WHEREAS, the project was completed but the jobs creation element was never fulfilled; and

WHEREAS, notice was provided to the owner of the property by certified mail dated October 19, 2021.

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, December 6, 2021 at 7:30 P.M. in the City Hall Council Chambers to consider revocation of the OPRA certificate for the Wesener Building.



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David Acton 106 N Washington St Ste 302 Owosso, MI 48867

DATE: October 19, 2021

Dear Mr. Acton:

The City of Owosso finds it necessary and in the public interest to hold a public hearing on December 6, 2021 at 7:30 P.M. at City Hall (301 W Main Street, Owosso, MI 48867) to discuss and decide whether or not to revoke the Obsolete Property Rehabilitation Certificate for your property known as the 'Wesener Building' located at 104-108 N Washington Street, Owosso, MI 48867.

The City is holding this OPRA certificate revocation hearing because you – as the certificate holder – have not proceeded in good faith with the operation of the rehabilitated facility in a manner consistent with the purposes of the Act and in the absence of circumstances that are beyond your control as the holder of the exemption certificate (MCL 125.2791(1). If approved, this revocation of the OPRA certificate will be effective on December 31, 2021.

Attached is the original OPRA application signed by you on June 21, 2013 detailing the future plans for the operation of the property for the effective duration of the OPRA certificate. Please contact me if you have any questions.

Sincerely.

Nathan Henne City Manager City of Owosso <u>Nathan.henne@ci.owosso.mi.us</u> 989-725-0569