

**RESOLUTION TO # _____ TO APPROVE AN OBSOLETE
PROPERTY REHABILITATION EXEMPTION CERTIFICATE APPLICATION
PA 146 OF 2000 AS AMENDED**

Minutes of a regular meeting of the City Commission of the City of Buchanan held on August 8, 2022.

PRESENT:

ABSENT:

The following preamble and resolution were offered by _____, and supported by _____.

**Resolution Approving Obsolete Property Rehabilitation Exemption Certificate
Application for Claremont Stark LLC, 502 Claremont St., Buchanan, MI 49107**

WHEREAS, pursuant to PA 146 of 2000, the City Commission of the City of Buchanan is a Qualified Local Governmental Unit eligible to establish one or more Obsolete Property Rehabilitation Districts; and

WHEREAS, the City of Buchanan legally established the Obsolete Property Rehabilitation District **Claremont Stark LLC, 502 Claremont St., Buchanan, MI 49107** on Feb. 14, 2022, after a public hearing held on Feb. 14, 2022; and

WHEREAS, the legal description of said property is “Real property located at 502 Claremont Street, within the City of Buchanan, Berrien County, Michigan and legally described as follows: “Lots 25, 26, 27 and 28 in Parkridge No. 1, according to the plat thereof recorded in the office of the Register of Deeds for Berrien County, Michigan, on September 15, 1955, in Volume 14 of Plats, page 24, being in the City of Buchanan, Berrien County, Michigan.”

Also Lot 13, Parkridge, according to the plat thereof recorded September 17, 1953, in Volume 13 of Plats, page 31, being in the City of Buchanan, Berrien County, Michigan. Parcel No. 11-58-6200-0013-00-1 and 11-58-6210-0025-006 (the “Property”)

WHEREAS, the taxable value of the property proposed to be exempt plus the aggregate taxable value of property already exempt under Public Act 146 of 2000 and under Public Act 198 of 1974 (IFT's) does not exceed 5% of the total taxable value of the City of Buchanan; and

WHEREAS, the application was approved at a public hearing as provided by section 4(2) of Public Act 146 of 2000 on Feb. 14, 2022; and

WHEREAS, **Claremont Stark LLC**, is not delinquent in any taxes related to the facility; and

WHEREAS, the application is for obsolete property as defined in section 2(h) of Public Act 146 of 2000; and

WHEREAS, the applicant **Claremont Stark LLC** has provided answers to all required questions under the application instructions to the City of Buchanan; and

WHEREAS, the City of Buchanan requires that rehabilitation of the facility shall be completed by Jan. 1, 2024; and

WHEREAS, the commencement of the rehabilitation of the facility did not occur before the establishment of the Obsolete Property Rehabilitation District; and

WHEREAS, the application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of Public Act 146 of 2000 and that is situated within an Obsolete Property Rehabilitation District established in the City of Buchanan eligible under Public Act 146 of 2000 to establish such a district; and

WHEREAS, completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate, have the reasonable likelihood to increase commercial activity, create employment, retain employment, prevent a loss of employment, revitalize urban areas, and increase the number of residents in the community in which the facility is situated; and

WHEREAS, the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at commencement of the rehabilitation as provided by section 2(l) of Public Act 146 of 2000.

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of Buchanan;

Be and hereby is granted an Obsolete Property Rehabilitation Exemption for the real property, excluding land, located in Obsolete Property Rehabilitation District **Claremont Stark LLC, 502 Claremont St., Buchanan, MI 49107** for a period of 12 years, beginning December 31, 2022, and ending December 30, 2034, pursuant to the provisions of PA 146 of 2000, as amended.

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Commission of the City of Buchanan, County of Berrien, Michigan at a regular meeting held on August 8, 2022.

Clerk _____

Supplemental Information:

Real property located at 502 Claremont Street, within the City of Buchanan, Berrien County, Michigan and legally described as follows:

Lots 25, 26, 27 and 28 in Parkridge No. 1, according to the plat thereof recorded in the office of the Register of Deeds for Berrien County, Michigan, on September 15, 1955, in Volume 14 of Plats, page 24, being in the City of Buchanan, Berrien County, Michigan.

Also Lot 13, Parkridge, according to the plat thereof recorded September 17, 1953, in Volume 13 of Plats, page 31, being in the City of Buchanan, Berrien County, Michigan.

Parcel No. 11-58-6200-0013-00-1 and 11-58-6210-0025-006 (the “Property”)

1. General description of the obsolete facility including the year built, original use, most recent use, number of stories, and square footage.

Stark School was built in 1958, originally used as a K-5 elementary school until 2011 when it was closed due to decreased population and increase in necessary repairs. The building is roughly 22,000 sq ft brick, split-level school built into a hill, with roughly 50% of the building at 1 story and the other 50% of the building 2 stories.

2. General description of the proposed use of the rehabilitated facility.

The property will house a community music school, a sewing training school, light manufacturing, offices, other music related endeavors such as rehearsal and recording studios.

3. Description of the general nature and extent of the rehabilitation to be undertaken.

The major mechanicals will be updated, repaired and/or replaced including plumbing and heating. The roof will be replaced in stages over the next 2-3 years, and we will restore the original character of the building with new windows, tuckpointing and interior cosmetic updates. The lighting will be upgrade to high-efficiency lighting and some electrical rewiring will be required. The parking lot will be resurfaced, and a fence will be constructed around the perimeter of the parking area.

4. A descriptive list of the fixed building equipment that will be a part of the rehabilitated facility.

I will need to restore the kitchen area with stove, sinks, refrigerator, washing machine, dishwasher, etc. All toilets, sinks, and drinking fountains will be updated and replaced.

5. A time schedule for undertaking and completing the rehabilitation of the facility.

The total timeline for the renovation of the building will be 2-3 years with the full extent of the work completed at the end of 2024.

6. A statement of the economic advantages expected from the exemption.

The advantage of the exemption is that I will be able to use available funds to improve the property and make a community asset that contributes to job and talent creation for adults as

well as developing the talent of the youth in the community through arts and music programming. I will be able to create a long-term asset that gives back to the population in Berrien County and Southwest Michigan. The potential tax money savings would go towards the repair and restoration of an obsolescent building that was abandoned 10 years ago by the school district for the extensive repairs it requires. We will protect and repair this beloved asset while empowering the people in our community.

7. A contractor's bid or itemized list of the restoration efforts and expenses (demo, HVAC, plumbing, paint, flooring, etc.)

Demo – No physical demo will be done to the building.

HVAC – Anticipated that the cost will be \$40,000.00 or under. I am working with JC Germain at Dynamic Mechanical Systems to determine which units need to be replaced and what is worth salvage and repair. Total estimated plumbing repairs will be under \$40,000.00.

Roof - Attached

Plumbing – Attached. Counts for the basic plumbing to get the building in working order. Does not count for repairing the sinks in each classroom.

Paint/Flooring – Sweat Equity

Parking Lot Paving – Was not able to get a quote due to Covid. Contractors did not submit a formal proposal. Estimated 20K to repave, pitch, and fix drain.

Tuckpointing – C&D Masonry Dowagiac. I was not able to get a written quote from the contractor after 3 in-person visits to the site.

Verbal quote for minimal repair = \$5,000.00

Verbal quote for full building repair = \$30,000.00

Window Replacement - Attached