

# Memo

**To:** City Council  
**From:** Bryan Myrkle, Community Development Director  
**Date:** February 18, 2016  
**Re:** Spartan Motors Brownfield Redevelopment Plan

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As you may be aware, the City of Charlotte has been working closely with Spartan Motors over the past several months to assist in Spartan's continued redevelopment of the former Care Free Windows site at 1023 Reynolds Road in the Dean Industrial Park area.

Spartan Motors is planning to raze the remainder of the old Care Free building, and build an entirely new manufacturing plant at that location. They will also be redeveloping the parcel located at 1014 Reynolds Road as a finished vehicle storage lot.

As is usually case in an industrial development, Spartan is seeking development assistance in the form of local tax relief on this project. There are also state-level incentives that will be applied to the project, ensuring that it happens here in Charlotte – rather than at a location in one of the other states where Spartan has facilities.

The City has consulted with Spartan, and also the Michigan Economic Development Corporation, the Lansing Economic Area Partnership and the environmental consulting firm SME to identify the most appropriate incentive for this project.

In the past, the city has often made use of the PA 198 Industrial Facilities Tax Exemption to incentivize industrial development. However, in this case, we have identified that a new ACT 381 Brownfield TIF plan is a better fit.

Spartan is planning to make an investment in this project of more than \$6.6 million. Of that, we have identified \$1.6 million in project elements that are eligible for reimbursement under a Brownfield Plan. In simplest terms, the City will capture the first \$1.6 million in property taxes paid on the new plant and reimburse them back to Spartan. After that threshold is reached, future taxes would be paid as normal and dispersed to the various taxing jurisdictions to which they are owed.

This new Brownfield Plan has been prepared by SME and is available now for review.

We are asking the City Council to approve a first reading of the attached resolution, set a public hearing on the new plan for a March 8 meeting of the Brownfield Redevelopment Authority Board, and then consider a final reading and adoption of the plan at the March 14 regular City Council meeting.

Pat Sall, representing Spartan Motors, will be present at your meeting this coming Monday evening to make a brief presentation about the project and answer any questions you might have.