



City of Marquette, MI

300 West Baraga Ave
Marquette, Michigan 49855

Meeting Agenda City Commission

WORK SESSION

Monday, July 29, 2024

4:30 PM

Commission Chambers

Call to Order, Pledge of Allegiance and Roll Call

Present: Davis, Hanley, Larson, Mayer, Ottaway, Schloegel, Smith

Announcements

Mayor Davis had no announcements.

Public Comments - Comments may not exceed three minutes per person. Please state your name and physical address when making public comments.

No members of the public spoke during the public comment period.

1. Chippewa Square Housing Tax Increment Financing

Deputy City Manager Sean Hobbins provided an overview of tax-increment financing and then shared an update on current housing developments in the city and region. Once operational, these developments are expected to total more than 500 units across six projects. City involvement in these projects range from no involvement or simple letters of support to intergovernmental taxing arrangements, payment-in-lieu-of-tax agreements and local development agreements.

George Stien and Aaron Leppanen, 50-50 owners in the subject property, offered a presentation about a development project at 710 Chippewa Square. Under the plan, the 20,000 square-foot commercial space would be renovated into 14 residential units, both single-bedroom and two-bedroom.

The plan would include a the establishment of a TIF district, as recent amendments to state law now allow for brownfield financing mechanisms to be utilized in support of affordable housing. Stien and Leppanen explained the rough outline of their plan, which would subsidize unit rental rates for tenants with incomes at or below an established threshold.

Commissioners and the developers discussed the presentation, with talk focusing on the subsidies, the project timeline, and project financing.

City Manager Karen Kovacs said that getting a project like this ready for Commission consideration will take a fair amount of staff time and said that the goal of this work session was to get a sense of whether the Commission would be generally supportive of the concept of using brownfield financing mechanisms to subsidize housing costs. She said the next steps will be somewhat time- and resource-intensive, and staff wants to be sure the Commission has some degree of interest before moving forward.

Deputy City Manager Sean Hobbins said this plan, if it moved forward, would include meetings, public hearings and several opportunities for input.

Commissioners offered general support for the concept of possibly establishing a brownfield TIF for housing, though some said they had questions about this specific project and this specific site, which they could reserve for a future meeting.

Some discussion focused on how this new tool is working for other municipalities that have tried it, the general need for housing in the area, and the difficulties in how state funding trickles down to the local level.

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Margaret Brumm thanked the City Commission for the work session. She said she is concerned about the impact a project like this may have on the current commercial tenants and worried that projects like this could cause small businesses to relocate, perhaps out of the city.

Geraldine Nault said she is happy to see someone working on this issue but said she does have concerns with the city utilizing TIF mechanisms and foregoing tax revenue. Elizabeth Collins said she owns one of the other buildings in the Chippewa Square office complex and said the other building owners have been left in the dark about the plan presented tonight. She said there are parking lot issues already, and that although she supports affordable housing, she wonders how housing will fit into this area at all.

Adjournment

Mayor Davis adjourned the meeting at 5:41 p.m.

Sally Davis, Mayor

Kyle Whitney, City Clerk

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