



Background

The Owosso Michigan National Guard Armory was constructed in 1915. During World War I, Company M deployed from the Armory for France. These soldiers took part in the Battle of Argonne-Seuse and were among the first American troops to set foot on German soil during the war. By mid-century the Armory was home to the 144th National Guard unit. In addition to housing the 144th, the Armory served as a community space by hosting debates, prize fights, weddings and artists including Grand Funk Railroad and Alice Cooper. In 2007 the 144th left the nearly century-old building for a modern facility and the Armory has been vacant since. The Armory is located in the Owosso Downtown Historic District.

The Project

The Owosso Armory project is led by the local community and designed to catalyze economic development. The idea for the project originated from within the Shiawassee Chamber of Commerce whose mission is to stimulate economic development in Owosso and Shiawassee County. The goal of the Armory is to create and spin out new businesses into the community by offering a range of office spaces including turnkey office spaces, cubicle-like spaces, and individual desks. Businesses who have committed to relocating include the Shiawassee Chamber of Commerce (Chamber) and the Shiawassee Economic Development Partnership (SEDP), as well as nine other local business owners.

Without the capital made possible with the Historic and New Markets tax credits, this project would not have been possible. Prior to receiving tax credit commitments, the development team had exhausted all options in assembling public and private sources. The relatively small size of the project precluded the project from favorable historic tax credit pricing on a stand-alone basis. Despite the range of sources including funds from the Michigan Strategic Fund and a local bank, a financing gap persisted as the loan-to-value calculation did not support additional debt financing for the unique office use and the sponsor had modest means to close the gap.



Total Development Cost:
\$5.68 million



NTCIC Financing:
\$827,722 Federal Historic Tax Credit equity

\$1.24 million New Markets Tax Credit allocation



Project Partner:
Shiawassee Chamber of Commerce



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Community Impact

The project has received overwhelmingly strong support from the City of Owosso financially and organizationally. It was approved for a Brownfield Reimbursement Agreement that functions in a manner similar to a tax abatement; a “call to action letter” generated \$12,000 in annual sponsorship income in under a month; the Michigan Strategic Fund provided a \$1,402,000 grant under its Michigan Community Revitalization Program; and letters of support have been provided by Owosso Mayor Christopher T. Eveleth and State Rep. Ben Frederick of the 85th District.

The Armory will serve as a hub to encourage small business development and entrepreneurship. The Chamber, SEDP, and Kettering University have made contributions to hire a part-time small business development counselor dedicated to supporting 70 people and helping start-up businesses secure over \$700,000 in capital. The Chamber also plans to host numerous networking and professional development to support young professional and members of the business community. Additional events for a planned community space include a winter farmer’s market, nutrition classes, dance classes, and a micro-business development class for teenage entrepreneurs.