

**CITY OF OWOSSO
REGULAR MEETING OF THE CITY COUNCIL
MINUTES OF JUNE 5, 2023
7:30 P.M.
VIRGINIA TEICH CITY COUNCIL CHAMBERS**

PRESIDING OFFICER: MAYOR ROBERT J. TEICH, JR.

OPENING PRAYER: PASTOR BRUCE NOBLE
CHURCH OF GOD (7TH DAY)

PLEDGE OF ALLEGIANCE: DAN NEES
OWNER/DEVELOPER OF DBMA OWOSSO, LLC

PRESENT: Mayor Robert J. Teich, Jr., Mayor Pro-Tem Susan J. Osika,
Councilmembers Janae L. Fear, Jerome C. Haber, Daniel A.
Law, Emily S. Olson and Nicholas L. Pidek.

ABSENT: None.

APPROVE AGENDA

Motion by Mayor Pro-Tem Osika to approve the agenda as presented.

Motion supported by Councilmember Pidek and concurred in by unanimous vote.

APPROVAL OF THE MINUTES OF REGULAR MEETING OF MAY 15, 2023

Motion by Mayor Pro-Tem Osika to approve the Minutes of the Regular Meeting of May 15, 2023 as presented.

Motion supported by Councilmember Haber and concurred in by unanimous vote.

PROCLAMATIONS / SPECIAL PRESENTATIONS

Community Water Fluoridation 50-Year Award

Mayor Teich read aloud the following proclamation of the Mayor's Office of the City of Owosso recognizing the City's Drinking Water System for receiving the 2022 Community Water Fluoridation 50-Year Award:

**A PROCLAMATION
OF THE MAYOR'S OFFICE OF THE CITY OF OWOSSO, MICHIGAN
RECOGNIZING THE CITY OF OWOSSO AS A RECIPIENT OF THE
2022 COMMUNITY WATER FLUORIDATION 50-YEAR AWARD**

WHEREAS, the American Dental Association (ADA), the Association of State and Territorial Dental Directors (ASTDD) and the Centers for Disease Control and Prevention (CDC) jointly recognize public water systems that have consistently adjusted the fluoride concentration in drinking water for the prevention of tooth decay in adults and children; and

WHEREAS, the City of Owosso has been recognized as a recipient of the 2022 Community Water Fluoridation 50-Year Award for achieving excellence in community water fluoridation by maintaining a consistent level of fluoride in its drinking water for 50 consecutive years, starting in 1972; and

WHEREAS, the City of Owosso is one of five communities in Michigan and among 106 public water systems nationally to receive the award in 2022; and

WHEREAS, community water fluoridation aids in the prevention of tooth decay and is recognized by the CDC as one of the 10 great achievements in public health of the twentieth century; and

WHEREAS, the ADA, ASTDD and CDC salute the dedication and perseverance of fluoridation pioneers and water system professionals for providing their residents access to optimally fluoridated tap water.

NOW, THEREFORE I, Robert J. Teich, Jr., Mayor of the City of Owosso, on behalf of the citizens of Owosso, do hereby recognize the operators and administrators of our public water system for their diligence in maintaining the optimal fluoridation of Owosso's drinking water over the last 50 years and celebrate the receipt of the 2022 Community Water Fluoridation 50-Year Award.

Proclaimed this 5th day of June, 2023.

Director of Public Services and Utilities Ryan E. Suchanek introduced each of the men gathered at the podium as current and previous Water Treatment Plant operators and superintendents, thanking each one for their contribution to the award: Dave Haut, Duane Guenther, Keith Bailey and Tim Guysky. Though they could not be present this evening, Director Suchanek also recognized former Utilities Director Gary Burk, former Utilities Director Glenn Chinavare, and current operator Chase Peiffer for their contributions and leadership. And lastly, he thanked all of the City's current and former operators for their efforts in ensuring that Owosso and the surrounding communities have quality drinking water.

PUBLIC HEARINGS

Obsolete Property Rehabilitation District – 902 West Main Street

City Manager Nathan R. Henne explained that the item before Council this evening is to receive public comment and consider the request from DBMA Owosso, LLC to establish an Obsolete Property Rehabilitation District for the property located at 902 West Main Street and the parking lot behind that location. The property owner/developer has received a grant from the MEDC for half of the cost of the proposed project, but further economic inducement in the form of an OPRA tax exemption is needed to make the project financially viable.

A public hearing was conducted to receive citizen comment regarding the application from DBMA Owosso, LLC to establish an Obsolete Property Rehabilitation District for the property located at 902 West Main Street.

The following people commented regarding the proposed establishment of an OPRA District at 902 West Main Street:

Dan Nees, property owner/developer, indicated that he and his wife have been working with the MEDC for over 14 months to determine which financial assistance program would be the best fit for the project. During the course of this delay inflation has risen dramatically as have interest rates, and they need to proceed with the OPRA process before increasing costs make the project financially inviable.

Patrice Martin, 615 N. Park Street, encouraged the Council to support the efforts of any party willing to restore an historic building and create new jobs in the community.

Seeing there were no further citizen comments, Mayor Teich inquired if the Council had any questions regarding the request before them tonight.

Councilmember Pidek noted that later this evening the Council will be considering what to do with a defunct development project and asked if there is a policy in place to prevent the City from being left with economic development loans that are uncollectible and the project abandoned. City Manager Henne responded that despite their similarities, the two situations are actually very different and cannot be compared on an apples-to-apples basis. He assured Council that in the future they would not be faced with any uncollectible debt resulting from an OPRA tax exemption.

Councilmember Olson said this is the first tax exemption she has dealt with as a Councilmember and sought clarification on various details as to how OPRA's work. Her questions were answered by the City Manager.

Whereas, the Council, after due and legal notice, has met and having heard all interested parties, motion by Councilmember Pidek that the following OPRA District be adopted:

RESOLUTION NO. 101-2023

**ESTABLISHING AN OBSOLETE PROPERTY REHABILITATION (OPRA) DISTRICT
FOR THE PROPERTY LOCATED AT
902 W. MAIN STREET**

WHEREAS, pursuant to PA 146 of 2000, the City of Owosso has the authority to establish Obsolete Property Rehabilitation Districts within the City of Owosso; and

WHEREAS, DBMA Owosso, LLC has filed a written request with the Clerk of the City of Owosso requesting the establishment of the Obsolete Property Rehabilitation District for an area in the vicinity of 902 W. Main Street located in the City of Owosso hereinafter described; and

WHEREAS, written notice has been given by mail to all owners of real property located within the proposed district and to the public by newspaper advertisement in the Argus-Press and/or by public posting of the hearing on the establishment of the proposed district; and

WHEREAS, on June 5, 2023 a public hearing was held, and all residents and taxpayers of the City of Owosso were afforded an opportunity to be heard thereon; and

WHEREAS, the City Council of the City of Owosso determined that the district meets the requirements set forth in section 3(1) of PA 146 of 2000; and

WHEREAS, the City Council deems it to be in the public interest of the City of Owosso to establish the Obsolete Property Rehabilitation District as proposed.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Owosso that the following described parcel(s) of land situated in the City of Owosso, Shiawassee County, and State of Michigan, to wit:

Lot 2 and Lot 4, Block 15, A.L. & B.O. Williams Addition to the City of Owosso, according to the recorded plat thereof, as recorded in Plat Liber 29, Page 499, Shiawassee County Records

be and is hereby established as an Obsolete Property Rehabilitation District pursuant to the provisions of PA 146 of 2000.

Motion supported by Councilmember Fear.

Roll Call Vote.

AYES: Mayor Pro-Tem Osika, Councilmembers Haber, Pidek, Law, Fear, Olson, Mayor Teich.

NAYS: None.

Ordinance Amendment – Chapter 19, Offenses

Public Safety Director Kevin D. Lenkart introduced the item saying he had been contacted by the Shiawassee County Health Department with the request that Council review the ordinance on drug paraphernalia and make any changes necessary to exempt public health personnel from prosecution when administering harm reduction programs.

A public hearing was conducted to receive citizen comment regarding the proposed amendment to Chapter 19, Offenses, Sec. 110, Drug Paraphernalia, of the Code of Ordinances to exempt public health personnel from prosecution when administering harm reduction programs.

There were no citizen comments received prior to, or during the meeting.

Whereas, the Council, after due and legal notice, has met and there being no one to be heard, motion by Councilmember Law that the following Ordinance Amendment be adopted:

ORDINANCE NO. 839

APPROVING AMENDMENT TO CHAPTER 19, OFFENSES, ARTICLE VI, OFFENSES AGAINST PUBLIC MORALS, SECTION 110, DRUG PARAPHERNALIA OF THE CODE OF ORDINANCES

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has a drug paraphernalia ordinance prohibiting the sale, display, and/or possession of drug paraphernalia; and

WHEREAS, the Shiawassee County Health Department wishes to conduct a series of harm reduction programs in the County to reduce the harm of substance use on the individual and the greater community; and

WHEREAS, implementation of these programs necessitates an ordinance amendment to exempt public health personnel participating in harm reduction programs from prosecution for the possession of drug paraphernalia; and

WHEREAS, the City Council held a public hearing on June 5, 2023 and there being no one to be heard, deliberated on the proposed ordinance amendment.

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Owosso, Shiawassee County, Michigan that:

SECTION 1. AMENDMENT. That Chapter 19, Offenses, Article VI, Offenses Against Public Morals, Section 110, Drug Paraphernalia of the Code of Ordinances of the City of Owosso shall be amended as follows:

(a) *Definitions*. The following words and phrases, when used in this section, shall, for the purpose of this section, have the meanings respectively ascribed to them:

- (1) *Cocaine spoon*: A spoon with a bowl so small that the primary use for which it is reasonably adopted or designed, is to hold or administer cocaine, and which is so small as to be unsuited for the typical lawful uses of a spoon.
 - (2) *Controlled substance*: Any drug, substance, or immediate precursor designated as a schedule 1-5 substance in Article 7, Controlled Substances, Act 368 of the Public Acts of Michigan of 1978 (MCL 333.7101 et seq., MSA 14.15 (7101) et seq.), as amended, (commonly known as the Public Health Code).
 - (3) *Drug paraphernalia*: All equipment, products, and materials of any kind which are used, adapted for use, or designed for use, in planting, manufacturing, compounding, producing, testing, containing, concealing, injecting, or otherwise introducing into the human body a controlled substance in violation of the public health code of the state.
 - (4) Testing equipment specifically designed for use in identifying or in analyzing the strength, effectiveness, or purity of a controlled substance.
- (b) *Sale, display, possession prohibited*. It shall be unlawful for any person to sell, offer for sale, display, furnish, supply, possess, give away or advertise any drug paraphernalia which is primarily adapted or designed for the administration or use of any controlled substance.
- (c) *Licensed persons; exemptions*. This section shall not apply to a person licensed by the state board of pharmacy (administrator) pursuant to the public health code. Such person may possess, manufacture, distribute, prescribe, dispense, or conduct research with controlled substances to the extent authorized by its license. The following persons need not be licensed and may lawfully possess controlled substances under this section:
- (1) An agent or employee of a licensed manufacturer while acting in the ordinary course of employment.
 - (2) Common or contract carrier or warehousemen, or employee thereof while possessing in ordinary course of employment.
 - (3) Persons suffering from diabetes, asthma, or any other medical condition requiring self-injection or pursuant to a lawful order of a practitioner.
 - (4) An officer or employee of a federal, state, political subdivision or agency of this state who is engaged in the enforcement of state or local laws relating to controlled substances and who is authorized to possess controlled substances in the course of that person's official duties.
- (d) This article shall not apply to any of the following:
- (1) An object sold or offered for sale to a person licensed under article 152 or under the Occupational Code, Public Act No. 299 of 1980 (MCL 339.101 et seq.), or any intern, trainee, apprentice or assistant in a profession licensed under Article 15 or under Public Act No. 299 of 1980 for use in that profession.
 - (2) An object sold or offered for sale to any hospital, sanitarium, clinical laboratory or other health care institution, including a penal, correctional or juvenile detention facility, for use in that institution.
 - (3) An object sold or offered for sale to a dealer in medical, dental, surgical or pharmaceutical supplies.
 - (4) Equipment, a product or material which may be used in the preparation or smoking of tobacco or smoking herbs other than a controlled substance.
 - (5) A blender, bowl, container, spoon or mixing device not specifically designed for a use in compounding controlled substances;
 - (6) A hypodermic syringe or needle sold or offered for sale for the purpose of injecting or otherwise treating livestock or other animals.
 - (7) An object sold, offered for sale or given away by a state or local governmental agency or by a person specifically authorized by a state or local governmental agency to prevent the transmission of infectious agents.
 - (8) Testing equipment specifically designed for use in identifying or in analyzing the strength, effectiveness, or purity of a controlled substance.

SECTION 2. SEVERABILITY. The various parts, sections and clauses of this Ordinance are hereby declared to be severable. If any part, sentence, paragraph, section, or clause is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of the Ordinance shall not be affected thereby.

SECTION 3. AVAILABILITY. This ordinance may be purchased or inspected in the City Clerk's office, Monday through Friday between the hours of 9:00 a.m. and 5:00 p.m.

SECTION 4. EFFECTIVE DATE. This amendment shall become effective June 26, 2023.

Motion supported by Councilmember Fear.

Roll Call Vote.

AYES: Councilmembers Haber, Fear, Olson, Mayor Pro-Tem Osika, Councilmembers Law, Pidek, Mayor Teich.

NAYS: None.

CITIZEN COMMENTS AND QUESTIONS

Pastor Don Fields, Calvary Baptist Church, expressed his legal and moral concerns with the upcoming Owosso Pride event at the amphitheater and the drag show bingo event planned by The Sideline Sports Bar, saying that such events will disintegrate society.

Tom Manke, 2910 W. M-21, noted that this year's Curwood Festival was fabulous. He went on to criticize the City for the last-minute cancellation of the Memorial Day Parade and question why the City no longer has an auxiliary police force for such events.

Patricia VanLuven, 6143 Pittsburg Road, said she was glad that Owosso Pride is able to hold events in town saying such events were beneficial for members, as well as their family and friends. She went on to say that there are different interpretations of morality and that no one can force a single interpretation onto everyone.

Jennifer Clark, Gold Star Mother and resident of Corunna, said she was upset that the City failed to have a Memorial Day parade while the Curwood parade went ahead. She felt it was the City's responsibility for putting on the Memorial Day parade and that they had failed all veterans by not holding one.

Sandy Harvey, 1863 Ketegawn Road, said she is a 40-year member of the VFW Auxiliary and there has always been a Memorial Day parade in town. She said they had prepared for the parade and then the City called it off without reason.

Eddie Urban, 601 Glenwood Avenue, said he was disappointed the Memorial Day parade didn't happen this year. He said he would like to see a group of volunteers take over responsibility for the parade in the future. He also noted that men wear dresses in some other cultures and that not every church shuns gay people.

Karen Horn, VFW Auxiliary member, long-time leader and City resident, said she is sorry that the Memorial Day parade did not take place this year. She said we need to do a better job educating our young people to respect the flag and veterans so something like this can never happen again.

Councilmember Law commented that it was unbelievable that the City did not hold a Memorial Day parade this year. He said there is a standing TCO for the Memorial Day parade and asked why it was ignored. He said the City should have had staff scheduled to cover the parade months ago. He went on to say that the veteran's organizations are not completely blameless for the parade being cancelled as they are notoriously late in organizing the event. He asked that they be courteous to City employees by reaching out to them and planning ahead in the future.

City Manager Henne said he had spoken with leaders of both the VFW and the American Legion and apologized for any role the City played in the cancellation of the parade. He said he is determined to make sure this does not happen again and has personally volunteered to help organize the parade going forward but cautioned that no one person can do the job alone, that organizers cannot wait until the last minute to prepare, and that the City's standing TCO does not organize the parade it simply grants permission to use the street.

Mayor Teich said we had all fallen victim to assumption this year, everyone assumed that someone else was taking care of things. He suggested forming a standing committee to organize the parade each year to avoid a similar situation in the future. Lastly, he apologized, saying he was not present at Oakhill Cemetery for the ceremony on Monday. He said he was in St. Johns at the cemetery where his father is buried, but he recognizes now that he should have participated in Owosso's ceremony. He said he recognizes what Memorial Day means and vowed to be there next year.

Councilmember Olson asked if there are any other standing TCOs that Council needs to be aware of. Staff indicated they did not know of any offhand.

CONSENT AGENDA

Motion by Councilmember Law to approve the Consent Agenda as follows:

Set Public Hearing – Obsolete Property Rehabilitation Exemption Certificate – 902 W. Main Street.

Set a public hearing for Tuesday, June 20, 2023 at 7:30 p.m. to receive citizen comment regarding the application from DBMA Owosso, LLC for an Obsolete Property Rehabilitation Exemption Certificate for the property at 902 West Main Street as follows:

RESOLUTION NO. 102-2023

SETTING A PUBLIC HEARING TO CONSIDER APPLICATION FOR AN OBSOLETE PROPERTY REHABILITATION EXEMPTION CERTIFICATE FOR THE PROPERTY AT 902 WEST MAIN STREET

WHEREAS, the City of Owosso received application for an Obsolete Property Rehabilitation Exemption Certificate on April 4, 2023 from DBMA Owosso, LLC; and

WHEREAS, the City of Owosso approved a request to establish an Obsolete Property Rehabilitation District, on June 5, 2023, described as:

LOT 2 AND LOT 4, BLOCK 15, A.L. & B.O. WILLIAMS ADDITION TO THE CITY OF OWOSSO, ACCORDING TO THE RECORDED PLAT THEREOF, AS RECORDED IN PLAT LIBER 29, PAGE 499, SHIAWASSEE COUNTY RECORDS; and

WHEREAS, it must be determined that approval of the Obsolete Property Rehabilitation Certificate would be beneficial to the City of Owosso, as well as local and regional economy.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

FIRST: the Owosso City Council sets a public hearing for Tuesday, June 20, 2023 at or about 7:30 p.m. in the council chambers for the purpose of hearing comments for those within the district, and any other resident or taxpayer, of the City of Owosso.

SECOND: the City Clerk gives the notifications as required by law.

THIRD: City staff is directed to investigate and determine if the qualifications of the Act are satisfied, and report said findings at the hearing.

Master Plan Implementation Goals: 1.9

Street Closure Request - Open Streets Owosso. Approve request from the Shiawassee Family YMCA for the closure of Water Street from Exchange Street to Mason Street for the Open Streets Owosso – 2023 event on Saturday, June 24, 2023 from 9:00 a.m. to 1:30 p.m. and authorize Traffic Control Order No. 1498 formalizing the action.

Master Plan Implementation Goals: 1.17, 4.2, 4.6, 5.9, 5.12

Boards and Commissions Appointments. Approve the following Mayoral Boards and Commissions appointments:

Name	Board/Commission	Term Expires
Brad A. Barrett*, Finance Director	City of Owosso Building Authority	06-30-2027
Michael Dowler, City Assessor*	Local Development Finance Authority/ Brownfield Redevelopment Authority	06-30-2027
Dallas Lintner	Local Development Finance Authority/ Brownfield Redevelopment Authority	06-30-2027
Randy Woodworth*	Local Development Finance Authority/ Brownfield Redevelopment Authority	06-30-2027

* Indicates reappointment

***Recreation Services Agreement – Lions Field.** Approve proposed Recreation Services Agreement with Michigan Pirates Baseball for use of Lions Field for youth baseball practices and games for a period expiring December 31, 2026.

RESOLUTION NO. 103-2023

AUTHORIZING RECREATION SERVICES AGREEMENT WITH MICHIGAN PIRATES BASEBALL FOR USE OF LIONS FIELD

WHEREAS, the City of Owosso, Shiawassee County, Michigan, and Michigan Pirates Baseball wish to enter into a Recreation Service Agreement for use of Lions Field for the conduct of baseball practice and games; and

WHEREAS, Michigan Pirates Baseball has dedicated itself to providing exercise and recreation opportunities for youth in Owosso and the surrounding areas; and

WHEREAS, the City of Owosso has drafted a Recreation Service Agreement with Michigan Pirates Baseball for baseball practice and games to be held between April 1 and the third Saturday in September through December 31, 2026.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

- FIRST: The City of Owosso has heretofore determined that it is advisable, necessary and in the public interest to enter into a Recreation Service Agreement with the Michigan Pirates Baseball for use of City-owned property to conduct baseball practice and games in return for a fee of one dollar per year.
- SECOND: The Mayor and the City Clerk of the City of Owosso are instructed and authorized to sign the document substantially in the form attached, Recreation Service Agreement between the City of Owosso, Michigan and Michigan Pirates Baseball for the fees and stipulations heretofore identified.
- THIRD: The above revenue shall be paid to the General Fund, miscellaneous revenue account 101.000.675.000.

Master Plan Implementation Goals: 4.6

USDA Rural Development Grant Acceptance – Ambulance. Approve acceptance of an Emergency Rural Health Care Grant from the USDA Rural Development Agency to assist with the purchase of an ambulance and authorize the mayor and city clerk to execute any necessary documents.

RESOLUTION NO. 104-2023

AUTHORIZE ACCEPTANCE OF A USDA RURAL DEVELOPMENT EMERGENCY RURAL HEALTH CARE GRANT FOR AN AMBULANCE

WHEREAS, the City of Owosso, Shiawassee County, Michigan, submitted an Emergency Rural Health Care Grant application to the USDA Rural Development Agency; and

WHEREAS, the Emergency Rural Health Care Grant Program provides up to \$500 million in grant funding to help broaden access to COVID 19 testing and vaccines, rural health care services and food assistance through food banks and food distribution facilities; and

WHEREAS, the grant application requested \$116,500.00 in federal funding for the purchase of an ambulance to be used by the Owosso Public Safety Department; and

WHEREAS, the City of Owosso has received a signed grant approval letter from the USDA Rural Development Agency Michigan State Office.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

- FIRST: it has heretofore determined that it is advisable, necessary and in the public interest to accept the USDA Rural Development Emergency Rural Health Care Grant in the amount of \$116,500.00 to assist in the replacement of an ambulance used by the Owosso Public Safety Development.
- SECOND: the mayor and city clerk are authorized and instructed to sign the grant agreement and any necessary documents once a reimbursement request is made by the City of Owosso.

Master Plan Implementation Goals: 3.2

USDA Rural Development Grant Acceptance – Heart Monitors. Approve acceptance of an Emergency Rural Health Care Grant from the USDA Rural Development Agency to assist with the purchase of three heart monitors/defibrillators and authorize the mayor and city clerk to execute any necessary documents.

RESOLUTION NO. 105-2023

AUTHORIZE ACCEPTANCE OF A USDA RURAL DEVELOPMENT EMERGENCY RURAL HEALTH CARE GRANT FOR HEART MONITOR/DEFIBRILLATORS

WHEREAS, the City of Owosso, Shiawassee County, Michigan, submitted an Emergency Rural Health Care Grant application to the USDA Rural Development Agency; and

WHEREAS, the Emergency Rural Health Care Grant Program provides up to \$500 million in grant funding to help broaden access to COVID 19 testing and vaccines, rural health care services and food assistance through food banks and food distribution facilities; and

WHEREAS, the grant application requested \$36,000.00 in federal funding for the purchase of three heart monitor/defibrillators to be used by the Owosso Public Safety Department; and

WHEREAS, the City of Owosso has received a signed grant approval letter from the USDA Rural Development Agency Michigan State Office.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

- FIRST: it has heretofore determined that it is advisable, necessary and in the public interest to accept the USDA Rural Development Emergency Rural Health Care Grant in the amount of \$36,000.00 to assist in the purchase of three new heart monitor/defibrillators to be used by the Owosso Public Safety Development.
- SECOND: the mayor and city clerk are authorized and instructed to sign the grant agreement and any necessary documents once a reimbursement request is made by the City of Owosso.

Master Plan Implementation Goals: 3.2

Change Order - WWTP Solids Handling Project. Consider approval of Change Order No. 2 to the contract with Sorensen Gross Company for the WWTP Solids Handling Improvements Project increasing the contract by \$13,068.00 and extending completion deadlines, contingent upon receipt of approval by EGLE (2022 CWSRF project), approve payment to the contractor up to the contract amount, including Change Order No. 2, upon satisfactory completion of the project or portion thereof.

RESOLUTION NO. 106-2023

AUTHORIZING CHANGE ORDER NO. 2 TO THE WWTP SOLIDS HANDLING IMPROVEMENTS PROJECT CONTRACT BETWEEN THE CITY OF OWOSSO AND SORENSEN GROSS COMPANY OF FLINT, MICHIGAN

WHEREAS, the City of Owosso, Shiawassee County, Michigan, approved a contract with Sorensen Gross Company, on February 7, 2022 for the Wastewater Treatment Plant (WWTP) Solids Handling Improvements Project, an approved 2022 SRF planned project; and

WHEREAS, the project is now underway, additional work has been identified and adjustments to completion deadlines are required, necessitating a change order.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

- FIRST: it has heretofore determined that it is advisable, necessary and in the public interest to approve Change Order No. 2 to the Wastewater Treatment Plant (WWTP) Solids Handling Project contract with Sorensen Gross Company, increasing the contract amount \$13,068.00 for additional work and expenses identified in the field.
- SECOND: it has further determined that it is advisable, necessary and in the public interest to extend the project completion dates with conditions as detailed in the attached memo from Fishbeck dated April 4, 2023.
- THIRD: the Mayor and City Clerk are instructed and authorized to sign the document substantially in form attached as Change Order No. 2 to the Contract for Services between the City of Owosso and Sorensen Gross Company, increasing the total current contract amount from \$4,416,755.00 to \$4,429,823.00.
- FOURTH: the Accounts Payable department is authorized to pay Sorensen Gross Company for work satisfactorily completed up to the revised contract amount, including Change Order Nos. 1 and 2.
- FIFTH: the above expenses shall be paid from the Wastewater Fund, and SRF Bond Funds.

Master Plan Implementation Goals: 3.4, 3.7

General Engineering Services Contracts. Consider contracting with the Spicer Group, Fleis & Vandenbrink Engineering, Inc., ENG, Inc., and Orchard Hiltz& McCliment to provide professional engineering services for future engineering projects in accordance with the City Purchasing Policy for a period, renewed annually, through June 30, 2026.

RESOLUTION NO. 107-2023

**AUTHORIZING THE EXECUTION OF AGREEMENTS
FOR PROFESSIONAL ENGINEERING SERVICES WITH
SPICER GROUP, INC.
FLEIS & VANDENBRINK ENGINEERING, INC.
ENG., INC.
OHM ADVISORS**

WHEREAS, the City of Owosso, Michigan, has determined that it is advisable, necessary and in the public interest to secure professional engineering services for various public improvement projects in the City; and

WHEREAS, a quality-based selection process was developed to select qualified engineering firms, and on March 17, 2014, City Council approved the QBS process for General Engineering Services, and

WHEREAS, the Spicer Group, Inc., Fleis & Vandenbrink Engineering, Inc., ENG., Inc., and OHM Advisors have been determined as most qualified to perform engineering services through this process.

NOW THEREFORE BE IT RESOLVED by the City of Owosso, County of Shiawassee, State of Michigan:

- FIRST: that it has heretofore determined that it is advisable, necessary and in the public interest to employ the firms of Spicer Group, Inc., Fleis & Vandenbrink Engineering, Inc., ENG., Inc., and OHM Advisors to provide professional engineering services for future engineering projects occurring through June 30, 2026.
- SECOND: that the Mayor and City Clerk of the City of Owosso are hereby instructed and authorized to sign the document attached as; Exhibit C-SG-10, Renewal of Agreement for Professional Engineering Services with Spicer Group, Inc.
- THIRD: that the Mayor and City Clerk of the City of Owosso are hereby instructed and authorized to sign the document attached as; Exhibit C-FV-10, Renewal of Agreement for Professional Engineering Services with Fleis & Vandenbrink Engineering, Inc.
- FOURTH: that the Mayor and City Clerk of the City of Owosso are hereby instructed and authorized to sign the document attached as; Exhibit C-ENG-7, Renewal of Agreement for Professional Engineering Services with ENG., Inc.
- FIFTH: that the Mayor and City Clerk of the City of Owosso are hereby instructed and authorized to sign the document attached as; Exhibit C-OHM-6, Renewal of Agreement for Professional Engineering Services with OHM Advisors.
- SIXTH: that the City Manager of the City of Owosso is hereby instructed to receive cost proposals/quotes from each of the four firms as specified above for future projects, and to make recommendations to the City Council for acceptance and award of proposed future project services in accordance with the City of Owosso Purchasing Policy for a period renewed annually through June 30, 2026.

Master Plan Implementation Goals: 3.10

Sole Source Purchase Authorization – LimeCure-25. Waive competitive bidding requirements, approve the sole source purchase of 6 totes of LimeCure-25 from Applied Specialties Inc. in the amount of \$1.15/lb for each 6-tote lot totaling \$17,077.50, further approve a contingency amount of \$17,077.50 for the purchase of a second 6-tote lot if necessary, and authorize payment based on unit prices for actual quantities required for the fiscal year ending June 30, 2024.

RESOLUTION NO. 108-2023

**AUTHORIZING THE SOLE SOURCE PURCHASE
OF LIMECURE-25
FROM APPLIED SPECIALTIES, INC.**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has filtration equipment at the Water Treatment Plant that requires the periodic removal of lime scale build-up; and

WHEREAS, the Michigan Department of Environmental Quality (MDEQ) has approved the use of LimeCure-25 to reduce said build-up, and it is hereby determined that Applied Specialties, Inc. of Avon Lake, Ohio is the only firm qualified and permitted to provide such product for use in the potable water treatment process; and

WHEREAS, waiver of the purchasing policy formal bid requirements is requested for this sole source purchase.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

FIRST: it has heretofore been determined that it is advisable, necessary and in the public interest to authorize the sole source purchase of LimeCure-25 from Applied Specialties, Inc., at the price of \$1.15 per pound in allotments of 14,850 lbs. per delivery.

SECOND: the accounts payable department is authorized to submit payment to Applied Specialties, Inc. of Avon, Ohio according to unit prices for the actual quantities delivered, estimated in the amount of \$17,077.50 for FY2023-2024, with a contingency amount of \$17,077.50 for a second delivery, if necessary.

THIRD: the above expenses shall be paid from the water fund following delivery, and chargeable to account 591-553-743.000.

Master Plan Implementation Goals: 3.4

***Check Register – May 2023.** Affirm check disbursements totaling \$2,450,709.37 through May 31, 2023.

Motion supported by Mayor Pro-Tem Osika.

Roll Call Vote.

AYES: Councilmembers Law, Haber, Pidek, Fear, Mayor Pro-Tem Osika, Councilmember Olson, Mayor Teich.

NAYS: None.

ITEMS OF BUSINESS

***CDBG Section 3 Policy Update**

City Manager Henne indicated that changes had been made to the federal Section 3 Policy regarding the use of federal funds for rehabilitation projects and now the City must update its Section 3 Policy to match.

Motion by Councilmember Pidek to approve the update to the City's Section 3 Policy, originally adopted September 16, 2019, required by the State of Michigan and the Community Development Block Grant Program (CDBG) to remain eligible for future grant funding as follows:

RESOLUTION NO. 109-2023

APPROVAL OF UPDATED SECTION 3 POLICY TO REFLECT FEDERAL POLICY CHANGES FROM OCTOBER 10, 2022

WHEREAS, CDBG program funds are used to provide grants and loans to UGLGs, usually with populations under 50,000, in support of economic or community development projects and project proposals are considered and evaluated continuously based upon the Michigan Strategic Fund's approved CDBG Funding Guide; and

WHEREAS, adoption of an updated Section 3 Policy to reflect the revisions made in October of 2022 is required by the State of Michigan and the CDBG as part of the grant process. This policy seeks to ensure the safety of all parties involved in grant activities and help fulfill the national objective of the CDBG.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

FIRST: it has heretofore determined that it is advisable, necessary and in the public interest to approve the updated Section 3 Policy as presented.

Motion supported by Councilmember Fear.

Roll Call Vote.

AYES: Councilmembers Law, Pidek, Fear, Mayor Pro-Tem Osika, Councilmembers Haber, Olson, Mayor Teich.

NAYS: None.

Marijuana License Amendment Request

City Manager Henne explained this request is to transfer the marijuana related licenses held by OZ Cannabis at 117 East Main Street to new owners.

Motion by Councilmember Pidek to approve a change in ownership of the Medical Marijuana Provisioning Center License and the Adult Use Recreational Retail License located at 117 East Main Street from Sandds Owosso Inc. dba OZ Cannabis to HG Lansing LLC dba Homegrown Cannabis Co. as follows:

RESOLUTION NO. 110-2023

**AUTHORIZATION TO TRANSFER THE MEDICAL MARIHUANA
PROVISIONING LICENSE AND ADULT USE RECREATIONAL RETAIL
LICENSE FROM
SANDDS OWOSSO INC. dba OZ CANNABIS TO
HG LANSING, LLC dba HOMEGROWN CANNABIS CO.**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, awarded a Medical Marijuana Facility License during the 2019 lottery process to Sandds Owosso Inc. dba OZ Cannabis; and

WHEREAS, Sandds Owosso Inc. dba OZ Cannabis has been operating a Medical Marijuana Provisioning Center and Adult Use Recreational Retail store at 117 East Main Street, Owosso since September of 2021; and

WHEREAS, City of Owosso Ordinance Nos. 817-818 were approved in May of 2021 to allow the transfer of Medical Marijuana Facilities Licenses and Recreational Marijuana Establishment Licenses with the approval of City Council; and

WHEREAS, Sandds Owosso Inc. dba OZ Cannabis desires to transfer the Medical Marijuana License and the Adult Use Recreational Retail License it holds at 117 East Main Street, Owosso to HG Lansing, LLC dba Homegrown Cannabis Co.; and

WHEREAS, this request is for the transfer of only the licenses as the building at 117 East Main Street is not owned by either party involved in the transfer.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

FIRST: it has heretofore determined that it is advisable, necessary, and in the public interest to transfer the Medical Marijuana Provisioning License and the Adult Use Recreational Retail License located at 117 East Main Street, Owosso from Sandds Owosso Inc. dba OZ Cannabis to HG Lansing, LLC dba Homegrown Cannabis Co.

Motion supported by Councilmember Law.

Roll Call Vote.

AYES: Councilmembers Olson, Law, Haber, Mayor Pro-Tem Osika, Councilmembers Pidek, Fear, Mayor Teich.

NAYS: None.

Reduced Debt Millage Rate Calculation

City Manager Henne indicated that approval of this item would lower the millage rate for street debt in the coming fiscal year. Finance Director Brad A. Barrett explained that due to the drastic change in interest rates over the last year the City is now earning more interest on the deposited bond funds than it is paying to the investors that originally purchased the bonds. He went on to explain that the practice (defined as arbitrage) is illegal for Michigan municipalities, necessitating a change in the millage levy dedicated to paying back those bonds. One Councilmember commented that the law being referenced seems kind of stupid. No one spoke up to disagree.

Motion by Councilmember Pidek to amend Section 6, Millage Levy, of Resolution No. 93-2023 reducing the debt millage rate for streets from 2.4713 mills to 2.0646 mills for the 2023-2024 fiscal year to meet IRS tax-exempt government bond regulations as follows:

RESOLUTION NO. 111-2023

**GENERAL APPROPRIATIONS ACT AMENDMENT
AMENDING RESOLUTION NO. 93-2023**

WHEREAS, pursuant to Chapter 8, Section 5 of the Owosso City Charter, the City Council adopted a budget for the 2023-2024 fiscal year on May 15, 2023 with the approval of Resolution No. 93-2023; and

WHEREAS, Section 6, Millage Levy, of said resolution authorized a debt millage rate of 2.4713 mills for repayment of the City's street bond debt; and

WHEREAS, the City has since received more earned interest and local stabilization personal property tax reimbursement payments than expected; and

WHEREAS, a reduction to the debt millage rate is needed to meet IRS tax-exempt government bond regulations for debt service funds.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that Section 6, Millage Levy, of Resolution No. 93-2023 is hereby amended to reduce the debt millage rate to 2.0646 mills to maintain compliance with IRS tax-exempt government bond regulations as follows:

Section 6: Millage Levy

The City Council shall cause to levy and collect the general property tax on all real and personal property per \$1,000 of taxable value within the city upon the current tax roll an amount equal to the following:

GENERAL OPERATING – CITY CHARTER	12.6919
PA 298 –BRUSH/LEAVES/STREET CLEANING	1.0000
STREET DEBT	2.0646 2.4713
TOTAL	15.7565 16.1632
DOWNTOWN DEVELOPMENT AUTHORITY DISTRICT	1.8855

Motion supported by Councilmember Fear.

Roll Call Vote.

AYES: Councilmembers Pidek, Fear, Haber, Law, Olson, Mayor Pro-Tem Osika, Mayor Teich.

NAYS: None.

***Service Contracts & Interdepartmental Loan – 114-116 West Main Street
Rental Rehabilitation Project**

City Manager Henne explained that the City will be the recipient of a CDBG Rental Rehabilitation Project Grant, on behalf of developer Ruesswood REI Group, LLC, for the development of seven new apartments on the third floor of the building at 114-116 West Main Street. Per the terms of the grant, the City is responsible for paying eligible expenses generated by the project, some of which will come due prior to the City's anticipated receipt of the grant funds, necessitating an interdepartmental loan. This loan will be reimbursed by the MEDC and the developer.

Councilmember Pidek said he appreciated the context of the City Manager's explanation and went on to say that he fully supports any efforts the City can make to support commercial property owners that are willing to build right now.

Motion by Councilmember Pidek to approve the various service contracts required for the CDBG Rental Rehabilitation Project at 114-116 West Main Street, and authorize an inter-fund, zero-interest loan in the amount of \$62,500.00 from the General Fund to the Housing and Redevelopment Fund (254) to cover initial project expenses, with reimbursement from the State of Michigan CDBG Program and Ruesswood REI Group, LLC (developer) as follows:

RESOLUTION NO. 112-2023

**AUTHORIZE CONTRACTUAL SERVICES ASSOCIATED WITH
THE 114-116 WEST MAIN STREET CDBG RENTAL REHABILITATION PROJECT
AND APPROVE RELATED INTERDEPARTMENTAL LOAN BETWEEN
GENERAL FUND AND HOUSING & REDEVELOPMENT FUND**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has been awarded a Community Development Block Grant (CDBG) Rental Rehabilitation Program grant for the development of seven apartments on the third floor of the property located at 114-116 West Main Street; and

WHEREAS, per the terms of the CDBG Rental Rehabilitation Program, the City of Owosso will serve as a pass-through entity for the grant funds, assure program compliance, and ensure that the CDBG funds will be used for the purposes intended; and

WHEREAS, implementation of said CDBG Rental Rehabilitation Project requires the services of a several different administrators, consultants, professionals, and contractors, all of which will be paid by the City for services rendered using a combination of grant funds and developer funds which shall be deposited in escrow prior to the start of the construction phase of the project; and

WHEREAS, the Project requires the services of a certified grant administrator (CGA) to provide assistance through the application process and ensure compliance during implementation of the project, and, it is hereby determined that Northern Consultants Inc. of Hancock, Michigan is qualified to provide said services and have submitted the lowest responsible and responsive bid; and

WHEREAS, the Project requires environmental consultation, review, and remediation for, but not limited to, lead, asbestos, radon and soil, and it is hereby determined that TriTerra, LLC of Lansing, Michigan is qualified to provide environmental consultation, review and testing, and First Contracting, Inc. of Ovid, Michigan is qualified to provide environmental remediation and abatement services; and

WHEREAS, the City of Owosso solicited bids from general contractors to conduct the construction at 114-116 West Main Street as proposed by Dingens Architects, of Corunna, Michigan, and it is hereby determined that West Investment Group, L.L.C. dba West Construction Services, of Pontiac, Michigan is qualified to provide said services and has submitted the lowest responsible and responsive bid; and

WHEREAS, it is hereby determined that TEaM Design Architects, of Owosso, Michigan is qualified to provide architectural services; and

WHEREAS, it is hereby determined an interdepartmental loan between the General Fund and Housing & Redevelopment Fund is necessary to cover expenses incurred prior to the availability of the grant funding through the required reimbursement process established by the Michigan Economic Development Corporation (MEDC).

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

- FIRST: it has heretofore determined that it is advisable, necessary and in the public interest for the City of Owosso to serve as the CDBG rental rehabilitation grant recipient/awardee on behalf of Ruesswood REI Group, LLC (sub grant award recipient) for the CDBG Rental Rehabilitation Project at 114-116 West Main Street.
- SECOND: of the estimated \$1,250,095 project cost, \$723,180 shall be reimbursed by the State of Michigan through a CDBG grant from the MEDC, and the remaining \$526,915 in project expenses, plus the cost of any additional expenses that may arise, shall be the responsibility of the property owner/developer Ruesswood REI Group, LLC, with said funds deposited in an escrow account per the terms of Grant No. MSC 222019-RR.
- THIRD: it has heretofore determined that it is advisable, necessary and in the public interest to award the bid for general contracting services for the 114-116 West Main Street CDBG Rental Rehabilitation Project to West Investment Group, L.L.C. dba West Construction Services in the amount of \$1,096,000.
- FOURTH: it has heretofore determined that it is advisable, necessary and in the public interest to award the contract for certified grant administrator services for the 114-116 West Main Street CDBG Rental Rehabilitation Project to Northern Consultants Inc. in the amount of \$13,745.
- FIFTH: it has heretofore determined that it is advisable, necessary and in the public interest to award the contract for environmental review, consultation and testing services to TriTerra, LLC in the amount of \$15,290.00.
- SIXTH: it has heretofore determined that it is advisable, necessary and in the public interest to award the contract for environmental remediation and abatement services to First Contracting, Inc. in the amount of \$114,960.
- SEVENTH: it has heretofore determined that it is advisable, necessary and in the public interest to award a shared contract for architectural services in an amount not to

exceed \$7,500, with the contract for architectural services performed to date awarded to John Erwin Dingens dba Dingens Architects, and the contract for architectural services going forward awarded to TEaM Design Architects.

EIGHTH: a temporary loan of \$62,500 at 0% interest is hereby authorized from the General Fund (101) to the Housing and Redevelopment Fund (254) for the payment of contractor and service providers until such time as the grant funds are received.

NINETH: the accounts payable department is authorized to pay West Construction Services, Northern Consultants Inc., TriTerra, LLC, Dingens Architects, TEaM Design Architects, and First Contracting, Inc. up to \$1,250,095 with the understanding the city will be reimbursed \$723,180 from the State of Michigan and \$526,915 from Ruesswood REI Group, LLC through escrow account proceeds.

Motion supported by Councilmember Law.

Roll Call Vote.

AYES: Councilmembers Fear, Pidek, Mayor Pro-Tem Osika, Councilmembers Olson, Haber, Law, Mayor Teich.

NAYS: None.

Loan Write-Off - Brownfield Redevelopment Plan District #21

City Manager Henne noted that the developer for this project had intended to pursue a rental rehabilitation grant, but the MEDC asked them to consider another grant program instead. Unfortunately, under the new grant program the financials for the project wouldn't work for the developer and the project was eventually abandoned, but not before a Certified Grant Administrator (CGA) was hired and some work performed. The State refused to pay the CGA because the project was cancelled. The City felt it was in its best interest to pay the CGA for their services. There are only a few companies in the state that provide such services and the services of the firm in question may very well be needed in the future. As such a loan was made from the General Fund to the Brownfield Redevelopment Authority to cover the cost of the CGA services.

Councilmember Fear asked if there was any way to prevent something similar happening in the future. City Manager Henne indicated that the State has since built a fail-safe into the process to ensure it doesn't happen again.

Motion by Mayor Pro-Tem Osika to approve writing off the loan to the BRA associated Brownfield Redevelopment Plan District #21 – 152 Howard Street in an amount not to exceed \$10,000.00 as follows:

RESOLUTION NO. 113-2023

**AUTHORIZE WRITING OFF THE INTERDEPARTMENTAL LOAN
BETWEEN THE GENERAL FUND AND
BROWNFIELD REDEVELOPMENT AUTHORITY DISTRICT NO. 21 - 152 HOWARD STREET**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, approved a Brownfield Development Authority under Public Act 381 of 1996; and

WHEREAS, the Brownfield Development Authority allows for a community the opportunity to create a local brownfield financing resource, enhance local economic development capacities and market difficult sites based on private incentives; and

WHEREAS, the City of Owosso Brownfield Development Authority created and adopted a brownfield redevelopment plan for 152 Howard Street on October 9, 2019; and

WHEREAS, the Owosso City Council adopted a brownfield redevelopment plan for 152 Howard Street on November 4, 2019; and

WHEREAS, the brownfield redevelopment plan authorized tax capture for 27 years (2020-2047); and

WHEREAS, project costs were incurred and needed to be paid even though there was no tax capture on the redevelopment project; and

WHEREAS, the property owner has abandoned the development project and no tax capture is available and or will be available to pay for costs incurred.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

FIRST: it has heretofore determined that it is advisable, necessary, and in the public interest to authorize writing off the interdepartmental loan between the General Fund (101) and the Owosso Brownfield Redevelopment Authority Fund (280) as it relates to Brownfield Redevelopment Plan District #21 – 152 Howard Street, in an amount not to exceed \$10,000.

Motion supported by Councilmember Law.

Roll Call Vote.

AYES: Mayor Pro-Tem Osika, Councilmembers Haber, Pidek, Law, Olson, Fear, Mayor Teich.

NAYS: None.

Emergency Response Loan Write-Off – O.Marie’s LLC

City Manager Henne explained that during the COVID pandemic the City assisted several downtown businesses with emergency loans from the Downtown Revolving Loan Fund. This is the only emergency response loan that has fallen behind to the point where the courts are involved.

Motion by Councilmember Pidek to approve writing off the Downtown Revolving Loan Fund Emergency Response Loan associated with O. Marie’s LLC in the amount of +/- \$3,065.81 and reclass \$2,969.08 of such balance as allowance for bad debt on the General Ledger as follows:

RESOLUTION NO. 114-2023

**AUTHORIZATION TO WRITE OFF BALANCE OF REVOLVING LOAN FUND –
EMERGENCY RESPONSE LOAN BETWEEN
THE CITY OF OWOSSO AND O. MARIE’S LLC**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, established and operates a revolving loan fund, formerly known as UDAG/CDBG; and

WHEREAS, on June 17, 2019 City Council approved the new OMS/DDA Revolving Loan & Grant Program, giving stewardship of the loan and grant process to the Owosso Main Street/DDA Board; and

WHEREAS, on March 16, 2020 the OMS/DDA Board approved the addition of Emergency Response Loans to the RLF Manual in response to the COVID 19 Pandemic; and

WHEREAS, on March 30, 2020 the OMS/DDA Revolving Loan Committee recommended approval of the Emergency Response Loan Application from O’Maries LLC; the said recommendation received the endorsement of the DDA Board of Directors on April 1, 2020; and final approval was granted by the City Council later that month; and

WHEREAS, the loan has multiple delinquent payments dating back to 2021 and is in default; and

WHEREAS, the city attorney has secured a court judgement in the amount of \$2,969.08 for such loan.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

FIRST: it has heretofore determined that it is advisable, necessary, and in the public interest to write off the balance of the Emergency Response Loan given to O. Maries LLC, totaling +/- \$3,065.81.

SECOND: it has heretofore determined that it is advisable, necessary, and in the public interest to book \$2,969.08 of such delinquent balance as allowance for bad debt, reflecting the court judgement amount.

Motion supported by Councilmember Olson.

Roll Call Vote.

AYES: Councilmembers Haber, Pidek, Law, Fear, Olson, Mayor Pro-Tem Osika, Mayor Teich.

NAYS: None.

Long-Term Advancement Amendment – Brownfield Redevelopment District #3 TiAl Products, Inc.

Motion by Councilmember Law to approve amending the interdepartmental long-term advancement to Brownfield Redevelopment District #3 - TiAl Products, Inc. reducing the interest rate to zero (0%) beginning July 1, 2023 due to a reduction in TIF captures as follows:

RESOLUTION NO. 115-2023

**AUTHORIZE AMENDMENT TO THE INTEREST RATE FOR
THE LONG-TERM ADVANCEMENT
TO BROWNFIELD REDEVELOPMENT DISTRICT #3 – TIAL PRODUCTS, INC.**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, established a Brownfield Redevelopment Authority under Public Act 381 of 1996; and

WHEREAS, the City of Owosso Brownfield Redevelopment Authority and Owosso City Council adopted a Brownfield Redevelopment Plan for TiAl Products, Inc. in 2007 (District #3); and

WHEREAS, the Revolving Loan Fund financed street improvements to benefit Brownfield Redevelopment Authority District #3 – TiAl Products, Inc. via a long-term advancement in the amount of \$220,880.00 to be paid back over a 19-year period at an annual interest rate of 6%; and

WHEREAS, said Brownfield Redevelopment Plan authorized tax capture to pay back such long-term advancement made by the Revolving Loan Fund; and

WHEREAS, the projected annual tax capture will not equal the required annual payment due to the expiration of an industrial facility tax abatement, which increased the BRA District #3 TIF plan's base taxable value.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

- FIRST: it has heretofore determined that it is advisable, necessary and in the public interest to reduce the interest rate for the Long Term Advancement to BRA District #3 – TiAl Products, Inc. due to a reduction in TIF capture.
- SECOND: it reaffirms the term of the long-term advancement will end on June 30, 2026.
- THIRD: it authorizes the interest rate to be reduced from 6% to 0% APR for the remaining three years of the long-term advancement.
- FOURTH: the new yearly payment is estimated at \$19,388.04 for the interdepartmental loan.

Motion supported by Councilmember Fear.

Roll Call Vote.

AYES: Councilmembers Fear, Haber, Mayor Pro-Tem Osika, Councilmembers Law, Olson, Pidek, Mayor Teich.

NAYS: None.

COMMUNICATIONS

- Brad A. Barrett, Finance Director. Financial Report – April 2023.
- Downtown Development Authority/Main Street. Minutes of May 3, 2023.
- Owosso Historical Commission. Minutes of May 8, 2023.
- Downtown Historic District Commission. Minutes of May 17, 2023.
- WWTP Review Board. Minutes of May 23, 2023.
- Parks & Recreation Commission. Minutes of May 24, 2023.

CITIZEN COMMENTS AND QUESTIONS

Tom Manke, 2910 W. M-21, said he felt that blame for the cancellation of the Memorial Day parade was with the Public Safety Director.

Pastor Bill Moull, Owosso Free Methodist Church, asked if a moment of silence could be held for those that laid down their lives for our country. The request was granted, and a moment of silence was observed by all those present.

Pastor Don Fields, Calvary Baptist Church, said Sec. 4-191 of the City Code defines cross-dressing as sexual activity and asked if the City was going to allow an establishment in the City to hold adult entertainment without a permit to do so.

Eddie Urban, 601 Glenwood Avenue, said he had been wrongfully banned from a local shuttle service that provides veterans with a ride to medical appointments for excessive swearing, and now he has missed three different appointments because he didn't have a ride. He said he doesn't normally swear when speaking but he was telling stories from Vietnam.

Mike Eckmyre, Quartermaster/Adjutant of VFW Post 9455, said that what discouraged him the most as a veteran was seeing how little respect people show to veterans. He said that we need to hold parents and schools responsible for teaching young people to respect veterans.

Councilmember Haber asked staff to address Mr. Field's questions regarding events that may fall under adult entertainment laws. City Attorney Gould said it would be difficult to determine if the proposed drag show bingo event would violate the ordinance because there is no way to determine if it will exceed the standards of the ordinance before it takes place, nor can they take punitive action unless a law is actually broken.

Councilmembers Law and Olson suggested the ordinance be reviewed to make sure that it reflects the changes that have taken place in society.

NEXT MEETING

Tuesday, June 20, 2023, 7:30 p.m. - Regular

BOARDS AND COMMISSIONS OPENINGS

Building Board of Appeals – Alternate - term expires June 30, 2024
Building Board of Appeals – Alternate - term expires June 30, 2025
Zoning Board of Appeals – Alternate – term expires June 30, 2024
Zoning Board of Appeals – Alternate – term expires June 30, 2025

ADJOURNMENT

Motion by Mayor Pro-Tem Osika for adjournment at 9:05 p.m.

Motion supported by Councilmember Olson and concurred in by unanimous vote.

Robert J. Teich, Jr., Mayor

Amy K. Kirkland, City Clerk