

**OWOSSO CITY COUNCIL**

**DECEMBER 4, 2006**

**7:30 P.M.**

**PRESIDING OFFICER:** MAYOR LINDA L. ROBERTSON  
**OPENING PRAYER:** PASTOR DAVID WOODBY  
REDEEMER LUTHERAN CHURCH  
**PLEDGE OF ALLEGIANCE:** MAYOR LINDA L. ROBERTSON  
**PRESENT:** Mayor Linda L. Robertson, Mayor Pro-tem Mark D. Owen,  
Councilpersons Michael E. Bruff, Michael N. Cline, Joane E.  
Ford, and Matthew B. Harvey.  
**ABSENT:** Justin R. Horvath.

**APPROVE AGENDA**

Motion by Councilperson Bruff to approve the agenda as presented.

Motion supported by Councilperson Cline and concurred in by unanimous vote.

**APPROVAL OF THE MINUTES OF REGULAR MEETING OF NOVEMBER 20, 2006**

Motion by Councilperson Harvey to approve the Minutes of the Regular Meeting of November 20, 2006 as presented.

Motion supported by Councilperson Ford and concurred in by unanimous vote.

**SPECIAL PRESENTATION**

Curwood Festival Donation. Mayor Robertson received a \$1000 check to the City from the Curwood Festival for upkeep of Curwood Castle presented by Sarah Hoover, Curwood Festival president.

**PUBLIC HEARINGS**

**PERSONAL PROPERTY TAX EXEMPTION**

The Public Hearing was held to receive citizen comment regarding the Application for Exemption of New Personal Property as requested by Target Industries, Inc. at 312 South Elm Street.

The following persons addressed the City Council regarding the application:

Gary Martenis, 705 Lingle Avenue, questioned James Griesen, president of Target Industries, regarding the condition of the building proposed for the business expansion.

Mayor Robertson indicated comments and questions should be directed only to the City Council.

Burton Fox, 216 East Oliver Street, indicated he felt all questions should be answered during a public hearing regardless of to whom they are directed.

Director of Community Development Philip B. Hathaway indicated it was always his assertion the building was viable for development.

Building Official John F. Archer indicated many improvements had been made to the building recently.

Mayor Pro-Tem Owen indicated he felt the \$1 million capital investment by Target Industries, Inc. exhibited their faith in the structure.

Councilperson Cline inquired as to if the company would be hiring personnel locally.

James Griesen, president of Target Industries, Inc., commented on his intentions to hire local workers and the number of local workers he currently employs. He further commented regarding the amount of money involved in the tax exemption.

Councilperson Bruff indicated he hoped the business would hire locally.

Motion by Mayor Pro-Tem Owen to adopt the following resolution:

**RESOLUTION 14-2006**

**New Personal Property Tax Exemption  
312 South Elm Street -- Owosso, Michigan**

WHEREAS, State law P.A. 328 of 1998, as amended by P.A. 20 of 1999, provides for personal property tax exemption when certain conditions are met; and,

WHEREAS, The City of Owosso, as a Year 2006 Eligible Distressed Area in the State of Michigan, is qualified to offer exemptions for new personal property; and,

WHEREAS, The City of Owosso, in support of economic development efforts, has adopted criteria to determine eligibility for industrial property tax abatements; and

WHEREAS, Target Industries Inc of 222 S. Elm Street and its adjoining facility at 312 S. Elm Street, with the land description of 312 S. Elm Street more particularly described below, has applied to the City of Owosso, to acquire a personal property tax abatement for an investment in industrial equipment and machinery exceeding \$1,000,000 over a five-year period with new employment opportunities estimated at 20 persons and the restoration of a vacant 37,000 square foot historic manufacturing plant; and

WHEREAS, on April 21, 1997, after a public hearing and notice, the City of Owosso established a Brownfield Redevelopment Zone, as provided for in Act 381, Public Acts of the State of Michigan of 1996 as amended, that includes the property at 312 S. Elm Street, more particularly described below; and,

WHEREAS, local taxing jurisdictions, the city assessor and the general public have been offered the opportunity to make public comment on the application and were afforded a public hearing at a regular meeting of the Owosso City Council on December 4, 2006; and

WHEREAS, the City Council of the City of Owosso has found that this inducement for economic development will have an effect at Target Industries, Inc of increasing employment in the area, creating a capital investment in the State of Michigan, and promoting economic growth for the region and State; Now Therefore,

BE IT RESOLVED, that the City of Owosso, after public hearing and comment, finds that the application of Target Industries, Inc qualifies for a twelve (12) year new personal property tax exemption for personal property acquired after the date of this resolution with an ending date on December 30, 2018; Furthermore,

BE IT RESOLVED, that the City Council authorizes, subject to State Tax Commission review and approval, a new personal property tax exemption to the eligible business, Target Industries, Inc, on applicant's leased premises at 312 S. Elm Street more particularly described as a parcel of land situated in the City of Owosso, Shiawassee County and State of Michigan, to wit: LOT 1, EXCEPT THAT AREA DESCRIBED AS BEGINNING 7.68 FEET WEST OF THE NORTHEAST CORNER OF SAID LOT 1; THENCE WEST 119.47 FEET; SOUTH 2.8 FEET; AND NORTHEASTERLY 119.5 FEET TO THE POINT OF BEGINNING, OF AL & BO WILLIAMS' ADDITION TO THE CITY OF OWOSSO, SHIAWASSEE COUNTY, MICHIGAN.

Motion supported by Councilperson Ford.

Roll Call Vote.

AYES: Councilpersons Harvey, Cline, Bruff, Mayor Pro-Tem Owen, Councilperson Ford, and Mayor Robertson.

NAYS: None.

ABSENT: Councilperson Horvath.

#### **COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION**

A public hearing was conducted to receive citizen comment regarding the application to the Michigan Economic Development Corporation for a grant to be used for City of Owosso water system capacity and reliability improvements.

There were no citizen comments from those present.

Councilperson Bruff inquired as to the City's costs for the improvements.

Utilities Director Gary M. Burk indicated the City's share would be \$140,000, which was already included in the budget.

Motion by Councilperson Ford to adopt the following resolution:

#### **RESOLUTION 15-2006**

#### **Infrastructure Capacity Enhancement Community Development Block Grant Application**

Project Title: City of Owosso Water System Capacity and Reliability Improvements"

Whereas, the proposed project would improve the firm capacity and reliability of the City of Owosso's municipal water system through renovation of the booster pump station at the 1,200,000 gallon standpipe and improvements to the two groundwater wells located on Palmer Street on the south side of Owosso, and

Whereas, the total project cost is estimated at \$350,000 with an application for \$210,000 in grant funding through the Community Development Block Grant - Infrastructure Enhancement Program, and

Whereas, the local project share of \$140,000 is a budgeted expenditure from the City Water Fund, and

Whereas, the project would benefit all the citizens of Owosso, and particularly the 51.3 % of the residents classified as low and moderate income, through accomplishing these needed infrastructure improvements by leveraging limited local funds with grant funds and thus avoiding a water rate increase to finance this work in a timely fashion, and

Whereas, the project is consistent with Owosso's Community Development Plan by improving the reliability and firm capacity of the municipal water supply infrastructure which is essential to support all elements of Community Development, and  
Whereas, no project costs will be incurred prior to formal grant award, completion of environmental review procedures and formal, written authorization to incur costs is received from the Michigan Economic Development Corporation, Office of Federal Grant Management.

Therefore, be it resolved that the Owosso City Council hereby approves the proposed project and the submittal of the Michigan CBDG application with City Manager, Gregg Guetschow, signing as the authorized local government official.

Motion supported by Councilperson Harvey.

Roll Call Vote.

AYES: Councilpersons Cline, Ford, Harvey, Mayor Pro-Tem Owen Councilperson Bruff, and Mayor Robertson.

NAYS: None.

ABSENT: Councilperson Horvath.

#### **CITIZEN COMMENTS AND QUESTIONS**

Gary Martenis, 705 Lingle Avenue, commented regarding City purchase of commercial properties, executive sessions, and the upcoming neighborhood survey.

Burton Fox, 216 East Oliver Street, commented on the purpose of public hearings.

Mayor Robertson commented on the public hearing for Personal Property Tax Exemption.

Councilperson Cline read copy of letter from Nancy Friel regarding 440 Corunna Ave.

Councilperson Bruff commented on the purpose of the neighborhood survey, City Council members being at-large representatives, and the conduct of executive sessions.

Mayor Pro-Tem Owen commented on City purchase of commercial properties.

Mayor Robertson commented on personal attacks and the public hearing for Personal Property Tax Exemption.

#### **CONSENT AGENDA**

Motion by Councilperson Ford to approve the Consent Agenda as follows:

##### Conduct First Reading and Set Public Hearing-Rezoning Request.

The First Reading on the proposed Ordinance Amendment was held.

A Public Hearing was scheduled for December 18, 2006 to receive citizen comment regarding the proposed amendment to Section 38-27, Chapter 38, Article II, District Boundaries, of the Code of the City of Owosso, as follows:

AN ORDINANCE TO AMEND SECTION 38-27 OF CHAPTER 38 OF THE CODE OF ORDINANCES OF THE CITY OF OWOSSO, MICHIGAN.

THE CITY OF OWOSSO ORDAINS:

SECTION 1. That Section 38-27 of Chapter 38 of Article II of the Owosso City Code, District Boundaries, is hereby amended by changing the designation of the following lots and parcels of land designated in a zoning map of the City of Owosso, and referred to in said Section and made a part thereof, which said lots and parcels hereby intended to be redesignated are not described in body of said Section as in certain zone districts; said designation being as follows:

APPLICANT: Memorial Healthcare

PROPERTY ADDRESS: 701, 703, 715, 719, 727-729, 803, 819, 825 North Shiawassee Street;  
614, 616 West King Street;  
714, 720, 728, 804, 814, 820 Ada Street

PROPOSED REZONING: FROM: R-1, Single Family Residential, in part and  
R-2, Two Family Residential, in part  
TO: OS-1, Office Service District

PROPERTY DESCRIPTION: LOTS 1-15, BLK 1, INGERSOLLS ADDITION TO THE CITY OF OWOSSO, SHIAWASSEE COUNTY. MICHIGAN, EXCEPT LOT 3.

LOT SIZE: 3.87 ACRES

SECTION 2. The changes made in the zoning in the lots and parcels of land hereinbefore described are hereby ordered to be redesignated on said map in accordance with this Ordinance.

SECTION 3. This Ordinance shall take effect twenty (20) days after passage.

SECTION 3. This Ordinance shall take effect twenty (20) days after passage.

Set Public Hearing Personal Property Exemption. Set public hearing for December 18, 2006 to receive public comments on New Personal Property Exemption for Owosso Automation, Inc., 1650 East South Street.

Special Assessment District No. 2006-1– Hazards and Nuisances

**RESOLUTION 16-2006  
Special Assessment District No. 2006-01  
Hazards and Nuisances**

WHEREAS, the Assessor has prepared a special assessment roll for the purpose of specially assessing that portion of the unpaid costs incurred in the altering, repairing, tearing down, abating or removing of hazards and nuisances more particularly hereinafter described to the properties specially benefited by said public improvement, and the same has been presented to the Council by the City Clerk.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said special assessment roll is hereby accepted and shall be filed in the office of the City Clerk for public examination.
2. The Council shall meet at the Owosso City Hall, Owosso, Michigan at 7:30 o'clock p.m., on December 18, 2006 for the purpose of hearing all persons interested in said special assessment roll and reviewing the same.
3. The City Clerk is directed to publish the notice of said hearings once in *The Argus Press*, the official newspaper of the City of Owosso, not less than ten (10) days prior to said hearing and shall further cause notice of said hearing to be sent by first class mail to each owner of the property subject to assessment, as indicated by the records in the City Assessor's office as shown on the general tax rolls of the City, at least ten (10) days before the time of said hearing, said notice to be mailed to the addresses shown on said general tax rolls of the City.

The notice of said hearing to be published and mailed shall be in substantially the following form:

**NOTICE OF HEARING TO REVIEW  
SPECIAL ASSESSMENT ROLL – HAZARDS AND NUISANCES  
CITY OF OWOSSO  
COUNTY OF SHIAWASSEE, MICHIGAN**

TO THE OWNERS OF THE OF THE FOLLOWING DESCRIBED PROPERTY:

Parcel Number	Address	Amount
050-113-008-031-00	1229 Milwaukee	\$198.63
050-115-004-015-00	1214 Palmer	\$1,439.00
050-602-005-013-00	822 Isham	\$530.15
050-580-000-099-00	834 E. Comstock	\$128.95
050-420-001-009-00	538 Corunna	\$309.24
050-390-004-015-00	1330 Adams	\$185.12
050-011-020-005-00	910 Corunna	\$370.49
050-470-007 -005-00	421 N. Saginaw	\$278.30
050-660-018-008-00	716 Clinton	\$234.00
050-622-002-012-00	920 Grace	\$241.90
050-622-002-009-00	835 Ament	\$486.98
050-622-002-015-00	810 Grace	\$478.50
050-010-016-020-00	616 Glenwood	\$396.15
050-115-003-013-00	332 Prindle	\$213.01
050-111-007 -008-00	411 Randolph	\$274.21
050-621-001-002-00	209 State	\$890.48
050-470-022-001-00	123 W. Exchange	\$49,188.14
050-310-001-017-00	820 Ada	\$1,513.43
050-113-008-007-00	715 Martin	\$213.98
050-113-015-006-00	1401 W. Main	\$68.42
050-010-016-020-00	616 Glenwood	\$76.93
050-660-009-010-00	207 N. Lansing	\$68.16
050-391-000-001-00	404 E. Mason	\$84.61
050-541-000-018-00	501 E. King	\$103.24
050-050-000-035-00	125 S. Lansing	\$93.95
050-050-000-033-00	209 S. Lansing	\$93.95
050-537 -000-006-00	1221 N. Chipman	\$93.95
050-660-004-002-00	415 N Shiawassee	\$79.97
050-651-022-003-00	310 Corunna	\$92.41
050-660-006-009-00	734 River	\$84.61
050-580-000-089-00	201 Oakwood	\$161.57
050-070-002-014-00	714 Ament	\$642.73
050-150-000-009-00	425 Abbott	\$403.61
050-570-000-018-00	713 Nafus	\$285.18
050-011-020-005-00	910 Corunna	\$100.08
050-320-000-054-00	111 E. King	\$100.08
050-660-008-001-00	1000 Bradley	\$212.69
050-450-000-039-00	1484 W. King	\$104.38
050-115-004-015-00	1214 Palmer	\$224.16
050-720-000-018-00	1459 W. King	\$71.45
050-603-004-012-00	1426 Stinson	\$344.16
050-140-005-003-00	918 Summit	\$218.91
050-660-012-019-00	202 N. Cedar	\$229.20
050-652-008-005-00	810 Division	\$113.04
050-010-033-002-00	1101 Corunna	\$261.90
050-602-036-009-00	1408 Nelson	\$261.88
050-090-002-016-00	1419 Cleveland	\$150.66
050-622-002-015-00	810 Grace	\$153.08
	<b>Total Roll</b>	<b>\$62,549.62</b>

TAKE NOTICE that a Special Assessment Roll-Hazards and Nuisances has been prepared for the purpose of defraying the unpaid costs incurred in the altering, repairing, tearing down, abating or removing of hazards and nuisances of the above described property.

The said Special Assessment Roll-Hazards and Nuisances is on file for public examination with the City Clerk and any objections to said Special Assessment Roll-Hazards and Nuisances must be filed in writing with the City Clerk prior to the close of the hearing to review said Special Assessment Roll-Hazards and Nuisances.

TAKE FURTHER NOTICE that appearance and protest at this hearing is required in order to appeal the amount of the special assessment to the State Tax Tribunal if an appeal should be desired. A property owner or party in interest, his or her agent, may appear in person at the hearing to protest the special assessment or may file his or her appearance by letter and his or her personal appearance shall not be required. The property owner or any person having an

interest in the property subject to the proposed special assessments may file a written appeal of the special assessment with the State Tax Tribunal within thirty days after confirmation of the special assessment roll if that special assessment was protested at this hearing.

TAKE FURTHER NOTICE that the City Council will meet at the Owosso City Hall, Owosso, Michigan at 7:30 p.m. on December 18, 2006 for the purpose of reviewing said Special Assessment Roll-Hazards and Nuisances and for the purpose of considering all objections to said roll submitted in writing.

Sole Source Purchase. Waived bid irregularities and approved sole source purchase from Detroit Pump for one Gorman Rupp Model 40iC pump for the Waste Water Treatment Plant in the amount of \$8,354.00.

Payment Authorization. Authorized final payment to Perrin Construction for the 2006 Street Program in the amount of \$730.00 (these items were omitted from the final payment approved November 20, 2006.)

Motion supported by Councilperson Cline.

Roll Call Vote.

AYES: Councilpersons Bruff, Harvey, Ford, Cline, Mayor Pro-Tem Owen, and Mayor Robertson.

NAYS: None.

ABSENT: Councilperson Horvath.

**ITEMS OF BUSINESS**

**PURCHASE AGREEMENT – 1000 BEEHLER STREET**

There was general discussion regarding possible removal of the indemnification clause on page 4 of the agreement, the extensive detail of the agreement, and semi parking on the property.

Motion by Councilperson Ford to authorize an agreement to purchase BLOCK 8, OF AL & BO WILLIAMS ADDITION TO THE CITY OF OWOSSO, commonly known as 1000 Beehler Street from Vaungarde, Inc., VGI September, Inc., Vaungarde Acquisition, Inc. in the amount of \$1.00 contingent upon the following: seller pays for all taxes and assessments owed and provides Phase 1 and Phase 2 environmental assessments. The Seller will be reimbursed for the Phase 1 and Phase 2 environmental studies through a Brownfield redevelopment plan after the purchaser has first been reimbursed its demolition and cleanup costs of \$88,311.74.

Motion supported by Councilperson Harvey.

Roll Call Vote.

AYES: Councilpersons Harvey, Bruff, Cline, Mayor Pro-Tem Owen, Councilperson Ford, and Mayor Robertson.

NAYS: None.

ABSENT: Councilperson Horvath.

**SATA FUNDING**

There was general discussion regarding where the requested funds would come from, the value of having a transportation service in the City, the difficulties of running such a system, participation in other communities, leadership within the organization, the size of SATA vehicles, the efficiency of such transportation systems, and the need for improvement.

Motion by Councilperson Bruff to table the item until the meeting of December 18, 2006.

Motion supported by Mayor Pro-Tem Owen.

Roll Call Vote.

AYES: Councilpersons Cline, Harvey, Mayor Pro-Tem Owen, Councilpersons Ford, Bruff, and Mayor Robertson.

NAYS: None.

**COMMUNICATIONS**

Owosso Leadership Summit. Minutes of Meeting of October 30, 2006.

Owosso Historical Commission. Minutes of Meeting of November 21, 2006.

Owosso Planning Commission. Minutes of Meeting of November 27, 2006.

Nancy J. Friel. Thank you letter regarding clean-up of 440 Corunna Avenue (presented and read aloud at meeting).

**CITIZEN COMMENTS AND QUESTIONS**

Gary Martenis, 705 Lingle Avenue, commented on public trust of Council.

Betty Coon, 1204 Palmer Avenue, commented on the SATA organization, the conduct of public hearings, and granting tax exemptions.

James Griesen, president of Target Industries, 222 South Elm Street, thanked Council for granting the tax exemption.

Ed Urban, 601 Glenwood Avenue, commented on the conduct of public hearings.

Burton Fox, 216 East Oliver Street, commented on business expansion and the conduct of public hearings.

City Manager Guetschow commented on business expansion.

Councilperson Cline inquired about the status of the old hotel site. It was noted that a new proposal from Fifth Third Bank is expected very soon. Council agreed to wait for the proposal from Fifth Third Bank before making any new moves to sell the property.

**ADJOURNMENT**

Motion by Mayor Pro-Tem Owen for adjournment at 8:54 p.m.

Motion supported by Councilperson Cline and concurred in by unanimous vote.

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Linda L. Robertson, Mayor

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Amy K. Kohagen, City Clerk