

OWOSSO CITY COUNCIL

NOVEMBER 30, 2009

7:30 P.M.

PRESIDING OFFICER: MAYOR BENJAMIN R. FREDERICK

OPENING PRAYER: PASTOR TOM MANKE
IGNITED WORD MINISTRIES

PLEDGE OF ALLEGIANCE: COUNCILPERSON THOMAS B. COOK

PRESENT: Mayor Benjamin R. Frederick, Mayor Pro-Tem Cindy S. Popovitch, Councilpersons Thomas B. Cook, Michael J. Erfourth, Christopher T. Eveleth, Joni M. Forster, and Gary W. Martenis.

ABSENT: None.

CITIZEN COMMENTS AND QUESTIONS

Brian Berry, 627 North Washington Street, recognized the former Universal Electric for its contribution to the community. He also recognized DPW Superintendent Mark Sedlak and the Department of Public Works for running the leaf collection program.

James Duntley, 1119 South Shiawassee Street, asked what is happening with the burned out house of Prindle Street saying he had asked about it a number of times and feels it is a danger.

Tim Law, owner of the Rainbow Bar, thanked Council for listening to him and his patrons at the last meeting. He indicated he has approached other bars owners and will attempt to organize a group after the Holidays.

Eddie Urban, 601 Glenwood Avenue, expressed his confusion about what will happen with the local access cable channels saying he had heard that it would cost more to see those channels after they migrate to channels 95 & 96. He also indicated he had heard that the channels would continue to be provided to those customers purchasing basic analog service. He objects to the migration.

Michael Cline, 411 North Chipman Street, indicated the home owner at 1218 Nafus Street is requesting city water service. He went on to say that he felt providing the service would be a good long term investment for the City. The wells in the area are contaminated and the house should have City water.

Shelva Cebulski, 1243 Marion Street, thanked Councilperson Martenis for his letter to the editor in today's paper. She said she'd like to think the pool issue isn't completely dead. She also wants clean air in town.

Jeff Gulick, 300 Clinton Street, also addressed the migration of the local access channels from channels 3 & 16 to 95 & 96, saying he feels this change is contrary to FCC rules. He said that 15% of channels assignments need to be available for local access at a set price. He also said that these channels have to reach at least 50% of those people subscribing to the lowest level of cable service. His feeling was Charter is taking local access away from the public to provide more bandwidth for digital channels. He would like the City to block the change legally.

Justin McNamara, Lincoln High School Student Body President, detailed events during the month of November at Lincoln High including the Red Cross Blood Drive and the first annual student vs. staff football game. He went on to say the school had adopted a new mission: academics, attitude, and accountability. In December they will be participating in the Owosso Cares Food Drive. Lastly, he said he was proud of the way Lincoln students contribute to the community.

There was a brief discussion about the burned out house on Prindle Street. It was noted the insurance company feels the fire was suspicious in nature and is still conducting an investigation. The City cannot tear down the structure without the risk of having to pay for the demolition until the insurance company releases the home.

Councilperson Martenis mentioned there was a dip in the new pavement on the north side of King Street near Gould Street. City Engineer Ronald Baker indicated he would check on it. City Manager Fivas noted the upcoming December 17th meeting hosted by Leadership Shiawassee on making the most of your meetings.

DISCUSSIONS

2009-2010 BUDGET

City Manager Fivas gave a Power Point presentation on the budget. It was organized in three segments: general overview, the budget process, and budget issues. He said the presentation in no way was meant to be exhaustive but rather a starting point for budget discussions.

The overview included details on the structure of City administration, the budgets for each division, and how they measured against comparable municipalities. The section on the budget process included upcoming dates for the different steps in the budget process, such as the dates for the proposed budget, adoption of the budget, and amendment of the budget. Lastly, he discussed anticipated budget issues, noting the most pressing items on the revenue side of the equation were falling property tax revenues, decreases in shared revenue, increases in health care costs, increases in pension costs, decreases in gas/weight tax payments, and an increase in legal costs(though temporary in nature). Despite all these pressures, he encouraged Council to not give up on making quality of life improvements in town, saying they would help position the city for the eventual upturn in the market. He went on to indicate that he felt that more than 40% of the anticipated structural deficit could be handled administratively, leaving approximately \$1.4 million remaining for reduction. He listed possible money savings through regional cooperation in recreation, ambulance service, water agreements, marketing, and purchasing. He also indicated Council could consider a reduction in services, privatization of services, and increasing local revenue in order to help balance the budget.

There was a brief recess at 8:41 p.m.

The meeting resumed at 8:47 p.m.

LEBOWSKY CENTER REBUILD PROJECT

City Manager Fivas introduced the subject saying there had been many discussions in the past regarding the desire to rebuild the Lebowsky Center. The latest discussion lead to the request to MSHDA to modify the terms of the VSCI Grant to allow the Owosso Community Players to utilize grant funding to assist in the reconstruction of the theater. MSHDA had recently responded with the indication an amendment to the agreement could be worked out on the condition the City support the endeavor by December 31, 2009 or the funds would fall to other proposed projects.

City Manager Fivas introduced Cheryl Peterson, OCP Board member and Rebuild Co-Chair. Ms. Peterson indicated OCP had retained the services of Bazzani Associates, Inc. out of Grand Rapids to direct the rebuild effort.

Guy Bazzani of Bazzani Associates Inc. was introduced as the designer and builder for the project. He indicated the company had thoroughly researched the project and found it to be viable based on a large part on tax credits, including Historical District credits, Brownfield Redevelopment credits and other Federal credits. The overall scope of the project would be reduced to bring the budget into the \$5 million range, including a contingency budget of 10%. It is anticipated \$3.5 million can be covered through tax incentives, while OCP will be responsible for raising the remaining \$1.5 million. He indicated modification of the VSCI Grant would be essential to starting the project allowing the enclosure of the current structure to protect it from further weather damage. He went on to say he felt the key in getting started was the approval of City Council to release VSCI funds to the Owosso Community Players, owners of the building. Work on the enclosed structure would begin once OCP raises the necessary funds. There was discussion about the risk assumed by the City, OCP, and Bazzani Associates. It was noted there was risk to the City but it would decline significantly within the first five years following construction.

Council will consider amending the VSCI Grant Agreement with MSHDA to allow the release of funds to OCP for the rebuild project at the first December meeting.

There was a brief recess at 9:35 p.m.

The meeting resumed at 9:47 p.m.

2009-2010 COUNCIL PRIORITIES

There was significant discussion on the parameters for the priorities, whether they were to be conceptual in nature or more concrete, and whether they needed to be entirely budget related. Council was presented a list of priority items developed by the previous Council. It was noted that many of the items listed stemmed from the Blue Ribbon Committee Report. Items included: developing arts and cultural businesses, improving the aesthetics of the downtown, pursuing recreation options, entrepreneurial incubation, regional service sharing, and the implementation of a housing program, among others.

The Council went on to brainstorm their own list of priorities including:

Short Term Goals (July 1, 2010 deadline)

- Construct sledding hill at Holman Park
- Construct playscape at Bentley Park
- Establish Neighborhood Watch Program
- Increase neighborhood communication
- Develop ways to more efficiently deliver services
- Increase commercial/industrial property tax base
- Assist in improving blighted homes
- Develop a dog park

Long Term Goals (July 1, 2011 deadline)

Explore aquatic recreation options
Institute yard waste pick-up
Line all city streets
Develop Master Plan

Policy/Ordinance Changes

Form advisory board to do general ordinance review
Review economic development process for streamlining
Institute wind energy conversion system ordinance
Review burning ordinance
Discuss possible blight ordinance
Review fee/fine schedules
Institute tax abatements for first-time home buyers

Each Council member also presented a written list of his/her priorities. Ideas mentioned numerous times included: neighborhood revitalization, economic development, recreation development, and recycling/yard waste pick up. Council agreed to continue to work and refine their priorities in the coming months. There was consensus to hold a special meeting in December or January dedicated specifically to discussing priorities. Further, Council directed staff to assemble a comprehensive list of priorities using the lists of individual Council members for reference during discussions.

PEG CHANNEL MIGRATION

City Manager Fivas noted Charter Communications plans to move the current local access channels (3 & 16) to channels 95 & 96. There is some concern this move will prevent some current subscribers from continuing to receive the channels without an extra charge. He noted he is in contact with a number of other communities regarding possible legal action and is monitoring the situation. He said further examination would be necessary to determine if the change was truly fair to citizens. He also said he would be drafting a letter to Charter to express the City's concerns with the move.

ADJOURNMENT

Motion by Councilperson Eveleth for adjournment at 11:26 p.m.

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

Benjamin R. Frederick, Mayor

Amy K. Kohagen, Deputy City Clerk