



# **CITY OF OWOSSO**

## **CITY MANAGER'S REPORT**

**May 2026**

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## Community Development

### Building Permits – Commercial Activity

The following commercial building permit was issued or active during May 2026:

- 323 W Main St – Interior renovations to Tim Hortons.

### Rezoning & Land Use

The following land use matter was addressed in May 2026:

- 1000 Bradley – Rezoning from Light Industrial to Multi-Family for 40 apartments. City Council approved the rezoning on May 18, 2026. The site plan requires further review at the June 22, 2026 Planning Commission meeting.

### Marihuana Licenses

The following marihuana licenses are active within the City of Owosso:

Type	Address	Status
Grow	1370 E South St	Medical/Recreational – Renewed Sept. 2025
Grow	1455 Industrial	Recreational – Renewed Oct. 2025
Grow	1750 E South St	Recreational – Renewed March 2026
Grow	1410 Hathaway	Recreational – Pending State Review
Processing	1750 E South St Ste. 1	Recreational – Renewed Jan. 2026
Retail	117 E Main St	Medical & Recreational – Renewed Oct. 2025
Retail	200 E Main	Recreational – Renewed May 2026
Retail	116 N Washington	Recreational – Renewed Jan. 2026

### MSHDA / Housing Grants

We continue to actively leverage state and federal housing grant funding. The following summarizes current and upcoming grant activity:

Program	Year	Grant Amt.	Admin. Reimb.	Scope / Status
NEP Round 8 (2023)	2023	\$70,000	\$5,000	5 homes – Completed
NEP Round 9 (2024)	2024	\$70,000	\$2,500	3 homes – Completed
NEP Round 9 Public Amenity	2024	\$15,000	\$0	Grand Ave Park Equipment – Completed
MI-HOPE (2024–25)	2024–25	\$250,000	\$15,000	11 homes, energy efficient – Completed



MI-HOPE Hi-Performer (2024–25)	2024–25	\$100,000	\$0	5 homes, energy efficient – Completed
MIN 1.0 & 2.0 CDBG (2025–26)	2025–26	\$785,000	\$141,300	26 homes – Complete by Nov. 2026
CDBG Round 2 (2026–27)	2026–27	\$400,000	\$72,000	10 homes
CDBG Round 3 – Residential (2027–28)	2027–28	\$760,000	\$136,800	19 homes
CDBG Round 3 – Citizens Loft (2026–27)	2026–27	\$500,000	\$90,000	5 rental units downtown
CDBG Round 4 (2028–29)	2028–29	\$1,250,000	\$225,000	32 homes
<b>TOTALS</b>		<b>\$4,200,000</b>	<b>\$687,600</b>	<b>Grand Total: \$4,887,600</b>

### 123 N. Washington (Citizens Loft / Fifth/Third Building)

All grant amendment materials from the owner were submitted as of June 1. The application must still receive MEDC leadership approval and MSF Board approval before funding is finalized - a rough timeline of July or August. Tanya is leading MSHDA compliance work on our end. The Historic District Commission’s Certificate of Appropriateness will expire in September. If construction has not started by then, there is a change the HDC will not extend it.

We plan to require the owner to escrow the full amount of the private portion of the project cost to avoid issues with the annual audit and day to day finance department challenges stemming from the developer’s potential request to use of city’s General Fund as a private bank to advance funds to pay contractors’ invoices to then be reimbursed by the grant programs. Any advanced funds for the project must come from the developer and not the city to cover the project’s funding requirements.

## Parks & Recreation

### Curwood Castle Restoration

The Curwood Castle Restoration and Repairs Project to Perrin Construction was approved at the May 4 City Council meeting. Work is set to begin the Monday after the Curwood Festival (June 1–7) and run through November, with some interior plaster work potentially extending further depending on how long moisture in the walls takes to dry. The castle will remain open throughout, though there may be brief closures during turret work. A small construction trailer will be placed in the adjacent gravel lot, and contractor equipment may intermittently affect parking out front.

### Bentley Park Splash Pad Replacement

DPW demolished the existing splash pad in May. Contractor installation is expected to be complete by July. This project is funded by the Parks and Recreation Millage and has been shared on city social media and the newsletter.



## Bentley Park Tennis & Pickleball Courts

We submitted applications for both a Michigan DNR Trust Fund Grant and a DNR Recreation Passport Grant, each requesting \$150,000, to support new tennis and pickleball courts at Bentley Park. Only one would be awarded. Funding decisions are expected in December 2026. If awarded, the project would be further supported by the General Fund and the Parks and Recreation Millage.

## Engineering – Project Status Report

The following summarizes active capital and infrastructure projects as of May 31, 2026.

Project	Status
2023 Street Patch Program (extended through this year)	ON TIME
2024 Sidewalk Replacement	COMPLETE
2026 Sidewalk Replacement Program	ON TIME
Washington Park Utility Extension (2025)	COMPLETE
2025 Sewer Lining Project	COMPLETE
EGLE TMF Grant – Water Service Line Investigation	ON TIME
2025–27 Water Service Line Replacement (500 locations / \$4M)	EARLY
CIS – James Miner Trail Connection (2026)	IN PROGRESS
2026 Sanitary Sewer Manhole Lining Project	IN PROGRESS
Dewey Street Water Main & Sewer Replacement (2026)	ON TIME
Woodlawn Ave Rehabilitation (2026)	IN PROGRESS
2026 Water Main Replacement – Contract 2 (DWSRF)	ON TIME – Bids Received
Standpipe Booster Station Replacement (DWSRF/Fishbeck)	IN PROGRESS
Storm Manhole Installation – Ament St (\$23,339)	ON TIME

## Notable Engineering Updates

- **Water Service Line Replacement:** Work is tracking ahead of schedule; all replacements are projected to be complete by end of July. Currently, 467 lines of the 500 goal have been addressed.
- **2026 Water Main Replacement – Contract 2 / Standpipe Booster Station (DWSRF):** Bids for Contract 2 were posted April 30 and opened June 2. Bids for the Standpipe Booster Station were received and reviewed in May, with a contractor recommendation submitted and the SRF Part 3 application to follow. Construction on both projects is anticipated to begin spring 2027.
- **Chipman Drain / M-21 Storm Sewer Improvement:** PEA Group engineering confirms a 24-inch pipe replacement eliminates flooding at Main/State up to the 10-year design storm. MDOT is prepared to share approximately 50% of costs. A cost estimate is being finalized; MDOT survey work along M-21 was completed in late April.



- **M-21 Bridge over Shiawassee River:** MDOT is targeting late spring/early summer for repairs pending an EGLE permit.
- **Michigan Avenue Railroad Crossing Closure:** I initiated a conversation with MDOT about closing the grade crossing on Michigan Avenue, which trucks have been using to access businesses than the M-71/Washington St. entrance. MDOT confirmed the crossing is classified as private and outside state regulatory jurisdiction. We may close and barricade it on our own authority and at our own cost. This would require council approval and we are gathering information for that request.

## Department of Public Works

### Street Patching Program Expansion

We have \$354,000 budgeted in major streets and \$150,000 in local streets for an expanded patching program in FY 2026–27, going beyond cold patch to include more substantive repairs that extend pavement life. Jason will log and mark troubled locations before we put work out to bid. Staff will distinguish between patches tied to water/sewer main breaks versus standard asphalt maintenance, and between local and major street funds. Separately, a new MDOT neighborhood road funding stream financed through marijuana tax revenues has been announced. We are on the distribution list and no application is required as it is formula-based and the exact amount for Owosso has not been released yet and it is unclear if the marijuana industry lawsuit over the 25% tax will affect the program or distribution.

### Sewer Jetting Maintenance Program

DPW continues its 4-year sewer jetting and cleaning program. Work this year is concentrated in the NE quadrant, including the Mallard Circle development area. Maintenance is tracked by spreadsheet; GIS integration remains a future goal.

### Homeless Encampments

Encampment cleanup continues in city parks and along drainage corridors. Occupants were given seven-day notices to vacate. Cleanup is substantial - estimated at five to six dump truck loads - and the area is accessible by loader but not full-sized equipment. I want to make sure we do not allow encampments to reach this scale again. Coordination with the Police Department continues in advance of any major cleanouts.

### M-21 Downtown Planters

A permitting issue arose with MDOT when our temporary planter installation (May–October) on M-21 was mistakenly entered as permanent in the permit application, prompting MDOT to send a maintenance agreement. Staff clarified the installation is seasonal and the matter was resolved - no Council resolution required.

## Information Technology

### Online Water Portal Development

The Owosso water portal, built in partnership with Concourse, has cleared user acceptance testing. Next steps are finalizing the resident sign-up flow and go-live marketing materials. An open BS&A ticket



is pending to enable a direct deep link into the payment portal, though BS&A has been reluctant to grant that request. The admin view covers approximately 6,500 accounts with live data; the resident view provides daily usage, billing, and a pay-now link.

## Assessing Department

Spring assessing inspections are ongoing. The initial round covered properties bounded by Chipman, North, Shiawassee, and King Streets, with additional letters going out to sections east of that area in the coming months. A tax abatement compliance review for 207 N. Washington St. (Apple Tree Lane) remains active.

## Finance

### Kona Villa / Millennia Housing Management

Kona Villa (1299 S. Shiawassee St.) had accumulated \$88,192.68 in unpaid water bills dating to August 2025. We cannot shut off water service because the supply line is tied to the building's fire suppression system. MSHDA has since arranged payment from a property reserve account, resolving the immediate debt ahead of the June 5 tax-roll deadline.

Operator Millennia Housing Management is under a federal HUD debarment stemming from a criminal investigation, though they may continue managing their existing portfolio. HUD placed Millennia on monthly monitoring calls and conducted a drop-in visit in May. Our city attorney has confirmed that the non-payment demand notices issued to residents are procedural steps and not imminent eviction orders.

## Public Safety Building – Construction Update

The Public Safety Building renovation (Spicer Group design, Veridus Advisors coordination) continued to advance in May. Key developments:

- **Asbestos Testing:** Trust Thermal completed testing. Floor tile tested positive and will be abated in the base bid scope. One door near dispatch also contains asbestos but does not need to be removed for ADA clearance. Boiler piping insulation tested negative.
- **Bid Documents:** Legal counsel reviewed and approved the documents, which were submitted to USDA Rural Development around June 6. We expect approximately one month for their review. All bidders will be required to attend a mandatory pre-bid walkthrough.
- **Key Design Decisions:** We chose 9-inch concrete (over asphalt) for the driveway apron given the weight of fire trucks and soil-settling concerns. USDA requested an ADA-compliant bathroom, which is now in scope. The base bid includes a full kitchen renovation. New locker rooms for fire and police are Alternates 1 and 2; a police break room sink is Alternate 3.
- **Budget & Scope:** Total project budget is approximately \$1,000,000 net of Spicer's fees. The base bid is designed to come in under budget with the three alternates providing bid-day flexibility. The project is not prevailing wage — a favorable cost development.
- **Timeline:** USDA approval is expected roughly one month after the June 6 submission. Bidding follows with a 28-day period. I am estimating a September construction start, running approximately 6–8 months.



## City Manager Meeting Summaries – May 2026

### Carnegie Library Repurposing Committee – May 28

The committee met May 28. City Attorney Scott Gould briefed members on the quiet title process; the committee voted to recommend City Council move forward with the Circuit Court filing. The committee also voted to encourage the Historic District Commission to add the Carnegie Library to the Downtown Historic District as a standalone contributing property. I was asked to explore acquiring or leasing parking from Watkins Brothers Funeral Home, including the green space at the NE corner of their property. This would ultimately be the decision of council but before I approach Watkins, I will review their current parking capacity to be sure that any reduction will not create a nonconformance situation from a zoning standpoint. I think the parking question is premature until the committee decides what the highest and best use for the property will be. I reported to them that the current parking lot of the library is enough to accommodate some uses but not others. Staff was asked to confirm the building's square footage and any maintenance obligations under the Carnegie agreement – which is 10% of the initial donation from the foundation in the early 1900's. This amounts to \$2000 per year. Next meeting is June 25, at 6:00 p.m.

### Shiawassee County Warning Siren Project

I participated in a countywide meeting on this project. The two components are: (1) new siren installations and one-way-to-two-way upgrades, priced at approximately \$30,000 per new siren; and (2) centralized 911 automation using Commander One software, estimated at approximately \$80,000 split among participating communities — roughly \$5,000–\$8,000 per community with 10–12 participants. Owosso is interested but will need a budget cycle before committing. The overall timeline is 12–24 months; a follow-up meeting is planned for mid-June.

### Hope Works Mid-Michigan – Homeless Shelter

I met with Pastor Gary Beale and the Hope Works team to review their inaugural season and plan ahead. The shelter operated approximately 80 days (January 11 – April 1) at Christ Episcopal Church, serving 39 individuals with roughly 54% achieving a stable housing resolution. No major incidents occurred. For next season they want to expand to six months (November through April), open at 1:00 PM daily, and grow to approximately 20 beds. Juddville United Methodist Church has committed \$50,000–\$200,000 as an anchor gift toward a permanent facility. I will quietly research Christ Episcopal and the Salvation Army building (recently closed) for zoning and occupancy fit. I will bring a summary to Council at the June 15 meeting.

### Shiawassee County Recycling Workgroup

Approximately 20 community listening sessions on curbside recycling were completed this month. Options 1 (mandated curbside via a small tax increase) and 5 (single citywide hauler covering both garbage and recycling) are the most popular, with Option 5 currently leading. Residents' top concerns are street wear from multiple hauler trucks and rising costs of living. A countywide community summit is planned for July 16 at the Comstock Inn.

### WWTP Review Board – May 26



The Review Board met May 26. The plant is in full compliance for March-April 2026, including through the extreme wet-weather period in April. Full SCADA implementation is the remaining major Phase I item; the Secondary Clarifier has just a few items left for full project completion including sluice gate installation.

## Department Head Meeting

Our May department head meeting covered the following:

- **RRC Certification:** The RRC presentation to City Council is scheduled for the second July meeting (tentatively July 20). A working session to identify 5–10 candidate redevelopment properties — primarily downtown and within the historic district — is set for July 13. RRC staff responsibility is transitioning from Amy to Tanya.
- **117 Exchange Street:** Certified code enforcement letters went to both property owners. Both cases remain open. A special assessment/lien of approximately \$60,000 for demolition costs at the adjacent lot is being prepared.
- **Vacant Building Ordinance:** HDC has passed a resolution urging council to adopt a vacant commercial building registration and inspection program. The DDA is expected to consider this in a future meeting as well. I believe there is a stronger path forward if both DDA and HDC support the effort, though drafting and adoption by city council will take time. This was attempted with a previous council that ultimately decided not to pursue an ordinance.
- **Parking Enforcement:** Non-payment rates on parking tickets are running approximately 32–33%. Finance and Police are working to verify accurate data from the parking enforcement software before I bring a recommendation to Council as requested by you last year. The DDA may weigh in on this matter as well.
- **DDA Revolving Loan Fund Revisions:** Proposed changes include making facades eligible for grants (not just loans), adding roof repair/replacement as an eligible use, and creating a forgivable loan option up to \$25,000 or 20% of the loan amount. The revised RLF goes to the DDA board in June and to City Council at the second June meeting if there are no major changes at the DDA level.
- **Website Redesign:** We have signed with a website vendor; staff accounts are created. The vendor will engage actively once the first invoice clears, expected in about two weeks. I removed the annual cost escalation clause from the contract as that was not in the Revize proposal in their response to our RFP.
- **Blood Drive:** We are hosting a blood drive on June 17 at City Hall, with a goal of 15 donations.
- **Hiring:** We are actively recruiting for seasonal DPW positions, a DPW worker, and a filtration plant attendant.