



## City Manager's Report: December 4, 2023

### Projects, Updates, Community Information, Staffing, General Operations

#### STATE LEGISLATIVE UPDATE

Curbside Recycling Required by 2028	Passed in December of 2022, this legislation amended PA 451 of 1994 – specifically Part 115 – to mandate that all cities over a population of 5000 shall be required to have curbside recycling established with at least 90% of single family households within the city by January of 2028. Councilman Haber has been appointed by the County to serve on the committee charged with deciding how to make this transition.	
Wind and Solar Siting Preemption	Signed by the Governor in Nov 2023, this legislation removes local zoning control for wind and solar site approvals. Much like pipeline siting, land use and zoning consideration will now fall to the Michigan Public Service Commission. There are requirements that site developers negotiate with local governments, but the decision is now up to the MPSC on zoning and land use. It is unlikely that a large wind or solar farm developer will look at Owosso because of a lack of large privately-owned tracts but I cannot rule out that possibility for city-owned greenspace lots that may be attractive to energy site developers. This legislation was opposed by the MML and MTA.	

#### ECONOMIC DEVELOPMENT PROJECTS

Westtown craft brewery – \$400,000 CRP grant - 2022	\$800,000 project to redevelop a historic Westtown storefront building into a craft brewery and upper story housing. Total state grant amount estimated at \$400,000 through the Community Revitalization Program grant	Application approved
123 N Washington project – estimated \$750,000 CRP grant - 2022	\$2.9 million redevelopment of downtown building to include 11 new upper story residential units and a restored historic façade. This project includes local tax abatements.	Meeting with MSF board in early December.
Old Middle School project - 2022	Estimated \$12-\$15 million redevelopment to include 50-54 new residential units. This project will most likely include LITEC and historical tax credits. This project was granted a 4% PILOT for the life of the mortgage but only for the previous developer. The new developer will ask for a similar PILOT ordinance to be granted. The tax credit application was rated 3 <sup>rd</sup> out of all submitted. It is likely that MSHDA will only have enough funding this round for one project.	OPS sold property to Venture, Inc. 4% PILOT ordinance approved. Tax Credit application submitted to state in October 2022. Denied. Resubmitting in April, 2023. Denied. Venture has resubmitted the app.

114 W Main St Upper Story Housing - \$700,000 rental rehab grant - 2021	This project will add 7 new residential units on the 3 <sup>rd</sup> floor of this downtown building. The first two floors are commercial. This project includes tax abatements already granted.	Abatement complete. Construction underway.
<b>TOTAL ECONOMIC DEVELOPMENT PROJECTS</b>	<b>\$17,975,000</b>	

<b>Building Department Update</b>		
<b>ZONING AMENDMENTS</b>		
City of Owosso	Amendments and rewrite of the City's zoning ordinance – Public Hearing at the 11/27 Planning Commission meeting. Pending final draft to be presented to council by February 2024.	
<b>BUILDING PERMITS – COMMERCIAL</b>		
114 W Main	Third floor apartments (8)	
<b>MARIHUANA LICENSES</b>		
<b>GROW</b>		
1. 1750 E South St	Recreational	Renewed – July 2023
2. 1370 E South St	Medical/Recreational	Renewed – September 2023
3. 1455 Industrial	Medical Recreational	Renewed Feb 2023 Issued Feb 2023
4. 1410/1420 Hathaway	Recreational	In Process- new build
<b>PROCESSING</b>		
1. 1750 E South St Ste. 1	Recreational	Issued Jan 2023
<b>RETAIL</b>		
1. 117 W Main St	Medical and Recreational	Renewed - October 2023
2. 1115 Corunna	Medical and Recreational	Renewed – July 2023
3. 200 E Main	Medical and Recreational	Renewed – May 2023
4. 116 N Washington	Medical and Recreational	Renewed – December 2022

<b>PROJECTS/ISSUES OF PUBLIC INTEREST</b>		
Matthews Building Site	Site backfilled, hydro-seeded, and secured. Code enforcement will be issuing additional violations for the condition of the building that remains. Building listed for sale by local broker for \$420,000.	Sold to private developer – September 2023
City Club Building (Exchange Street)	After an interior collapse occurred in June, 2023 a natural gas line was severed and repaired. The building official red-tagged the building and required owner to submit stamped engineering report detailing the building's structural integrity. Stabilization of front and rear walls complete. Owner and Engineer to present plan to Building department to clear debris and secure site. Historic District Commission issued demolition by neglect notice. Owner says he plans to apply for land bank grant to clean debris.	Code enforcement action underway.
123 N Washington (5 <sup>th</sup> 3 <sup>rd</sup> )	Owners still awaiting final grant approval from MEDC. Architectural plans need work according to MEDC. Grant LOI extended to Dec 12, 2023.	Code enforcement action underway

Grants			
Grant	Amount	Status	Description
Drinking Water State Revolving Loan Fund – 2024 (7497-01)	\$1,622,500	Awarded	Part of a \$3.4 million project, this state ARPA grant will help replace water main: N Dewey, Young, W Stewart, Grace, and Tracy St. Lead service lines in water main project areas and make improvements to the WTP: replace backwash pump, process piping, obsolete controls, communications equipment, and gravity filter improvements.
Drinking Water State Revolving Loan Fund - 2023	\$1,033,750	Awarded	This grant will help with lead service line replacement, water main replacement, and well upgrades. It's part of a \$4,045,000 project to continue improving the Owosso water system. Water Main: North, Lee, Clyde, Lunn, Huron, Milwaukee. Lead Service replacements in water main project areas. SCADA upgrades at water treatment plant. Improvements to Palmer 3a and Juniper wells. Fishbeck water study. Remainder of cost will be paid with low interest SRF loans.
Clean Water State Revolving Loan Fund - 2023	\$1,412,500 plus \$5,300,000 loan forgiveness	Preliminary Award – 2023	This grant plus loan forgiveness program will partially fund improvements at the wastewater plant to include: filter replacement, disinfection system replacement, electrical and SCADA upgrades, and solids drying. Total cost of the project is \$19,000,000. The remainder of the cost will be paid with low interest SRF loans.
Railroad Grade Repair Grant	\$181,653	Awarded	This grant is from MDOT and will fund the replacement of the railroad crossing at S. Cedar Street.
ARP Grant – Medicare/Medicaid/CHIP - 2021	\$80,708	Award Updated	The Department of Health and Human Services (HHS), through the Health Resources and Services Administration (HRSA), is making payments to providers based on the amount and type of Medicare, Medicaid, and Children's Health Insurance Program (CHIP) services provided to rural beneficiaries from January 1, 2019 through September 30, 2020. Initial award was \$56,200. An additional \$24,530 was awarded in Dec 2021.
ARPA Funding - 2021	\$1,510,000	Awarded	1 <sup>st</sup> payment received. Last payment will be received in 2022. Public online survey completed. Waiting on Council members to submit project application scoring to staff. \$750,000 has been allocated to water infrastructure.
MSHDA NEP Grant - 2023	\$75,000	Awarded	Used to assist low-income home owners with eligible exterior home improvements up to \$7,500. Application being drafted.
MSHDA MI HOPE Grant - 2023	\$105,000	Awarded	This grant program is designed to encourage and facilitate energy-efficiency focused residential housing repairs and upgrades to owner occupied homes and non-owner occupied single-family homes and multi-family properties consisting of a maximum of three total units within both rural and urban areas.
DNR Grant for Holman Pool Building - 2020	\$150,000	Cancelled	Bids came back more than twice what was budgeted for the project due to increases in labor and material costs. The building will be used for storage.
EGLD DWAM Grant - 2019	\$460,000	Awarded	Original work scope includes investigating 364 water service lines through the city, updating distribution system material inventory, and updating the water asset management plan. The project is funded by a grant from the State of Michigan. All addresses on the

			original list, change order no. 1 list, and change order no. 2 list have been hydro-excavated at the curb stop. Hard surface restoration is in progress.
EGL Service Line Replacement Funding - 2020	\$3,000,000	Awarded	Owosso's application was scored the highest this round. Project plan submitted July 1, 2021. This is 100% forgiven loan (Booker Funding) through the state's revolving loan fund program. Dollars will be used to replace water service lines subject to LCR requirements.
EGL Service Line Replacement Funding (2)	\$1,345,000	Awarded	This partial loan forgiveness funding is tied to the application above. This project involves more LSR replacements coupled with the replacement of the Center St water main and rehabilitation of the water system elevated towers. This opportunity is 30% Booker forgivable. Remainder of this project will need ARPA funding to complete.
FEMA SCBA Grant - 2022	\$250,000	Denied	This grant replaces the OFD's breathing apparatuses. This is the second year we have been denied.
FEMA Radio Grant - 2021	\$1,200,000	Denied	This grant was in conjunction with other municipalities to replace OFD's radio units.
Federal COPS Grant - 2022	\$582,875 over 3 years	Denied	This grant funds up to 3 new police officer positions for 3 years. If awarded, the city would be required to continue funding these positions for an additional year.
Saginaw WIN Grant - 2020	\$10,500	Awarded	To help fund the Middle School area kayak launch.
Safe Routes to School - 2022	\$600,000	Awarded	Work scope includes constructing ADA compliant sidewalk ramps at various locations within the city along with constructing new sidewalks primarily in the Middle School area. Final plans and specifications will be submitted to MDOT in November for the February 2, 2024 bid letting.
Consumers LED Rebate - 2021	\$5,460	Completed	Replace light fixtures in City Hall with more efficient LED lights
Small Urban Grant - 2022	\$375,000	Denied	Reconstruct Chipman St from Beehler to M-21.
MEDC WRI Grant - 2021	\$1,600,000	Denied	Replace water main, streets, and LSLs on Center, Clyde, Huron, Lynn, and Milwaukee Streets. 25% match required.
MCACA Grant - 2020	\$82,500	Denied	Replace library AC, Library steam pipes, Gould House heat and AC, and Castle boiler. Required \$82,500 match. Will know in September, 2021 if we are awarded.
Small Urban Grant - 2019	\$375,000	Awarded	Reconstruct Gould St from Oliver to Moore.
T-Mobile Hometown Grant - 2020	\$45,300	Denied	Possibly help fund the Middle School Kayak Launch project so no millage money would be needed to complete the project. This would add to the Saginaw WIN Grant already awarded.
Wellhead Protection Grant - 2021	\$52,000	Denied	Fund wellhead educational activities, groundwater audit, wellhead protection software, and update the city's wellhead plan.
Consumers Tree Planting Grant - 2022	\$2,600	Awarded	Consumers Energy's tree planting grant program to assist with annual fall tree planting in 2022.
MDOT RR Grade Crossing Grant – Woodlawn	\$108,621	Denied	Replace RR crossing at Woodlawn Ave. Funding: 60% MDOT/40% RR
MDOT RR Grade Crossing Grant – Chestnut -	\$81,765	Denied	Replace RR crossing at Chestnut St. Funding: 60% MDOT/40% RR
MDOT RR Grade Crossing Grant – Cedar	\$181,653	Awarded - 2021	Replace RR crossing at Cedar St. Funding 60% MDOT/40% RR
MDOT RR Grade Crossing Grant – S. Chipman -	\$112,381	Denied	Replace RR crossing at S Chipman St. Funding: 60% MDOT/40% RR

FY 2023 DWSRF – Water	\$1,011,250	Awarded	Replace water main on North, Lee, Clyde, Lunn, Huron, and Milwaukee St and LSRs (see below for project specifics). SCADA control upgrade at water plant. Wells at Palmer and Juniper. Fishbeck water study. Grant amount is 25% of total project cost. Remainder to be funded by SRF low interest loans.
FY 2023 CWSRF – Sewer	\$6,712,500	Awarded	Replace waste water plant treatment towers (3). This represents 50% of the cost of the project funded by grants and forgivable loans. The remainder will be funded by low interest SRF loans. Total cost now \$19 million. Due to inflation and increase in construction costs, council decided to reduce the project scope by delaying the tower replacement portion of the project
DNR Spark Grant - 2022	\$752,500	Application delayed to resolve property ownership issue.	Make improvements to the James Minor River Trail along Jerome St to coincide with future street reconstruction. Grant will fund trail improvements and paving from Washington St to the Oakwood walk bridge.
Match on Main - 2022	\$25,000	Awarded	Grant from MEDC to Aviator Jayne for business expansion.
Match on Main - 2022	\$25,000	Awarded	Grant from MEDC to Taphouse Meat Market for business creation.
Consumers Tree Grant – 2023	\$3,000	Awarded	Grant from Consumers Energy to plant 15 trees in the city right of way.
FY 2024 DWSRF (7497-01) – Water	\$1,745,000	Awarded	Total project cost (SRF loan): \$3,490,000. 50% principal forgiveness. This project will replace water main on Dewey, Young, Tracy, Grace, and W Stewart Streets. It will also pay for WTP improvements: backwash pump replacement, process piping replacement, communication and controls upgrades, and sand filter rehabilitation.
MEDC RAP Grant – DDA Downtown Lights	\$300,000	Awarded	This grant will add to the ARPA dollars committed to replace downtown decorative street lighting.
MEDC RAP Grant – Curwood Place – 344 W Main St	\$1,358,000	Awarded	This grant will pay for the rehabilitation and addition of upper story residential units at 344 W Main Street.
<b>TOTAL GRANTS AWARDED</b>	<b>\$27,946,074</b>	<i>Grants Denied</i>	<i>\$4,490,442</i>

STREETS AND SIDEWALKS			
<b>2023 Sidewalk Replacement Program</b>		The focus area for sidewalk replacement is the area bounded by Hickory St, Main St, Gould St, and Jerome St. Project is complete. Lawn restoration will be re-evaluated in Spring 2024 for grass growth.	Complete
<b>2023 Street Patch Program</b>		Work scope includes patches on various streets within the city of Owosso needed for water main breaks, sewer repairs, etc. The first and second patch lists are complete.	Complete
<b>Street Projects</b>	Jerome: Hickory to Oakwood	Work scope includes crush and shape with asphalt pavement construction along with minor drainage upgrades. Project is on hold until funding is available.	On hold pending funding.
<b>Street Projects - 2024</b>	Stewart: M52 to Washington	Stewart Street from Shiawassee St (M-52) to Washington St: Work scope includes pavement reconstruction with curb and gutter replacement, storm sewer replacement, ADA	2024 MDOT Small Urban Project. Design Phase

		sidewalk ramps, select sidewalk replacement, and permanent pavement markings and signing; water main replacement. Project is a MDOT Small Urban Program project with the water main portion approved as part of the State of Michigan Department of EGLE 2024 Drinking Water State Revolving Fund project. Final plans and specifications have been submitted to MDOT for the January 5, 2024 bid letting.	
<b>Bridge Projects - 2024</b>	Gould St Bridge & Oakwood ped bridge	The scope of work is preventative maintenance repairs on the Gould Street bridge over the Shiawassee River and timber bridge deck replacement on the Oakwood Avenue bridge over the Shiawassee River. Design is in progress by Spicer Group. Work is planned for Spring 2024.	Spring 2024
<b>Downtown/DDA</b>	Replace overhead street lights and poles	Select replacement of street lights with new chairman lights and LED bulbs. In partnership with DDA. \$275,000 APRA awarded project. UPDATE: a survey of the foundations for existing lights were found to be deficient for reuse. They were not reinforced when installed. The project will continue but less lights will be replaced because of the added cost to replace the light foundations.	Efforts to begin in FY 22-23

### UTILITIES (Water and Sewer)

Project	Project Name/Description	Status	Completed
<b>Lead/Galvanized Service Line Replacement</b>	2022-2024	Work scope includes noncompliant water service lines replacements at 600 locations within the City of Owosso over a 3-year time period. Water service line replacements began for the 2023 construction season at the end of March. A total of 460 water service lines have been replaced to date. Water service line replacements will continue into December, weather permitting.	Ongoing
<b>Water Treatment Plant</b>	SCADA System - 2023	Kick-off meeting with Tetra tech was 10.30.20. Design phase completed. Included in next DWRF loan application.	In progress
<b>Waste Water Treatment Plan</b>	Screw pump building roof replacement	Replace roof on screw pump building.	Postponed due to cost
	Pipe hanger replacement	Replace corroded plant sewer pipe hangers. As needed. Labor in house. Pay as you go.	Ongoing
	Solids Handling Project - 2022	Demolition of old equipment in sludge tank room is complete. Disk Filter PILOT program is progressing but needing adjustment more than we would like.	Ongoing.
<b>Sanitary Sewer Lining - 2024</b>	Various	The scope of work is sewer lining on sanitary and storm sewers at various locations.	Spring 2024

		Design is in progress by OHM Advisors. Work is planned for Winter or Spring 2024.	
<b>Water Main Replacement - 2024</b>	Dewey St: Brandon to Moore	Work scope includes water main replacement including non-compliant water service line replacement. Project under design phase. The project was approved as part of the State of Michigan Department of EGLE 2024 Drinking Water State Revolving Fund project.	Loan/Grant Approved
	Grace St: Cedar to Shiawassee	Work scope includes water main replacement including non-compliant water service line replacement. Project under design phase. The project was approved as part of the State of Michigan Department of EGLE 2024 Drinking Water State Revolving Fund project.	Loan/Grant Approved
	Tracy St: Frederick to Stewart	Work scope includes water main replacement including non-compliant water service line replacement. Project under design phase. The project was approved as part of the State of Michigan Department of EGLE 2024 Drinking Water State Revolving Fund project.	Loan/Grant Approved
	Young St: Chestnut to Brooks	Work scope includes water main replacement including non-compliant water service line replacement. Project under design phase. The project was approved as part of the State of Michigan Department of EGLE 2024 Drinking Water State Revolving Fund project.	Loan/Grant Approved
<b>S Chestnut St Rail Crossing Drainage</b>	S Chestnut Street H&E Railroad Crossing – south of M-21	A property owner near the RR crossing is concerned with their property being partially flooded during very heavy rain events. The ditch in the RR right of way overflows and it is suspected that debris in the ditch clogs the culvert. City engineer and city manager met with RR personnel in Sept 2023 where we were informed the RR will not clean/clear the ditch but would allow us access to the ditch to create a debris catch for the culvert. If that does not work, we will have to approach the township and drain commission for a study to assess required improvements to the drainage system in the area. This project is not on the city's latest approved Capital Improvement Project.	Ongoing



### PARKS/ CEMETERY/ FORESTRY/ NONMOTORIZED

Project	Project Name/Description	Status	Completed
	CIS Trail Extension – Extend trail from Priest Rd. to City.	Huron & Eastern Railroad told the city they will not agree to allow the trail to run along RR right of way for liability reasons. Alternate route down M-21 approved by MDOT. State funding secured through FY 23-24 state budget. Target for construction completion: 2025	State funding approved for M-21 route
	Oakwood Bridge Surface Repair	Funding available in FY 23-24 city budget to replace bridge surface.	Summer 2024

### MOTOR VEHICLE POOL

<b>Public Safety</b>	Fire Truck Replacement – 2023	Bond application approved by council. Purchase budgeted in proposed FY 23-24. Lead time is 18 months or more.	June 2024
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### BUILDING AND GROUNDS

<b>Library</b>	Exterior window painting	Scrape and repaint exterior windows. \$15k in approved FY 23-24 budget	2023-24
	Boiler Steam Distribution Line Replacement	The boiler for the library is in good shape. However, the distribution lines are leaky and need replacement. This would replace the entire distribution system. Multiple patches have been installed and the leaks are just appearing in new areas. Unlikely to be completed with MCACA grant denial.	TBD
<b>City Hall</b>	Security and Accessibility - IT	Replace/Add technology at city hall for security and accessibility. Replace old doorbell on basement entry and upgrade silent alarm system.	
	Wireless accessibility	Replace and add routers for better WiFi coverage in city hall. Current dark areas on all floors will be corrected. Speed increased	Complete
	Replace phone system routers	These routers connect all city facilities on one phone system. Current routers are no longer supported by Cisco.	In process

### CONTRACTS AND AGREEMENTS

	Agreement between Land Bank, Woodland Trails, and City regarding development of Woodland Trails Lots owned by Land Bank	Currently negotiating with HOA and Land Bank on terms for an agreement to release remaining lots from HOA “common area” to ready them for development. Land Bank has chosen a developer from a previous request for proposals. City will undertake repairs on sewer system to finally assume the system as public property but this is contingent upon a brownfield plan and development agreement to reimburse city for cost. City has televised this area to identify problem areas. Project will add 14 new single-family residential units.	Ongoing
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