



MEMORANDUM

Building Department 301 W Main St Owosso, MI 989-725-0535

DATE: February 2, 2026

TO: Mayor Teich and the Owosso City Council

FROM: Tanya Buckelew, Planning & Building Director

SUBJECT: **MICHIGAN COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDING FOR THE 2026-2027 HOUSING REHABILITATION GRANT PROGRAM**

RECOMMENDATION:

Staff recommends setting a public hearing for Tuesday, February 17, 2026 at 6:30 p.m. during the regular City Council meeting. This is a compliance requirement to be eligible for the program and to receive a grant agreement.

The purpose of the hearing is to inform citizens of the proposed objectives, activities, locations and amounts to be used for each activity.

BACKGROUND:

- The City applied for and has been awarded a CDBG Grant for \$1,486,800 (City match is not required). This includes reimbursements of administrative costs. This is a 2-part grant.
- Part 1 is the Homeowner Rehabilitation (HMR) grant for \$896,800 and will be used for interior and exterior renovations to single-family homes (i.e. roofing, siding, windows, furnace, water heater, electrical updates) that will benefit low- to moderate- income households.
- Each household can receive up to \$40,000 for improvements
- Part 2 is the Unoccupied Rental Rehabilitation (URR) grant for \$590,000 and will be used for the creation of 5 residential apartments on the 3rd floor of the building located at 123 N. Washington that will benefit low- to moderate-income residents. This project is being referred to as Citizens Loft.

FISCAL IMPACTS:

Minimal impact on the budget as the City will be reimbursed for the time spent on this grant. We will track the time for City employees that assist with the program.

Master Plan Implementation Goals: 1.1, 1.9

RESOLUTION NO.

**SETTING A PUBLIC HEARING TO RECEIVE CITIZEN COMMENTS REGARDING
MICHIGAN COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
FUNDING FOR THE 2026-2027 HOUSING REHABILITATION GRANT PROGRAM**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has received a CDBG grant to assist single family homeowners with interior and exterior improvements to their homes and to assist with the creation of 5 residential units in a downtown building; and

WHEREAS, the CDBG program requires a public hearing to receive citizen comment regarding the objectives of the grant, permitted activities, eligible locations, and the amounts allocated to each activity.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that a public hearing is set for Tuesday, February 17, 2026 at 6:30 p.m. in the City Hall Council Chambers to receive citizen comment regarding the City's CDBG Housing Improvement Program.

**CITY OF OWOSSO
NOTICE OF PUBLIC HEARING
FOR MICHIGAN COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
FUNDING FOR THE 2026-2027 HOUSING REHABILITATION GRANT PROGRAM**

The City of Owosso will conduct a public hearing on Tuesday, February 17, 2026 at 6:30 p.m. in the Council Chambers of Owosso City Hall at 301 West Main Street, Owosso, Michigan for the purpose of affording citizens an opportunity to examine and submit comments on the proposed application for a CDBG grant.

The City of Owosso proposes to use CDBG grant funds in the amount of \$1,486,800 for interior and exterior renovations to nineteen (19) single-family homes (located within the city limits of Owosso) with health and safety concerns and maintenance issues and the creation of five (5) residential units on the third floor of the building located at 123 N. Washington Street. A City match is not required nor will there be leveraged funds.

The Homeowner Rehabilitation (HMR) grant for \$896,800 includes interior and exterior home improvements to meet code requirements, such as roof replacement, windows, plumbing, electrical, mechanical and insulation. Up to \$40,000 maximum in repairs is allowed for each home. This grant also includes an 18% reimbursement of administrative costs. All activities, upon completion, will benefit low- to moderate- income households. Zero persons are anticipated to be displaced by the proposed activities. The proposed activities will be considered as a minimal disruption in the home environment during the renovation period.

The Unoccupied Rental Rehabilitation (URR) grant for \$590,000 includes the creation of five (5) residential units on the third floor of the downtown building located at 123 N. Washington Street. This grant also includes an 18% reimbursement of administrative costs. 51% or more will be occupied by and will benefit low- to moderate- income residents by providing affordable housing. Zero persons will be displaced as a result of the proposed activities because the third floor has been vacant for many years.

The City of Owosso has previously received \$1,398,300 in CDBG funds and is currently in the process of rehabilitation to 30 homes for 2026 and 2027.

Further information, including a copy of the City of Owosso's Master Plan and CDBG application is available for review. To inspect the documents, please contact Tanya Buckelew, Planning & Building Director at 989-725-0540 or in person at the Owosso City Hall Building Department, Monday through Friday between 9 am and 5 pm. Comments may be submitted in writing through February 13, 2026 or made in person at the public hearing.

The proposed submittal date of the CDBG application is February 18, 2026.

Citizen views and comments on the proposed application are welcome.

City of Owosso
Tanya Buckelew, Planning & Building Director
989-725-0540