

**CITY OF OWOSSO
REGULAR MEETING OF THE CITY COUNCIL
TUESDAY, JANUARY 03, 2017
7:30 P.M.**

**Meeting to be held at City Hall
301 West Main Street**

AGENDA

OPENING PRAYER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

APPROVAL OF THE AGENDA:

APPROVAL OF THE MINUTES OF REGULAR MEETING OF DECEMBER 19, 2016:

ADDRESSING THE CITY COUNCIL

1. Your comments shall be made during times set aside for that purpose.
2. Stand or raise a hand to indicate that you wish to speak.
3. When recognized, give your name and address and direct your comments and/or questions to any City official in attendance.
4. Each person wishing to address the City Council and/or attending officials shall be afforded one opportunity of up to four (4) minutes duration during the first occasion for citizen comments and questions. Each person shall also be afforded one opportunity of up to three (3) minutes duration during the last occasion provided for citizen comments and questions and one opportunity of up to three (3) minutes duration during each public hearing. Comments made during public hearings shall be relevant to the subject for which the public hearings are held.
5. In addition to the opportunities described above, a citizen may respond to questions posed to him or her by the Mayor or members of the Council, provided members have been granted the floor to pose such questions.

PROCLAMATIONS / SPECIAL PRESENTATIONS

None.

PUBLIC HEARINGS

1. Ordinance Amendment – Parks & Recreation Commission. Conduct a Public Hearing to receive citizen comment regarding the proposed amendment to Chapter 2, Administration, Article IV, Boards & Commissions, Division 3, Parks and Recreation Commission, Section 2-242 – Members; appointment, terms, voting, officers, to increase the size of the Parks and Recreation Commission.

CITIZEN COMMENTS AND QUESTIONS

EXECUTIVE SESSION - Recess for meeting with city attorney regarding a legal opinion.

CITY MANAGER REPORT

1. Project Status Report.

CONSENT AGENDA

1. Change Order No. 1 – Spicer Group Inc. Authorize Change Order No. 1 with Spicer Group Inc. for the North Street Culvert Replacement at Corlett Creek, additional construction administration services were required from Spicer Group Inc. causing the necessary change of \$11,947.00.
2. Special Assessment District 2017-01 – Authorize Resolution No. 1 for Special Assessment District No. 2017-01 for Stewart Street from Chestnut Street to Chipman Street for street resurfacing.
3. Special Assessment District 2017-02 – Authorize Resolution No. 1 for Special Assessment District No. 2017-02 for Chipman Street from South Street to Stewart Street for street resurfacing.
4. Special Assessment District 2017-03 – Authorize Resolution No. 1 for Special Assessment District No. 2017-03 for Center Street from King Street to North Street for street resurfacing.
5. Special Assessment District 2017-04 – Authorize Resolution No. 1 for Special Assessment District No. 2017-04 for Chipman Street from Oliver Street to King Street for street resurfacing.
6. Special Assessment District 2017-05 – Authorize Resolution No. 1 for Special Assessment District No. 2017-05 for Chipman Street from Willow Springs Drive to Harding Avenue for street resurfacing.
7. Special Assessment District 2017-06 – Authorize Resolution No. 1 for Special Assessment District No. 2017-06 for Oliver Street from Great Lakes Central Railroad to Chipman Street for street resurfacing.
8. Warrant No. 535. Authorize Warrant No. 535 as follows:

| Vendor | Description | Fund | Amount |
|--------------------------------|--|---------|-------------|
| Orchard Hiltz & McCliment Inc. | Engineering services for Cargill project payment | OBRA #8 | \$32,488.50 |
| | | | |
| | | Total | \$32,488.50 |

ITEMS OF BUSINESS

1. Rappuhn Property Buy-Back. Consider authorizing a buy- back of Unit 55 of Osburn Lakes Condominium, commonly known as 1281 Holly Court.
2. 2016 Audit Acceptance. Consider resolution accepting and placing on file the City of Owosso Financial Report with Additional Information for the Fiscal Year Ended June 30, 2016.
3. Brownfield Plan District No. 18. Consider approval of a new Brownfield Plan, District No.18 – Mueller Redevelopment Project (Matthews Building).
4. Brownfield Plan District No. 19. Consider approval of a new Brownfield Plan, District No.19 – The 344 Project (former Dollar General Building).
5. Naming of New Street. Consider naming of the new street that will serve the Sunoco, Cargill, Detroit Abrasives and Coldiron properties.

COMMUNICATIONS

1. Parks & Recreation Commission. Minutes of November 22, 2016.
2. Planning Commission. Minutes of December 12, 2016.

CITIZEN COMMENTS AND QUESTIONS

NEXT MEETING

Tuesday, January 17, 2017

BOARDS AND COMMISSIONS OPENINGS

Building Board of Appeals – Alternate - term expires June 30, 2018

ADJOURNMENT

The City of Owosso will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities at the meeting/hearing upon seventy-two (72) hours notice to the City of Owosso. Individuals with disabilities requiring auxiliary aids or services should contact the City of Owosso by writing, calling, or emailing the following: Owosso City Clerk's Office, 301 West Main Street, Owosso, MI 48867; Phone: (989) 725-0500; Email: city.clerk@ci.owosso.mi.us. The City of Owosso Website address is www.ci.owosso.mi.us.

**CITY OF OWOSSO
REGULAR MEETING OF THE CITY COUNCIL
MINUTES OF DECEMBER 19, 2016
7:30 P.M.**

PRESIDING OFFICER: MAYOR CHRISTOPHER T. EVELETH

OPENING PRAYER: BISHOP GUSTAVO PILON
OWOSSO CHURCH OF JESUS CHRIST OF LATTER DAY SAINTS

PLEDGE OF ALLEGIANCE: JESSICA CULP
OWOSSO HIGH SCHOOL JUNIOR

PRESENT: Mayor Christopher T. Eveleth, Mayor Pro-Tem Susan J. Osika,
Councilmembers Burton D. Fox, Elaine M. Greenway, Daniel A. Law,
and Robert J. Teich, Jr.

ABSENT: Councilmember Loreen F. Bailey.

APPROVE AGENDA

Motion by Councilmember Fox to approve the agenda with the following changes:

| Item | Agenda Section | Action | Details |
|--|---------------------------------------|------------------|---|
| Student Representative Report | Proclamations / Special Presentations | Remove | |
| Boards & Commissions Appointments | Consent Agenda | Add appointments | Heather Quinn to OHC Nick Terek to OHC |
| Closed Session – Rappuhn Property Buy-Back | Items of Business | Remove | |

Motion supported by Councilmember Teich and concurred in by unanimous vote.

APPROVAL OF THE MINUTES OF REGULAR MEETING OF DECEMBER 5, 2016

Motion by Councilmember Greenway to approve the Minutes of the Regular Meeting of December 5, 2016 as presented.

Motion supported by Mayor Pro-Tem Osika and concurred in by unanimous vote.

PROCLAMATIONS / SPECIAL PRESENTATIONS

Student Representative Report (This item was removed from the agenda.)

PUBLIC HEARINGS

Special Assessment District No. 2016-01 - Hazards and Nuisances

A public hearing was conducted to receive citizen comment regarding proposed Special Assessment District No. 2016-01, Hazards and Nuisances, as it relates to the annual listing of unpaid costs incurred in the altering, repairing, tearing down, abating or removing of hazards and nuisances.

There were no citizen comments received prior to, or during the meeting.

RESOLUTION NO. 146-2016

**AUTHORIZING THE ROLL FOR
SPECIAL ASSESSMENT DISTRICT NO. 2016-01, HAZARDS & NUISANCES**

WHEREAS, the Council, after due and legal notice, has met and having heard all interested parties, motion by Councilmember Fox to adopt Special Assessment Resolution No. 2 for the annual hazards & nuisances roll, as follows:

| PARCEL NUMBER | ADDRESS | BALANCE |
|----------------------|-------------------|----------------------------|
| 050-651-021-004-00 | 102 CORUNNA | \$ 246.95 |
| 050-390-005-030-00 | 1101 N BALL | \$ 257.12 |
| 050-115-002-003-00 | 1119 S SHIAWASSEE | \$ 555.70 |
| 050-320-011-003-00 | 119 ELIZABETH | \$ 384.28 |
| 050-537-000-040-00 | 1232 W MAIN | \$ 655.39 |
| 050-390-004-012-00 | 1260 ADAMS | \$ 937.05 |
| 050-040-000-028-00 | 1301 STATE | \$ 257.31 |
| 050-113-014-008-00 | 134 S CHIPMAN | \$ 1,263.20 |
| 050-113-010-004-00 | 1408 W STEWART | \$ 220.13 |
| 050-720-000-017-00 | 1455 W KING | \$ 188.80 |
| 050-602-007-005-00 | 1803 W STEWART | \$ 188.80 |
| 050-050-000-033-00 | 209 S LANSING | \$ 353.65 |
| 050-660-012-016-00 | 214 N CEDAR | \$ 1,405.98 |
| 050-660-011-011-00 | 216 N LANSING | \$ 226.59 |
| 050-100-002-006-00 | 312 STATE | \$ 496.69 |
| 050-537-000-034-00 | 397 N CHIPMAN | \$ 239.02 |
| 050-710-000-006-00 | 400 MAPLE | \$ 705.01 |
| 050-113-018-012-00 | 410 S CHIPMAN | \$ 303.78 |
| 050-070-001-012-00 | 530 AMENT | \$ 178.66 |
| 050-010-016-020-00 | 616 GLENWOOD | \$ 426.20 |
| 050-673-004-022-00 | 620 S SHIAWASSEE | \$ 127.10 |
| 050-420-002-013-00 | 630 GRAND | \$ 149.53 |
| 050-541-000-027-00 | 702 N DEWEY | \$ 177.97 |
| 050-420-011-015-00 | 755 BROADWAY | \$ 896.76 |
| 050-652-007-009-00 | 813 S PARK | \$ 582.94 |
| 050-114-002-004-00 | 821 STATE | \$ 257.31 |
| 050-690-006-006-00 | 902 N CHIPMAN | \$ 177.24 |
| 050-652-010-004-00 | 910 S SAGINAW | \$ 264.44 |
| 050-115-001-016-00 | 921 S SHIAWASSEE | \$ 1,506.92 |
| 050-652-011-004-00 | 924 S PARK | \$ 262.72 |
| | | <u>\$ 13,893.24</u> |

and

WHEREAS, the Council deems said Special Assessment Roll- Hazards and Nuisances to be fair, just and equitable and that each of the assessments contained thereon results in the special assessment being in accordance with the unpaid costs incurred in the altering, repairing, tearing down, abating or removing of hazards and nuisances of said properties.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said Special Assessment Roll-Hazards and Nuisances as prepared by the City Assessor in the amount of \$13,893.24 is hereby confirmed and shall be known as Special Assessment Roll-Hazards and Nuisances No. 2016-01.
2. Said Special Assessment Roll-Hazards and Nuisances No. 2016-01 shall be placed on file in the office of the City Clerk who shall attach his warrant to a certified copy thereof within ten (10) days commanding the Assessor to spread the various sums shown thereon as directed by the City Council.

Motion supported by Councilmember Teich.

Roll Call Vote.

AYES: Councilmembers Law, Fox, Teich, Greenway, Mayor Pro-Tem Osika, and Mayor Eveleth.

NAYS: None.

ABSENT: Councilmember Bailey.

As a point of information, the following invoices consist of unpaid nuisances and hazards that are unable to be leined and must be written off due to the State of Michigan tax sale process.

| INVOICE(S) # | PARCEL NUMBER | ADDRESS | BALANCE |
|------------------------------|--------------------|----------------|---------------------------|
| 4186, 4221, 4260, 4294 | 050-180-000-004-00 | 120 S OAK | \$ 1,445.28 |
| 4312 | 050-470-003-008-00 | 310 W WILLIAMS | \$ 227.99 |
| 4202, 4295, 4154 | 050-430-000-005-00 | 419 HAMBLIN | \$ 782.04 |
| 3957, 3998, 4051, 3912, 3950 | 050-180-005-004-00 | 424 GROVER | \$ 1,587.80 |
| | | | <u>\$ 4,043.11</u> |

CITIZEN COMMENTS AND QUESTIONS

There were no citizen comments.

Councilmember Teich expressed his concerns with the current lane design of the outside lane on southbound Shiawassee Street at Main Street saying the current design encourages speeding and other dangerous maneuvers. He asked that the City contact MDOT with a request to turn the outside lane of southbound Shiawassee Street north of the Main Street intersection into a "Right Turn Only" lane and discontinue use of the outside lane south of the intersection. There was discussion regarding Council's objection to the reduction of lanes on South Shiawassee Street at the time the project was undertaken and the subsequent displeasure of citizens after the project was completed. Councilmember Fox suggested Council pass a resolution and send it to MDOT. Public Services Director Chinavare indicated he will look into the matter.

CITY MANAGER REPORT

Assistant City Manager Montenegro indicated she had nothing to report at this time.

CONSENT AGENDA

Motion by Councilmember Teich to approve the Consent Agenda as follows:

First Reading & Set Public Hearing – Parks & Recreation Commission Board Adjustment. Conduct First Reading & Set a Public Hearing for Tuesday, January 3, 2017 to receive citizen comment regarding the proposed amendment to Chapter 2, Administration, Article IV, *Boards & Commissions*, Division 3, Parks and Recreation Commission, Section 2-242 – *Members; appointment, terms, voting, officers*, to increase the size of the Parks and Recreation Commission as follows:

RESOLUTION NO. 147-2016

**FIRST READING AND SET PUBLIC HEARING FOR
A PROPOSED AMENDMENT TO CHAPTER 2, ADMINISTRATION,
ARTICLE IV, BOARDS & COMMISSIONS, DIVISION 3, PARKS AND RECREATION COMMISSION,
SECTION 2-242 – *MEMBERS; APPOINTMENT, TERMS, VOTING, OFFICERS*,
TO INCREASE THE SIZE OF THE PARKS AND RECREATION COMMISSION**

WHEREAS, the Parks and Recreation Commission currently consists of five (5) at-large members appointed for two year terms; and

WHEREAS, the Parks and Recreation Commission have found difficulty in reaching and maintaining a quorum for meetings throughout the year; and

WHEREAS, the Parks and Recreation Commission wishes to raise the number from five (5) members at large to seven (7) members at large; and

WHEREAS, this increase in membership will allow the Parks and Recreation Commission the flexibility to meet and exceed the needs of the community while maintaining a quorum to hold meetings.

NOW THEREFORE BE IT RESOLVED THAT THE CITY OF OWOSSO ORDAINS:

SECTION 1. AMENDMENT. That existing Chapter 2, Administration, Article IV, *Boards & Commissions*; Division 3, Parks and Recreation Commission; Section 2-242 – *Members; appointment, terms, voting, officers*, be amended to read:

Sec. 2-242. - Members; appointment, terms, voting, officers.

(a) The members of the parks and recreation commission shall consist of ~~five (5)~~ **seven (7)** at-large members appointed by the mayor and approved by the council. Commission members shall be residents of the city. The mayor or the designee of the mayor, with council approval, shall be an ex-officio member of the commission.

(b) The ~~five (5)~~ **seven (7)** at-large members shall have terms of two (2) years. The first appointment of the ~~five (5)~~ **seven (7)** at-large members shall be staggered so that ~~two (2)~~ **three (3)** members are appointed for a one-year term and ~~three (3)~~ **four (4)** members shall be appointed to two-year terms. Thereafter each appointment of an at large member shall be for a two-year term unless it is an appointment to fill a vacancy in office that occurs prior to completion of a term. The ex-officio member of the commission shall serve for an indefinite term at the pleasure of the mayor.

(c) Each at large member shall be entitled to one (1) vote. The ex-officio member shall not have a vote. Any action shall require a majority vote of the members present at a meeting constituting a quorum. A quorum shall consist of at least ~~three (3)~~ **four (4)** members.

SECTION 2. PUBLIC HEARING. A public hearing is set for Tuesday, January 3, 2017 at 7:30 p.m. for the purpose of hearing citizen comment regarding the proposed ordinance amendment.

SECTION 3. AVAILABILITY. The ordinance may be purchased or inspected in the City Clerk's Office, Monday through Friday between the hours of 9:00 a.m. and 5 p.m.

SECTION 4. EFFECTIVE DATE. This amendment shall become effective 20 days after approval.

Boards and Commissions Appointments. Approve the following Mayoral Boards and Commissions appointments:

| Name | Board/Commission | Term Expires |
|-----------------|--|---------------------|
| Karen Kong | Historical Commission filling unexpired term of N. Pidek | 12-31-2017 |
| Annie Ludington | Historical Commission filling unexpired term of D. Mahoney | 12-31-2017 |
| Heather Quinn | Historical Commission, effective 01-01-2017 | 12-31-2018 |
| Nick Terek | Historical Commission, effective 01-01-2017 | 12-31-2019 |

Contract Amendment No. 1– WWTP Heating System Contract. Approve Contract Amendment No. 1 waiving the performance bond requirement for the WWTP Heating System Contract with Wm. Floyd Heating Co. d/b/a Wm. Floyd Company and holding payment to the contractor until satisfactory completion and acceptance of the project as detailed below:

RESOLUTION NO. 148-2016

**AUTHORIZING AMENDMENT NO. 1 TO
THE WASTEWATER TREATMENT PLANT HEATING SYSTEM CONTRACT
WITH WM. FLOYD HEATING CO. D/B/A WM. FLOYD COMPANY
TO WAIVE THE PERFORMANCE BOND REQUIREMENT**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, approved a contract with Wm. Floyd Heating Co. d/b/a Wm. Floyd Company in the amount \$107,027.00, for replacement of the Heating System at the Wastewater Treatment Plant, and

WHEREAS, Wm. Floyd Heating Co. d/b/a Wm. Floyd Company has requested a waiver of the performance bond required by the contract, and in return for this consideration has agreed to bear the cost of the project until such time as the project is completed and accepted by the city of Owosso, and

WHEREAS, the City Public Services Director has reviewed the waiver of performance bond request from Wm. Floyd Heating Co. d/b/a Wm. Floyd Company, and considers Wm. Floyd Heating Co. d/b/a Wm. Floyd Company to be a reputable and reliable company, and recommends approval of the requested waiver.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

FIRST: The city of Owosso has heretofore determined that it is advisable, necessary and in the public interest to waive the performance bond requirement in the Wastewater Treatment Plant Heating System contract with Wm. Floyd Heating Co. d/b/a Wm. Floyd Company.

SECOND: The Mayor and City Clerk are hereby authorized to sign the attached document, Amendment No. 1 to Wastewater Treatment Plant Heating System contract, between the City of Owosso and Wm. Floyd Heating Co. d/b/a Wm. Floyd Company, waiving the performance bond requirement.

THIRD: The accounts payable department is authorized to generate and forward a purchase order to William Floyd Mechanical Contractors for services specified in the bid documents.

FOURTH: The accounts payable department is authorized to make a one-time payment to Wm. Floyd Heating Co. d/b/a Wm. Floyd Company only upon completion of project work and acceptance by the city of Owosso.

FIFTH: The above expenses shall be paid from the replacement fund account 599-901-977.000.

Change Order No. 1 – Former Eastside Cleaners Excavation Shoring Installation Contract.

Approve Change Order No. 1 to the Former Eastside Cleaners Excavation Shoring Installation Contract with ASI Environmental Technologies for additional remediation work performed at the future Qdoba site in the amount of \$88,504.45, and approve payment up to the contract amount including Change Order No. 1 as follows:

RESOLUTION NO. 149-2016

AUTHORIZING CHANGE ORDER NO. 1 TO THE CONTRACT WITH ENVIRONMENTAL ADVISORY SERVICES, INC., D/B/A ASI ENVIRONMENTAL TECHNOLOGIES FOR THE FORMER EASTSIDE CLEANERS EXCAVATION SHORING INSTALLATION

WHEREAS, the city of Owosso, Shiawassee County, Michigan, approved a contract with Environmental Advisory Services, Inc. dba ASI Environmental Technologies on May 16, 2016 for shoring and excavation installation at the site; and

WHEREAS, the City requested additional work from ASI Environmental Technologies due to conditions found in the field; and

WHEREAS, the City has entered into a contract with the Michigan Department of Environmental Quality (MDEQ) and will use grant and loan funds in connection with the established District # 16 Qdoba Brownfield plan for said additional work.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

FIRST: The City of Owosso amends the contract with Environmental Advisory Services, Inc. dba ASI Environmental Technologies for additional work as described in the attached Application and Certificate for Payment.

SECOND: The mayor and city clerk are instructed and authorized to sign this resolution document substantially in form attached as Exhibit B, Contract Change Order No. 1 to the Contract for Services between the City of Owosso and Environmental Advisory Services, Inc. ASI Environmental Technologies, increasing the total amount by \$82,504.45.

THIRD: The accounts payable department is authorized to pay ASI Environmental Technologies for work satisfactorily completed up to the amount of the contract including Change Order No. 1.

FOURTH: The above expenses shall be paid from a combination of MDEQ grant and loan funds, account No. 276-901-965.000 and 276-000-120.040 as appropriated.

Bid Award - Sale of Used DPW Truck. Approve the bid of Dynamic Wholesale Inc. for one 2001 Dodge Ram 2500 4x4 Pickup (VIN# 3B7KF26Z81M283769, Truck # 313) in the amount of \$4,025.00 as detailed:

RESOLUTION NO. 150-2016

**AUTHORIZING THE EXECUTION OF SALE OF
ONE 2001 DODGE PICK UP TRUCK
TO DYNAMIC WHOLESALE INC.**

WHEREAS, the city of Owosso, Shiawassee County, Michigan established a purchasing cycle to maintain a healthy Public Works vehicle fleet; and

WHEREAS, as part of this cycle, older vehicles are retired and sold at auction; and

WHEREAS, a bid solicitation was advertised for one 2001 Dodge Ram 2500 4x4 Pickup, Truck #313, and the most responsive bid was received from Dynamic Wholesale Inc.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

FIRST: The city of Owosso has thereto determined that it is advisable, necessary and in the public interest to sell one 2001 Dodge Ram 2500 4x4 Pickup (VIN# 3B7KF26Z81M283769, Truck # 313) in the amount of \$4,025.00.

SECOND: The city clerk is instructed and authorized to complete the necessary paperwork to transfer ownership of this vehicle to Dynamic Wholesale Inc. upon remittance of the above amount.

Bid Award - Sale of Used DPW Truck. Approve the bid of Christopher Erickson for one 2001 Dodge Ram 2500 4x4 Pickup (VIN# 3B7KF26Z61M283768, Truck # 312) in the amount of \$4,227.00 as shown below:

RESOLUTION NO. 151-2016

**AUTHORIZING THE EXECUTION OF SALE OF
ONE 2001 DODGE PICK UP TRUCK
TO CHRISTOPHER ERICKSON**

WHEREAS, the city of Owosso, Shiawassee County, Michigan established a purchasing cycle to maintain a healthy Public Works vehicle fleet; and

WHEREAS, as part of this cycle, older vehicles are retired and sold at auction; and

WHEREAS, a bid solicitation was advertised for one 2001 Dodge Ram 2500 4x4 Pickup, Truck #312, and the most responsive bid was received from Christopher Erickson.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

FIRST: The city of Owosso has thereto determined that it is advisable, necessary and in the public interest to sell one 2001 Dodge Ram 2500 4x4 Pickup (VIN# 3B7KF26Z61M283768, Truck # 312) in the amount of \$4,227.00.

SECOND: The city clerk is instructed and authorized to complete the necessary paperwork to transfer ownership of this vehicle to Christopher Erickson upon remittance of the above

amount.

Bid Award - Sale of Used Police Car. Approve the bid of Joseph Augustine for one 2010 Chevrolet Impala police car (VIN# 2G1WD5EMXA1216251) in the amount of \$2,100.00 as follows:

RESOLUTION NO. 152-2016

**AUTHORIZING THE EXECUTION OF SALE
OF ONE 2010 CHEVROLET IMPALA TO
JOSEPH AUGUSTINE**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, established a purchasing cycle to maintain a healthy police vehicle fleet; and

WHEREAS, as part of this purchasing cycle older vehicles are retired and sold to the highest bidder; and

WHEREAS, a bid solicitation was advertised and the most responsive bid was received from Josephine Augustine.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

FIRST: The City of Owosso has theretofore determined that it is advisable, necessary and in the public interest to sell one 2010 Chevrolet Impala police vehicle (VIN# 2G1WD5EMXA1216251) in the amount of \$2,100.00.

SECOND: The city clerk is instructed and authorized to complete the necessary paperwork to transfer ownership of this vehicle to Josephine Augustine upon the remittance of \$2,100.00.

Contract Authorization – WWTP Primary Clarifiers.* Authorize contract with Titus Welding Company for the procurement of materials and components, manufacture, and installation of two primary clarifier operating systems for the WWTP in an amount not to exceed \$405,900.00, and further authorize payment to the contractor upon satisfactory completion of the work or a portion thereof as detailed:

RESOLUTION NO. 153-2016

**AUTHORIZING A CONTRACT WITH
TITUS WELDING COMPANY
FOR MANUFACTURE, DELIVERY, AND INSTALLATION
OF TWO PRIMARY CLARIFIER OPERATING SYSTEMS
FOR THE WASTEWATER PLANT
AT THE BID PRICE OF \$369,000.00**

WHEREAS, the existing Primary Clarifier Units at the Waste Water Treatment Plant are beyond economical repair and have expended their useful service life, and

WHEREAS, the City solicited bids for the manufacture, delivery, and installation of said units and Titus Welding Company of Farmington Hills, Michigan provided the low, responsible bid for these wastewater process equipment items at a cost of \$369,000.00, and

WHEREAS, the Utility Director has reviewed the bid proposal, verified the replacement components needed to restore the clarification process to full capacity, and recommends authorizing a contract with Titus Welding Company for the provision and installation of two Primary Clarifier Units in the amount of \$369,000.00, and further authorize the Utility Director to expend up to \$36,900.00 in additional funds for project contingencies, and

WHEREAS, the City of Owosso has budgeted from the Wastewater Plant Replacement Fund for the replacement of said Primary Clarifiers.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

- FIRST: The city of Owosso has heretofore determined that it is advisable, necessary and in the public interest to contract with Titus Welding Company for the purchase and installation of two Primary Clarifier Units at the Wastewater Treatment Plant.
- SECOND: The mayor and city clerk are instructed and authorized to sign the documents substantially in the form attached, Exhibit A, Project Contract for Owosso Wastewater Treatment Plant Clarifier Equipment Replacement, between Titus Welding Company and the City of Owosso.
- THIRD: The accounts payable department is authorized to submit payment to Titus Welding Company in an amount not to exceed \$369,000.00 for the manufacture, delivery, and installation of the two units, and up to \$36,900.00 for additional contingency expenses upon submission of periodic invoices approved by the Director of Public Services.
- FOURTH: The above expenses shall be paid from the Wastewater Plant Fund 599-901-977.000.

Purchase Authorization – WWTP Effluent Composite Sampler. Waive competitive bidding requirements and approve sole source purchase of one HACH Model AS950 refrigerated effluent sampler for the WWTP in the amount of \$5,976.90, and authorize payment to the vendor upon satisfactory receipt of the equipment as follows:

RESOLUTION NO. 154-2016

**AUTHORIZING PURCHASE OF
ONE MODEL AS950 EFFLUENT COMPOSITE SAMPLER
FROM HACH COMPANY
FOR USE AT THE WASTEWATER TREATMENT PLANT**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has budgeted from the Wastewater Plant Replacement Fund for the replacement of a Effluent Composite Sampler for NPDES compliance, and

WHEREAS, the existing Effluent Composite Sampler is obsolete and beyond economical repair, and determined to require replacement with the same type model as a sole source procurement from HACH Company of Loveland, Colorado in the amount of \$5,751.90; and

WHEREAS, the City Utilities Director has reviewed the quoted Effluent Composite Sampler model and price, and recommends authorizing HACH Company to provide the required equipment.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

- FIRST: The city of Owosso has heretofore determined that it is advisable, necessary and in the public interest to contract with HACH Company for the purchase of one Model AS950 Effluent Composite Sampler for use at the Wastewater Treatment Plant.
- SECOND: The accounts payable department is authorized to submit payment to HACH Company in an amount not to exceed \$5,751.90 plus shipping of \$225.00 upon delivery.
- THIRD: The above expenses shall be paid from account no. 599-901-977.000.

Purchase Authorization –Screw Pump Upper Bearing Housing. Waive competitive bidding requirements and approve sole source purchase of an upper bearing housing from Lakeside Equipment Corporation of Illinois for the No. 1 influent screw pump at the WWTP in the amount of \$7,066.00 and authorize payment to the vendor upon satisfactory receipt of the equipment as detailed below:

RESOLUTION NO. 155-2016

**AUTHORIZING SOLE SOURCE PURCHASE FROM AND PAYMENT TO
LAKESIDE EQUIPMENT CORPORATION
FOR PURCHASE OF A SCREW PUMP UPPER BEARING HOUSING
FOR USE AT THE WASTEWATER TREATMENT PLANT**

WHEREAS, the existing bearing housing on the No.1 effluent pump at the Waste Water Treatment Plant is damaged from excessive vibration and wear, and it has been determined that replacement with original equipment manufacturer (OEM) parts is required to restore operation of the pump; and

WHEREAS, OEM Lakeside Equipment Company has provided pricing and verified availability of the required upper bearing housing at a cost of \$7,066.00, and

WHEREAS, the City Utilities Director has reviewed the necessity of replacement, has verified the replacement parts needed to restore the screw pump to full capacity and the pricing provided from Lakeside Equipment Company, and recommends authorizing Lakeside Equipment Company provide the required upper bearing housing in an amount not to exceed \$7,066.00; and

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has budgeted from the Wastewater Plant Replacement Fund for the replacement of a screw pump upper bearing housing.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

- FIRST: The city of Owosso has heretofore determined that it is advisable, necessary and in the public interest to contract with Lakeside Equipment Company of Bartlett, Illinois for the purchase of one upper bearing housing for use at the Wastewater Treatment Plant.
- SECOND: The accounts payable department is authorized to submit payment to Lakeside Equipment Company in an amount not to exceed \$7,066.00 upon satisfactory delivery of the required component.
- THIRD: The above expenses shall be paid from account no. 599-901-977.000.

Warrant No. 534.* Authorize Warrant No. 534 as follows:

| Vendor | Description | Fund | Amount |
|--|--|---------------|--------------|
| Logicalis, Inc. | Network engineering support- November 2016 | Various | \$7,056.00 |
| Safebuilt, Inc. | Building department services- November 2016 | General | \$11,000.00 |
| Sungard Public Sector | Public Safety software maintenance & licensing fees-2017 | General | \$9,981.01 |
| Michigan Municipal Risk Management Authority | Building and property insurance- 2 nd installment | General | \$134,818.50 |
| State of Michigan-MDOT | Payment for North Street improvements | Local Streets | \$4,043.33 |
| State of Michigan-MDEQ. | NPSES annual permit fee for 2017 | WWTP | \$5,500.00 |
| William C. Brown, P.C. | Professional services- 11/1/16-12/12/16 | General | \$8,636.68 |

Check Register – November 2016.* Affirm check disbursements totaling \$924,340.26 for November 2016.

Motion supported by Councilmember Fox.

Roll Call Vote.

AYES: Councilmember Teich, Mayor Pro-Tem Osika, Councilmembers Fox, Greenway, Law, and Mayor Eveleth.

NAYS: None.

ABSENT: Councilmember Bailey.

ITEMS OF BUSINESS

Closed Session – Rappuhn Property Buy-Back (This item was removed from the agenda.)

Medical Marijuana Legislative Amendments

Consider recent amendments to the Medical Marijuana Act and the options they present for the City.

City Attorney William C. Brown indicated he was looking for Council direction as to how they would like to bring the City's ordinances into compliance with the newly amended State law governing medical marijuana. He offered four options for the Council to consider, but noted that a decision was not required anytime soon as the licensing component of the amended law would not take effect until December of 2017.

Mayor Eveleth asked if there were any staff recommendations as to how to approach the decision making process on this topic. Assistant City Manager Montenegro suggested a public forum would be a good place to start, providing an opportunity to educate the general public on the options the new law provides as well as an opportunity to receive public feedback. Attorney Brown suggested that the MML article distributed with the meeting packet would be primer for the public forum.

Motion by Councilmember Fox directing staff to continue researching the topic and schedule a public forum for January 30, 2017 to gather citizen sentiment on the governance of medical marijuana operations in the City of Owosso.

Motion supported by Councilmember Law.

Roll Call Vote.

AYES: Mayor Pro-Tem Osika, Councilmembers Teich, Fox, Law, Greenway, and Mayor Eveleth.

NAYS: None.

ABSENT: Councilmember Bailey.

COMMUNICATIONS

N. Bradley Hissong, Building Official. November 2016 Building Department Report.

N. Bradley Hissong Building Official. November 2016 Code Violations Report.

Kevin D. Lenkart, Public Safety Director. November 2016 Police Report.

Kevin D. Lenkart, Public Safety Director. November 2016 Fire Report.

CITIZEN COMMENTS AND QUESTIONS

There were no citizen comments.

Councilmember Fox asked that as we go into budget season the idea of installing precast catch basins be explored as a less expensive alternative to patching/rebuilding the current brick catch basins. Public Services Director Chinavare indicated he would look into what newer, less expensive options are out there.

NEXT MEETING

Tuesday, January 03, 2017

BOARDS AND COMMISSIONS OPENINGS

Building Board of Appeals – Alternate - term expires June 30, 2018

ADJOURNMENT

Motion by Mayor Pro-Tem Osika for adjournment at 7:53 p.m.

Motion supported by Councilmember Teich and concurred in by unanimous vote.

Christopher T. Eveleth, Mayor

Amy K. Kirkland, City Clerk

*Due to their length, text of marked items is not included in the minutes. Full text of these documents is on file in the Clerk's Office.



MEMORANDUM

Reprinted from the
December 19, 2016
council meeting.

301 W. MAIN ▪ OWOSSO, MICHIGAN 48867-2958 ▪ WWW.CI.OWOSSO.MI.US

DATE: December 14, 2016

TO: Owosso City Council

FROM: Susan Montenegro, Assistant City Manager/Director of Community Development

SUBJECT: Increase the membership of the Parks and Recreation Commission from five (5) members at large to seven (7) members at large

RECOMMENDATION:

The Parks and Recreation Commission is looking for ways to improve its ability to serve the Owosso community and find it prudent and reasonable to recommend council increase its membership from five (5) members at large to seven (7) members at large. The commission has found it increasingly difficult to achieve a quorum and have had to cancel several meetings for that very reason within the last year. Adding additional members will increase the likelihood a quorum will be met on a regular basis.

The Parks and Recreation Commission has been working on updating the *2011 Parks and Recreation Plan*, which must take place every five years, so that the city can continue to seek and participate in various grant programs. Having a larger commission will help facilitate this process. The Parks and Recreation Commission also participates in other functions throughout the year such as Plunge for the Parks and Greenup/Cleanup. Increasing the membership will ensure these functions continue.

RESOLUTION NO. 147-2016

FIRST READING AND SET PUBLIC HEARING FOR
A PROPOSED AMENDMENT TO CHAPTER 2, ADMINISTRATION,
ARTICLE IV, BOARDS & COMMISSIONS, DIVISION 3, PARKS AND RECREATION COMMISSION,
SECTION 2-242 – MEMBERS; APPOINTMENT, TERMS, VOTING, OFFICERS,
TO INCREASE THE SIZE OF THE PARKS AND RECREATION COMMISSION

WHEREAS, the Parks and Recreation Commission currently consists of five (5) at-large members appointed for two year terms; and

WHEREAS, the Parks and Recreation Commission have found difficulty in reaching and maintaining a quorum for meetings throughout the year; and

WHEREAS, the Parks and Recreation Commission wishes to raise the number from five (5) members at large to seven (7) members at large; and

WHEREAS, this increase in membership will allow the Parks and Recreation Commission the flexibility to meet and exceed the needs of the community while maintaining a quorum to hold meetings.

NOW THEREFORE BE IT RESOLVED THAT THE CITY OF OWOSSO ORDAINS:

SECTION 1. AMENDMENT. That existing Chapter 2, Administration, Article IV, Boards & Commissions; Division 3, Parks and Recreation Commission; Section 2-242 – Members; appointment, terms, voting, officers, be amended to read:

Sec. 2-242. - Members; appointment, terms, voting, officers.

(a) The members of the parks and recreation commission shall consist of ~~five (5)~~ **seven (7)** at-large members appointed by the mayor and approved by the council. Commission members shall be residents of the city. The mayor or the designee of the mayor, with council approval, shall be an ex-officio member of the commission.

(b) The ~~five (5)~~ **seven (7)** at-large members shall have terms of two (2) years. The first appointment of the ~~five (5)~~ **seven (7)** at-large members shall be staggered so that ~~two (2)~~ **three (3)** members are appointed for a one-year term and ~~three (3)~~ **four (4)** members shall be appointed to two-year terms. Thereafter each appointment of an at large member shall be for a two-year term unless it is an appointment to fill a vacancy in office that occurs prior to completion of a term. The ex-officio member of the commission shall serve for an indefinite term at the pleasure of the mayor.

(c) Each at large member shall be entitled to one (1) vote. The ex-officio member shall not have a vote. Any action shall require a majority vote of the members present at a meeting constituting a quorum. A quorum shall consist of at least ~~three (3)~~ **four (4)** members.

SECTION 2. PUBLIC HEARING. A public hearing is set for Tuesday, January 3, 2017 at 7:30 p.m. for the purpose of hearing citizen comment regarding the proposed ordinance amendment.

SECTION 3. AVAILABILITY. The ordinance may be purchased or inspected in the City Clerk's Office, Monday through Friday between the hours of 9:00 a.m. and 5 p.m.

SECTION 4. EFFECTIVE DATE. This amendment shall become effective 20 days after approval.



MEMORANDUM

301 W. MAIN ▪ OWOSSO, MICHIGAN 48867-2958 ▪ WWW.CI.OWOSSO.MI.US

DATE: January 3, 2017

TO: Owosso City Council

FROM: Glenn Chinavare, Director of Public Services

SUBJECT: North Street at Corlett Creek, Contract Change Order No. 1

RECOMMENDATION:

Approval of Change Order No. 1 in the amount of \$11,947.00, which increases the total contract amount to \$69,947.00.

BACKGROUND:

On May 4, 2015, City Council approved the Professional Services Contract to Spicer Group, Inc. for North Street Culvert Replacement at Corlett Creek. Additional construction administration services were required from Spicer Group, Inc. to fulfill the City's commitment to MDOT and the project.

Attached is Change Order No. 1 in the amount of \$11,947.00, along with supporting documents to amend the original contract to Spicer Group, Inc. The project is complete and was found acceptable to MDOT.

FISCAL IMPACTS:

Additional engineering services in the amount of \$11,947.00 will be provided from the FY2016-2017 Water Replacement Fund Account 591-901-972.000, and the FY2016-2017 Local Street Fund Account 203-451-818.000.

RESOLUTION NO.

**AUTHORIZATION OF CHANGE ORDER NO 1
TO THE CONTRACT WITH SPICER GROUP, INC FOR THE NORTH STREET
CULVERT REPLACEMENT PROJECT OVER CORLETT CREEK**

WHEREAS, the city of Owosso, Shiawassee County, Michigan, approved a contract with Spicer Group, Inc. on May 4, 2015 for Professional Engineering Services for the North Street Culvert Replacement Project; and

WHEREAS, the city of Owosso is obligated to fulfill construction oversight and quality control of the project as required by MDOT and FHWA; and

WHEREAS, the project required additional Professional Services of Spicer Group, Inc. to fulfill its obligations, and that Spicer Group, Inc. is willing to provide said additional services as set forth within the documents labeled Change Order No. 1.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

- FIRST: The City of Owosso amends the contract with Spicer Group, Inc. for additional professional engineering services as detailed above.
- SECOND: The mayor and city clerk are instructed and authorized to sign the document substantially in form attached as Change Order No. 1 to Addendum 2015-01 to an Agreement for Professional Engineering Services between the City of Owosso and Spicer Group, Inc., increasing the total amount by \$11,947.00.
- THIRD: The accounts payable department is authorized to pay Spicer Group, Inc. for professional services work satisfactorily completed up to the amount of the initial contract of \$58,000.00, including Change Order No 1 in the amount of \$11,947.00, for a total of \$69,947.00.
- FOURTH The above expenses shall be paid from the FY2016-2017 Water Replacement Fund Account 591-901-972.000, and the FY2016-2017 Local Street Fund Account 203-451-818.000.

OWNER'S WORK DIRECTIVE CHANGE
NO. 1 TO PROFESSIONAL SERVICES

OWNER - CITY OF OWOSSO

PROJECT - NORTH STREET CORLETT CREEK

DATE OF ORIGINAL AGREEMENT - 5-06-2015

PROFESSIONAL'S WORK ORDER - 122527SG2015

In order to help permit the PROFESSIONAL to meet the OWNER'S needs for the referenced project, the OWNER hereby directs the PROFESSIONAL to revise the PROFESSIONAL'S contracted responsibilities (scope of work) according to the following items:

- A water main relocation was included with the design of this project. This relocation was not known at the time of project inception and estimating. This required additional inspection time and office technician time to verify submittals, certifications, and wage rate interviews.
- Assisting with utility pole relocation prior to construction.
- MDOT required additional materials testing of geotextile separator that was originally covered by MSL and certified.
 - Grab Strength.
 - Trap Tear Strength.
 - Puncture Strength.
 - Burst Strength.
 - Permittivity.
 - AOS.
- Adjustment in our inspection time due to the Contractor being on-site more than originally estimated.
- Assisting with the CAP audit.

A Comparison of hours from the Amendment for Proposal for Design & Construction Engineering Services letter dated April 21, 2015 to the actual hours required for the project by labor classification category consists of:

| Labor Category | Original | Actual |
|----------------------------------|----------|--------|
| Senior Construction Manager | 4 | 3 |
| Project Manager | 20 | 29.25 |
| Office Technician | 44 | 125.75 |
| Construction Services Technician | 242 | 302.5 |
| Project Assistant | 10 | 24.5 |
| Project Surveyor | 0 | 23.5 |
| Intern Surveyor | 0 | 13 |

Payment for this change shall be based on Cost Plus Fixed Fee basis in the amount of \$11,947.

The PROFESSIONAL'S receipt of the fully signed copy of this work directive change from the OWNER shall be the PROFESSIONAL'S notice to proceed with the changes. This document shall be attached to the Letter Agreement and made part of it.

Approved by Owner:

CITY OF OWOSSO

By: _____
Authorized Signature

Date: _____

Prepared by Engineer

SPICER GROUP, INC.

By: _____
Principal In Charge

By: _____
Project Manager

Date: _____

Instructions to Owner: Please have both copies signed and dated by an authorized representative.
Return one completed copy to Spicer Group, Inc.

CHANGE ORDER

No. 1

CONTRACTOR: SPICER GROUP, INC.

CONTRACT NAME: NORTH STREET AT CORLETT CREEK

CITY PURCHASE ORDER NO.: 41783

The Contract is modified as follows upon execution of this Change Order:

Description: Revise professional services contract: Additional construction administration and quality control services necessary to properly oversee construction contract per MDOT and City of Owosso standards.

Attachments: Owner's Work Order No. 1

| CHANGE IN CONTRACT PRICE |
|---|
| Original Contract Price \$ <u>58,000.00</u> |
| Increase (Decrease) from previously approved Change Orders No. _____ to _____: \$ <u>0</u> |
| Contract Price prior to this Change Order: \$ <u>58,000.00</u> |
| Increase (Decrease) of this Change Order: \$ <u>11,947.00</u> |
| Contract Price incorporating this Change Order: \$ <u>69,947.00</u> |

| CHANGE IN CONTRACT TIMES |
|---|
| Original Contract Times: Substantial Completion: <u>N/A</u> Ready for Final Payment: _____ |
| Increase (Decrease) from previously approved Change Orders No. _____ to _____: Substantial Completion: _____ Ready for Final Payment: _____ |
| Contract Times prior to this Change Order: Substantial Completion: _____ Ready for Final Payment: _____ |
| Increase (Decrease) of this Change Order: Substantial Completion: _____ Ready for Final Payment: _____ |
| Contract Times with all approved Change Orders: Substantial Completion: _____ Ready for Final Payment: _____ |

RECOMMENDED:
By: Randy Chesney

ENGINEER (Authorized Signature)

Title: City Engineer

Date: Dec. 21, 2016

APPROVED:
By: _____

OWNER (Authorized Signature)

Title: _____

Date: _____

ACCEPTED:
By: _____

CONTRACTOR (Authorized Signature)

Title: _____

Date: _____



MEMORANDUM

301 W. MAIN ▪ OWOSSO, MICHIGAN 48867-2958 ▪ WWW.CI.OWOSSO.MI.US

DATE: January 3, 2017

TO: Owosso City Council

FROM: Glenn Chinavare, Director of Public Services

SUBJECT: 2017 Street Program – Special Assessment Resolution No. 1

Each year the city considers a street program to improve selected city streets. Streets are selected for inclusion in the program either by citizen initiated petition or by selection by the city. Reconstruction and or resurfacing of these streets is funded in part via special assessment. Special Assessment is the process by which a portion of the cost for making a local improvement is assessed against a property owner based upon the value that the property receives from the improvement. The city assumes the remaining portion of the cost (public benefit portion). In recent years, the city has spread this amount as 60% public benefit and 40% property benefit. The city usually finances special assessments for property owners over a 10-year period at 6% interest. The property owner can pay an assessment in one lump sum or in installments over the 10 year period.

The special assessment process has five steps, each having its own purpose and accompanying resolution.

Step One/Resolution No. 1 identifies the proposed special assessment districts, directs the city manager to estimate project costs and the amounts to be specially assessed, and determines the life of the proposed improvements.

Step Two/Resolution No. 2 sets the date for the hearing of necessity on the projects. It directs notices to be sent to each affected property owner detailing the proposed project, notifying them of the public hearing date, and the estimated amount of their assessment.

Step Three/Resolution No. 3 documents the hearing of necessity. This hearing provides affected residents with the opportunity to comment on whether they feel the project is necessary and of the proper scale. After hearing citizen comment on the project the city council has three options: If they agree that the project should proceed as proposed, the district is established and staff is directed to go on with the next steps of the proposed project, including obtaining bids; if they feel the project should go forward, but with some adjustments they may direct staff to make those adjustments and proceed; if they feel the project is not warranted and should not proceed at all they would simply fail to act on Resolution No. 3, effectively stopping the process.

Step Four/Resolution No. 4 takes place after the bids are received. Estimated assessment amounts are adjusted if necessary to reflect the actual cost as dictated by the bids received. A second public hearing is set to allow property owners to comment on their particular assessment. Each property owner is sent a second notice containing the date and time of the second public hearing and the amount of the proposed assessment for their property.

Step Five/Resolution No. 5 documents the second public hearing, finalizes the special assessment roll and sets the terms of payment. This public hearing is designed to allow affected citizens the opportunity to argue whether or not the amount of their assessment is fair and equitable in relation to the benefit they receive from the project. If, after hearing citizen comment, the council decides adjustments need to be made to the assessment roll they may do so. Alternately, if they feel all the assessments are fair and equitable they may pass the resolution as written.

Tonight the council will be considering Resolution No. 1 for the proposed district as a part of the Consent Agenda. Because this item simply introduces the proposed district and directs staff to develop estimates it is typically handled without discussion of each individual item.

Staff recommends authorization of Resolution No. 1 for each of the following proposed projects:

| | |
|--|---------------------|
| Stewart Street from Chestnut Street to Chipman Street; | street resurfacing. |
| Chipman Street, from South Street to Stewart Street: | street resurfacing |
| Center Street: from King Street to North Street: | street resurfacing |
| Chipman Street, from Oliver Street to King Street: | street resurfacing |
| Chipman Street, from Willow Springs Drive to Harding Avenue: | street resurfacing |
| Oliver Street, from GLC Railroad to Chipman Street: | street resurfacing |

Resolution No. 2 will be introduced at a later time when the plans and estimates for this project have been completed.

RESOLUTION NO.

Special Assessment Resolution No. 1 for Stewart Street

Special Assessment District No. 2017-01 Stewart Street from Chestnut Street to Chipman Street

WHEREAS, the City Council of the City of Owosso deems it necessary to acquire and construct the following described improvement:

**Stewart Street from Chestnut Street to Chipman Street:
Street Resurfacing**

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The matter of making said public improvement is hereby referred to the City Manager, who shall prepare a report thereon, which shall include plans and detailed estimates of the cost thereof and a description of the special assessment district and such other pertinent information as will permit the City Council to decide the cost, extent and necessity of the public improvement and what proportion of the cost should be paid by the City at large.

The City Manager shall present said report to the City Council when same has been prepared.

RESOLUTION NO.

Special Assessment Resolution No. 1 for Chipman Street

Special Assessment District No. 2017-02 Chipman Street from South Street to Stewart Street

WHEREAS, the City Council of the City of Owosso deems it necessary to acquire and construct the following described improvement:

**Chipman Street from South Street to Stewart Street:
Street Resurfacing**

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The matter of making said public improvement is hereby referred to the City Manager, who shall prepare a report thereon, which shall include plans and detailed estimates of the cost thereof and a description of the special assessment district and such other pertinent information as will permit the City Council to decide the cost, extent and necessity of the public improvement and what proportion of the cost should be paid by the City at large.

The City Manager shall present said report to the City Council when same has been prepared.

RESOLUTION NO.

Special Assessment Resolution No. 1 for Center Street

Special Assessment District No. 2017-03 Center Street from King Street to North Street

WHEREAS, the City Council of the City of Owosso deems it necessary to acquire and construct the following described improvement:

**Center Street from King Street to North Street:
Street Resurfacing**

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The matter of making said public improvement is hereby referred to the City Manager, who shall prepare a report thereon, which shall include plans and detailed estimates of the cost thereof and a description of the special assessment district and such other pertinent information as will permit the City Council to decide the cost, extent and necessity of the public improvement and what proportion of the cost should be paid by the City at large.

The City Manager shall present said report to the City Council when same has been prepared.

RESOLUTION NO.

Special Assessment Resolution No. 1 for Chipman Street

Special Assessment District No. 2017-04 Chipman Street from Oliver Street to King Street

WHEREAS, the City Council of the City of Owosso deems it necessary to acquire and construct the following described improvement:

**Chipman Street from Oliver Street to King Street:
Street Resurfacing**

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The matter of making said public improvement is hereby referred to the City Manager, who shall prepare a report thereon, which shall include plans and detailed estimates of the cost thereof and a description of the special assessment district and such other pertinent information as will permit the City Council to decide the cost, extent and necessity of the public improvement and what proportion of the cost should be paid by the City at large.

The City Manager shall present said report to the City Council when same has been prepared.

RESOLUTION NO.

Special Assessment Resolution No. 1 for Chipman Street

Special Assessment District No. 2017-05 Chipman Street from Willow Springs Drive to Harding Avenue

WHEREAS, the City Council of the City of Owosso deems it necessary to acquire and construct the following described improvement:

**Chipman Street from Willow Springs Drive to Harding Avenue:
Street Resurfacing**

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The matter of making said public improvement is hereby referred to the City Manager, who shall prepare a report thereon, which shall include plans and detailed estimates of the cost thereof and a description of the special assessment district and such other pertinent information as will permit the City Council to decide the cost, extent and necessity of the public improvement and what proportion of the cost should be paid by the City at large.

The City Manager shall present said report to the City Council when same has been prepared.

RESOLUTION NO.

Special Assessment Resolution No. 1 for Oliver Street

Special Assessment District No. 2017-06 Oliver Street from Great Lakes Central Railroad to
Chipman Street

WHEREAS, the City Council of the City of Owosso deems it necessary to acquire and construct the following described improvement:

**Oliver Street from Great Lakes Central Railroad to Chipman Street:
Street Resurfacing**

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The matter of making said public improvement is hereby referred to the City Manager, who shall prepare a report thereon, which shall include plans and detailed estimates of the cost thereof and a description of the special assessment district and such other pertinent information as will permit the City Council to decide the cost, extent and necessity of the public improvement and what proportion of the cost should be paid by the City at large.

The City Manager shall present said report to the City Council when same has been prepared.



Warrant 535
December 27, 2016

| Vendor | Description | Fund | Amount |
|---------------------------------|--|---------|-------------|
| Orchard, Hiltz & McCliment Inc. | Engineering services for Cargill project payment | OBRA #8 | \$32,488.50 |
| | | Total | \$32,488.50 |



MEMORANDUM

301 W MAIN ▪ OWOSSO, MICHIGAN 48867-2958 ▪ WWW.CI.OWOSSO.MI.US

Date: December 29, 2016

To: City Council

From: Donald D. Crawford, City Manager

Re: Comprehensive Annual Financial Report

The city has received the completed and unqualified Independent Auditors' Report from Rehmann Robson, LLC for the fiscal year ended June 30, 2016.

The Independent Auditor's Report is a snapshot of what happened during the fiscal year ended June 30, 2016 and the balance sheets of that date. Nothing appears in the audit which we were not previously aware of, and no improprieties were uncovered. There is little in the audit that was not contained in the June 30, 2016 financial statement given you, subject to the normal adjustments.

Achievements included implementation and compliance with the Government Accounting Standards Statement No. 68 with respect to pension plan reporting.

With respect to internal controls, the auditors noted the staffing levels are such that the ideal separation of duties does not occur.

The audit serves as a part of the checking system by which the state makes sure that a city, which legally is a creature of the state, complies with all state financial regulations. The audit also serves as a council oversight tool of the administrative handling of the city's finances.

RESOLUTION NO.

**RESOLUTION ACCEPTING AND PLACING ON FILE
THE CITY OF OWOSSO, MICHIGAN FINANCIAL REPORT
WITH ADDITIONAL INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

WHEREAS, the city of Owosso is required by the laws of the state of Michigan to annually have an independent audit performed in accordance with generally accepted auditing standards; and

WHEREAS, the city of Owosso employed Rehmann Robson LLC, certified public accountants, to audit the financial records of the city of Owosso and such audit has been completed and is presented this date to the city council.

NOW THEREFORE BE IT RESOLVED by the city council of the city of Owosso, Shiawassee County, Michigan that:

FIRST: *The City of Owosso, Michigan Financial Report with Additional Information for the Fiscal Year Ended June 30, 2016*, attached hereto and made a part hereof as Exhibit A, is hereby accepted and placed on file.

SECOND: A copy of the *City of Owosso, Michigan Financial Report with Additional Information for the Fiscal Year Ended June 30, 2016* will be maintained on file in the office of the city clerk for public examination, a copy will be placed in the Shiawassee District Library Owosso Branch for public examination, and copies will be sent to those required by law and agreement.



MEMORANDUM

301 W. MAIN ▪ OWOSSO, MICHIGAN 48867-2958 ▪ WWW.CI.OWOSSO.MI.US

DATE: December 27, 2016

TO: Mayor Eveleth and City Council Members

FROM: Susan Montenegro, Asst. City Manager/Director of Community Development

SUBJECT:

Approval of new brownfield plan, District #18 – Mueller Redevelopment Project, pursuant to and in accordance with the provisions of Act 381 of the Public Acts of the State of Michigan of 1996, as amended.

RECOMMENDATION:

The Owosso Brownfield Redevelopment Authority (OBRA) recommends the approval of brownfield plan for District #18, also known as the Mueller Redevelopment Project.

BACKGROUND:

The OBRA approved the brownfield plan to establish District #18, the Mueller Redevelopment Project at its December 16, 2016 meeting. The total anticipated investment into the redevelopment project is approximately \$6,047,088. The Developer will be reimbursed for the costs of eligible activities necessary to prepare the Property for redevelopment. The activities that are intended to be carried out at the Property are considered "eligible activities" as defined by Sec 2 of Act 381 and include BEA Activities, due care, lead and asbestos surveys and abatement, demolition, site preparation and preparation of the Brownfield Plan and Act 381 Work Plan.

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local and state tax revenues generated by the Property redevelopment and captured by the OBRA, subject to any limitations and conditions described in this Plan and the terms of a Reimbursement Agreement between the Developer and the Authority (the "Reimbursement Agreement"). The Plan also includes a 12-year Obsolete Property Rehabilitation Act (OPRA) abatement and Industrial Facilities Exemption (IFE).

The brownfield plan will have a duration period of 25 years (starting in 2017) and is set to expire in 2040. The total amount being sought for eligible activities through the Michigan Strategic Fund and local tax capture is \$958,820.

FISCAL IMPACTS:

The total cost of activities eligible for reimbursement from tax increment revenues is \$958,820. Property taxes will be captured throughout the duration of the plan or until the total amount is repaid, whichever comes first.

Document originated by: Susan Montenegro

RESOLUTION

RESOLUTION APPROVING A BROWNFIELD PLAN "DISTRICT #18, MUELLER REDEVELOPMENT PROJECT" FOR THE CITY OF OWOSSO PURUSANT TO AND IN ACCORDANCE WITH THE PROVISIONS OF ACT 381 OF THE PUBLIC ACTS OF THE STATE OF MICHIGAN OF 1996, AS AMENDED

WHEREAS, the Brownfield Redevelopment Authority (the "Authority") of the City of Owosso, pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, being Act 381 of the Public Acts of the State of Michigan of 1996, as amended (the "Act"), has prepared and recommended for approval by the City of Owosso Council, a Brownfield Plan entitled "District #18, Mueller Redevelopment Project" (the "Plan"), pursuant to and in accordance with Section 13 of the Act, to be carried out within the Brownfield Redevelopment Zone (the "Zone"), said zone being the entire City and with said District #18 described as:

Parcel #050-470-024-001-00 300 West Main Street

Part of original plat described as; South 1/2 Block 24 & South 10' of North 1/2 Block 24, also adjacent Reserve 1, lying between East bank of Shiawassee River and said description, City of Owosso, Shiawassee County, Michigan.

And,

WHEREAS, the Owosso Brownfield Authority held a public hearing for District #18 on December 16, 2016 at its regular meeting to provided notice to and fully informed all taxing jurisdictions which are affected by the Financing Plan (the "Taxing Jurisdictions") about the fiscal and economic implications of the proposed Financing Plan, and the Council has previously provided to the Taxing Jurisdictions a reasonable opportunity to express their views and recommendations regarding the Financing Plan and in accordance with Sections 13 (10) and 14 (1) of the Act; and

WHEREAS, the Council has made the following determinations and findings:

- A. The Plan constitutes a public purpose under the Act;
- B. The Plan meets all of the requirements for a Brownfield Plan set forth in Section 13 of the Act;
- C. The proposed method of financing the costs of the eligible activities, as described in the Plan is feasible and the Authority has the ability to arrange the financing;
- D. The costs of the eligible activities proposed in the Plan are reasonable and necessary to carry out the purposes of the Act;
- E. The amount of captured taxable value estimated to result from the adoption of the Plan is reasonable; and

WHEREAS, as a result of its review of the Plan and upon consideration of their views and recommendations of the Taxing Jurisdictions, the Council desires to proceed with approval of the Plan.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

- FIRST: The City of Owosso has theretofore determined that it is advisable, necessary and in the public interest to approve the Brownfield Plan for District #18 "Mueller Redevelopment Project." Pursuant to the authority vested in the Council by the Act, and pursuant to and in accordance with the provisions of Section 14 of the Act, the Plan is hereby approved in the form considered by the Council on January 3, 2017, and maintained on file in the office of the City Clerk.
- SECOND: Severability. Should any section, clause or phrase of this Resolution be declared by the Courts to be invalid, the same shall not affect the validity of this Resolution as a

whole nor any part thereof other than the part so declared to be invalid.

THIRD: The mayor and city clerk are instructed and authorized to sign the document substantially in the form attached, Brownfield Plan between the City of Owosso, Michigan and Chamber Support Group.

**CITY OF OWOSSO
BROWNFIELD REDEVELOPMENT AUTHORITY**

BROWNFIELD PLAN

**Mueller Redevelopment Project
Owosso REI Group, LLC**
300 W. Main Street
Owosso, Michigan

Prepared By:

Owosso Brownfield Redevelopment Authority
301 W. Main Street
Owosso, Michigan 48867
Contact Person: Susan Montenegro
susan.montenegro@ci.owosso.mi.us
Phone: 989-725-0544

Triterra
1210 N. Cedar Street, Suite A
Lansing, Michigan 48906
Contact Person: Dave Van Haaren
dave.vanhaaren@triterra.us
Phone: 517-702-0470

November 10, 2016

Approved by the City of Owosso BRA on _____, 2016

Adopted by the City of Owosso City Council on _____, 2016

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ATTACHMENTS

Attachment A: Legal Descriptions of the Property

Attachment B: Summary of Known Environmental Conditions

Attachment C: Letter of Function Obsolescence

Attachment D: Letter of Blighted Conditions

1.0 PROJECT SUMMARY

| | |
|--|--|
| Project Name: | Mueller Redevelopment Project |
| Developer: | Owosso REI Group, LLC |
| Property Location: | 300 W. Main Street, Owosso, Michigan |
| Parcel Information: | The property consists of a single parcel; Parcel ID 050-470-024-001-00. |
| Type of Eligible Property: | “Facility”, “Functionally Obsolete” and “Blighted” |
| Project Description: | A complete rehabilitation of the complex of buildings located at 300 W. Main Street in the heart of Downtown Owosso, Michigan. The Mixed-use Development is located directly across the street from Owosso City Hall and includes a comprehensive rehabilitation of all subject buildings. The proposed Project includes a riverside restaurant/ brew pub with an outdoor patio area, professional office and retail space and 17 new residential units. Brownfield Eligible activities include asbestos and lead abatement, building and site demolition, due care activities, public infrastructure improvements and site preparation. |
| Total Capital Investment: | Property and Building Improvements (not including acquisition) is estimated at \$6,047,088 of which \$958,820 is estimated as eligible for Brownfield Reimbursement. |
| Estimated Job Creation/Retention: | The redevelopment is anticipated to generate up to 20 new full-time and 15 part-time equivalent jobs in the commercial office/retail components of the project. |
| Duration of Plan: | 24 years (starting in 2017). The duration of the Plan includes 20 years of Tax Increment Revenue (TIR) capture for reimbursement to the Developer and 5 years of TIR capture for deposit into the City of Owosso Brownfield Local Site Remediation Revolving Loan Fund. The Plan also includes a 12-year Obsolete Property Rehabilitation Act (OPRA) abatement and Industrial Facilities Exemption (IFE). |

**Uses of New Taxes and Tax
 Increment Revenue (TIR):**

| Revenue | Uses | |
|------------|--|---------------------|
| <i>TIR</i> | <i>Reimburse Developer for Eligible Activity Costs</i> | \$ 958,820 |
| | | |
| TIR | State Brownfield Revolving Fund | \$ 109,902 |
| TIR | OBRA Plan Administration | \$ 21,242 |
| TIR | OBRA Local Site Remediation Revolving Fund (LSRRF) | \$ 257,329 |
| New Taxes | New Taxes to City Debt | \$ 19,526 |
| | Total New Taxes | \$ 1,366,819 |

2.0 INTRODUCTION AND PURPOSE

The City of Owosso Brownfield Redevelopment Authority (Authority or “OBRA”), duly established by resolution of the City Council of the City of Owosso, pursuant to the Brownfield Redevelopment Financing Act, Michigan Public Act 381 of 1996, MCLA 125.2651 et. seq., as amended (Act 381), is authorized to exercise its powers within the City of Owosso, Michigan. The purpose of this Brownfield Plan (the “Plan”), to be implemented by the OBRA, is to satisfy the requirements for a Brownfield Plan as specified in Act 381

The Plan will allow the OBRA to use tax increment financing to reimburse the Owosso REI Group, LLC (the “Developer”) for the costs of eligible activities required to redevelop the eligible property located at 300 W. Main Street, City of Owosso, Michigan, (the “Property”). Any proposed redevelopment of the Property will only be economically viable with the support and approval of the brownfield redevelopment incentives described herein.

3.0 ELIGIBLE PROPERTY INFORMATION

This Brownfield Plan is presented to support the Owosso REI Group, LLC in the redevelopment of the complex of adjoined buildings located at 300 W. Main Street in the City of Owosso, Shiawassee County, Michigan. The location of the Property is depicted on Figure 1.

A summary of the Property is presented in the table below:

| Eligible Property | | |
|--------------------|--------------------|--|
| Address | Tax ID | Basis of Eligibility |
| 300 W. Main Street | 050-470-024-001-00 | Facility, Functionally Obsolete and Blighted |

The Property consisted of one half of an acre of land developed with a complex of three attached buildings ranging from 2 to 4-stories. The structures total approximately 37,262 square feet. The remainder of the Property is developed with asphalt parking and a small grassy courtyard. The Property is situated within an area of downtown commercial development, including a parking lot to the north, commercial buildings to the east and south, and a river to the west. The Property is located within the boundaries of the City of Owosso, Michigan. Property layout and boundaries are depicted on Figure 2. The legal description of the Property is included in Attachment A.

The Property is considered an “eligible property” as defined by Act 381, Section 2 because: (a) the Property was previously utilized as a commercial property; (b) it is located within the City of Owosso, a qualified local governmental unit under MCL 125.2782(k); (c) the Property has been determined to be a “facility” as the term is defined by Part 201 of Michigan’s Natural Resources and Environmental Protection Act, P.A. 451, as amended; (d) the Property has been determined to be “functionally obsolete” as defined in Section 2(s) of Act 381; and (e) the Property has been determined to be “blighted” as defined in Section 2(e) of Act 381. Refer to Attachment B, Summary of Known Environmental Conditions and Attachment C, Letter of Functional Obsolescence and Attachment D Letter of Blighted Conditions.

4.0 PROPOSED REDEVELOPMENT

The Project is located adjacent to the Owosso City Hall and the historic Owosso Armory in the heart of downtown Owosso, fronting on the Shiawassee River. The project is a mixed-use development that includes a complete rehabilitation of the 37,262 square foot former Mueller Building complex.

The proposed plans have the West building fully rehabilitated into a riverside restaurant/pub and a brewing facility (Owosso Brewing Co.). This space will also be connected with an outdoor patio area that will overlook the river. The Center building will remain as the access point for the both the Pub and the East building. The East building will be rehabilitated into a multi-level mixed-use facility. The first floor will house a mix of professional office and retail. There will also be some storage and individual garage units to support the residential users on the floors above. The upper levels will contain 17 new living units. Combined, the property will provide the ability to “live, work, and play” in Owosso’s downtown.

The total anticipated investment into the redevelopment project is approximately \$6,047,088. The development will result in the rehabilitation and reuse of a vacant, deteriorating, blighted and contaminated property in the city of Owosso. This development will improve the appearance of the area and put the property back to productive use and back on the tax roll. This redevelopment will also result in the creation of 20 new, full time equivalent jobs and 15 temporary jobs.

5.0 BROWNFIELD CONDITIONS

The East and Center (annex) buildings were constructed in 1899. The southern portion of the East building is 2-stories and the northern portion is 4-stories. The Center building is a 2-story building. These buildings were originally constructed and operated as a brewery for the Mueller Brothers Brewing Company. By 1908, the 2-story West building was constructed and operated as a bottling house for the brewery. The existing buildings are not the original developed use of the property. Prior development included the Owosso Steam Flouring Mill operated by the Seiler Brothers between 1884 and 1890 and as a grist mill operated between 1890 and 1893. By 1894, the mill was converted into brewery operated by the Owosso Brewing Company. A fire destroyed the original buildings and many of the surrounding properties in 1898. Historical use of the existing buildings included a mix of manufacturing, retail and predominately professional offices in the most recent past between 1960 and 1999. By 2000, nearly half of the office spaces were vacant. The buildings have been vacant since 2008.

These buildings contain lead-based paint and asbestos containing building materials (e.g. pipe wrap insulation, floor tile, transite panels, mastic, window caulking and glazing) that will require abatement prior to interior demolition and renovation.

The presence of contaminants at levels greater than residential generic cleanup criteria is demonstrated by the results of a site assessment presented in a Baseline Environmental Assessment (BEA) prepared by Triterra on May 23, 2014. A summary of known environmental conditions is included in Attachment B. A map depicting environmental impact at the Property is provided as Figure 3.

Additionally, on May 5, 2016, the City of Owosso Assessing Department formally determined the Property is “functionally obsolete” as the term is defined in Section 2(s), of Act 381. The Assessing Department determined the building suffers in excess of 50% functional obsolescence. The Letter of Functional Obsolescence is provided in Attachment C.

6.0 BROWNFIELD PLAN

6.1 Description of Costs to Be Paid With Tax Increment Revenues and Summary of Eligible Activities

The Developer will be reimbursed for the costs of eligible activities necessary to prepare the Property for redevelopment. The activities that are intended to be carried out at the Property are considered “eligible activities” as defined by Sec 2 of Act 381 and include BEA Activities, due care, lead and asbestos surveys and abatement, demolition, site preparation and preparation of the Brownfield Plan and Act 381 Work Plan.

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local and state tax revenues generated by the Property redevelopment and captured by the OBRA, subject to any limitations and conditions described in this Plan and the terms of a Reimbursement Agreement between the Developer and the Authority (the “Reimbursement Agreement”).

The total cost of activities eligible for reimbursement from tax increment revenues is projected to be \$958,820.

The eligible activities are summarized below:

LOCAL ONLY ELIGIBLE ACTIVITIES

Eligible Environmental Activities

| | |
|--|-----------------|
| Due Care Activities | \$21,100 |
| Total Environmental Costs..... | \$21,100 |
| LOCAL ONLY ELIGIBLE ACTIVITIES TOTAL..... | \$21,100 |

STATE AND LOCAL ELIGIBLE ACTIVITIES

Eligible Environmental Activities

| | |
|---|-----------------|
| Baseline Environmental Assessment Activities..... | \$13,500 |
| Total Environmental Costs..... | \$13,500 |

Eligible Non-Environmental Activities (MSF)

| | |
|--|------------------|
| Lead & Asbestos Surveys and Abatement | \$9,500 |
| Lead & Asbestos Abatement..... | \$77,500 |
| Demolition | \$410,000 |
| Site Preparation | \$195,300 |
| Infrastructure Improvements | \$100,000 |
| Total State/Local Non-Environmental Costs | \$805,800 |
| Contingency (15%)* | \$117,420 |
| Brownfield Plan / Act 381 Work Plan Preparation | \$14,500 |
| STATE AND LOCAL ELIGIBLE ACTIVITIES TOTAL..... | \$937,720 |
| GRAND TOTAL – ELIGIBLE ACTIVITIES..... | \$958,820 |

* Contingency calculation excludes costs for BEA, Lead & Asbestos Survey, Brownfield Plan and Act 381 Work Plan activities.

The costs listed above are estimated and may increase or decrease depending on the nature and extent of unknown conditions encountered on the Property. The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues captured by the OBRA shall be governed by the terms of a Reimbursement Agreement. No costs of eligible activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and

conditions of the Reimbursement Agreement and Section 2 of Act 381 of 1996, as amended (MCL 125.2652). The Reimbursement Agreement and this Plan will dictate the total cost of eligible activities subject to payment. As long as the total cost limit described in this Plan is not exceeded, line item costs of eligible activities may be adjusted after the date this Plan is approved by the City of Owosso City Council.

6.2 Estimate of Captured Taxable Value, Tax Increment Revenues and Impact of Tax Increment Financing on Taxing Jurisdictions

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local and school tax revenues generated by the Property redevelopment and captured by the OBRA. This Plan does include the capture of the School Operating or State Education Tax.

The 2016 taxable value of the Property was \$84,400, which is the initial taxable value for this Plan. For the purpose of this Plan, the anticipated taxable value in 2018, after completion of the development is \$1,500,000. This estimated taxable value is based on estimates developed by the Developer's project team. A 12 year tax abatement to local taxes only is planned under the Obsolete Property Rehabilitation Act ("OPRA") PA 146 of 2000 and the Plant Rehabilitation and Industrial Development Act (Industrial Facilities Exemption ("IFE")) PA 198 of 1974. The actual taxable value will be determined by the City's Assessor after the development is completed.

It is estimated that the OBRA will capture tax increment revenues from 2017 through 2036 to reimburse the cost of the eligible activities and capture for OBRA administration of the Plan. It is also estimated the OBRA will capture tax increment revenues from 2036 through 2040 to deposit into the OBRA's Local Site Remediation Revolving Fund (LSRRF).

The total impact of incremental tax capture on taxing jurisdictions is estimated at \$1,347,293. Impact to specific taxing jurisdictions is presented in Table 2, Schedule of Tax Increment Revenue.

Tax capture for deposits into the State Brownfield Revolving Fund is estimated at \$109,902.

Tax capture for OBRA administration of the Plan is estimated at \$21,242 and tax capture for deposit into the OBRA's LSRRF is estimated at \$257,329.

The captured incremental taxable value and associated tax increment revenue will be based on the actual increased taxable value from all taxable improvements on the Property as determined by the City Assessor and the actual millage rates levied by the various taxing jurisdictions during each year of the plan. The actual tax increment captured will be based on taxable value set through the property assessment process by

the local unit of government and the millage rates set each year by the taxing jurisdictions.

6.3 Method of Financing Plan Costs and Description of Advances by the Municipality

The Developer is ultimately responsible for financing the costs of eligible activities included in this Plan. Neither the OBRA nor the County of Shiawassee will advance any funds to finance the eligible activities described in this Plan. All Plan financing commitments and activities and cost reimbursements authorized under this Plan shall be governed by the Reimbursement Agreement. The inclusion of eligible activities and estimates of costs to be reimbursed in this Plan is intended to authorize the OBRA to fund such reimbursements. The amount and source of any tax increment revenues that will be used for purposes authorized by this Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by the Plan, will be provided solely under the Reimbursement Agreement contemplated by this Plan.

Reimbursements under the Reimbursement Agreement shall not exceed the cost of eligible activities and reimbursement limits described in this Plan.

6.4. Maximum Amount of Note or Bonded Indebtedness

Not applicable.

6.5 Duration of Brownfield Plan

The duration of this Brownfield Plan for the Property is anticipated to be 24 years total tax capture after the first year of tax capture anticipated as 2017 under this Plan. The duration of the Plan includes a 12 year tax abatement under the Obsolete Property Rehabilitation Act ("OPRA")(PA 146 of 2000) and the Plant Rehabilitation and Industrial Development Act (PA 198 of 1974). The duration of the Plan also includes 5 years of Tax Increment Revenue (TIR) capture for deposit into the OBRA Local Site Remediation Revolving Fund (LSRRF).

In no event shall the duration of the Plan exceed 35 years following the date of the resolution approving the Plan, nor shall the duration of the tax capture exceed the lesser of the period authorized under subsection (4) and (5) of Section 13 of Act 381 or 30 years. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five years after the date of the resolution approving the Plan.

6.6 Legal Description, Property Map, Property Characteristics and Personal Property

The Property subject to this Brownfield Plan consists of one parcel of land located in the City of Owosso. A summary of the parcel is presented in the table below:

| Eligible Property | | |
|--------------------|--------------------|------------------------------------|
| Address | Tax ID | Basis of Eligibility |
| 300 W. Main Street | 050-470-024-001-00 | Facility and Functionally Obsolete |

The general Property location and boundaries are shown on Figures 1 and 2. The legal description of the parcel is included in Attachment A. The subject property includes all tangible personal property that now or in the future comes to be owned or installed on the Property by the Developer.

6.7 Estimates of Residents and Displacement of Families

No occupied residences are involved in the redevelopment, no persons reside at the Property, and no families or individuals will be displaced as a result of this development.

6.8 Plan for Relocation of Displaced Persons

No persons will be displaced as a result of this development. Therefore, a Plan for relocation of displaced persons is not applicable and is not needed for this Plan.

6.9 Provisions for Relocation Costs

No persons will be displaced as result of this development and no relocation costs will be incurred. Therefore, provision for relocation costs is not applicable and is not needed for this Plan.

6.10 Strategy for Compliance with Michigan's Relocation Assistance Law

No persons will be displaced as result of this development. Therefore, no relocation assistance strategy is needed for this Plan.

6.11 Description of the Proposed Use of Local Site Remediation Revolving Fund

The OBRA has established a Local Site Remediation Revolving Fund (LSRRF). The OBRA will capture incremental local taxes to fund the LSRRF, to the extent allowed by law. The rate and schedule of incremental tax capture for the LSRRF will be determined on a case-by-case basis. Considerations may include, but not be limited to the following: total capture duration, total annual capture, project economic factors, level of existing LSRRF funding, projected need for LSRRF funds, and amount of school tax capture available in accordance with Act 381.

No funds from the OBRA LSRRF will be used to finance or reimburse eligible activities described in this Brownfield Plan. Excess tax increment revenues generated by this redevelopment will be captured by the OBRA for funding of its LSRRF in accordance to Public Act 381 of 1996.

6.12 Other Material that the Authority or Governing Body Considers Pertinent

In addition to the 12 year tax abatement outlined herein, the Developer and City is currently considering additional financial support through a Federal Historic Tax Credit, and a Community Development Block Grant (CDBG).

FIGURES

Figure 1: Property Location Map

Figure 2: Property Boundary Map

Figure 3: Soil and Groundwater Analytical Levels Above MDEQ Residential GCC

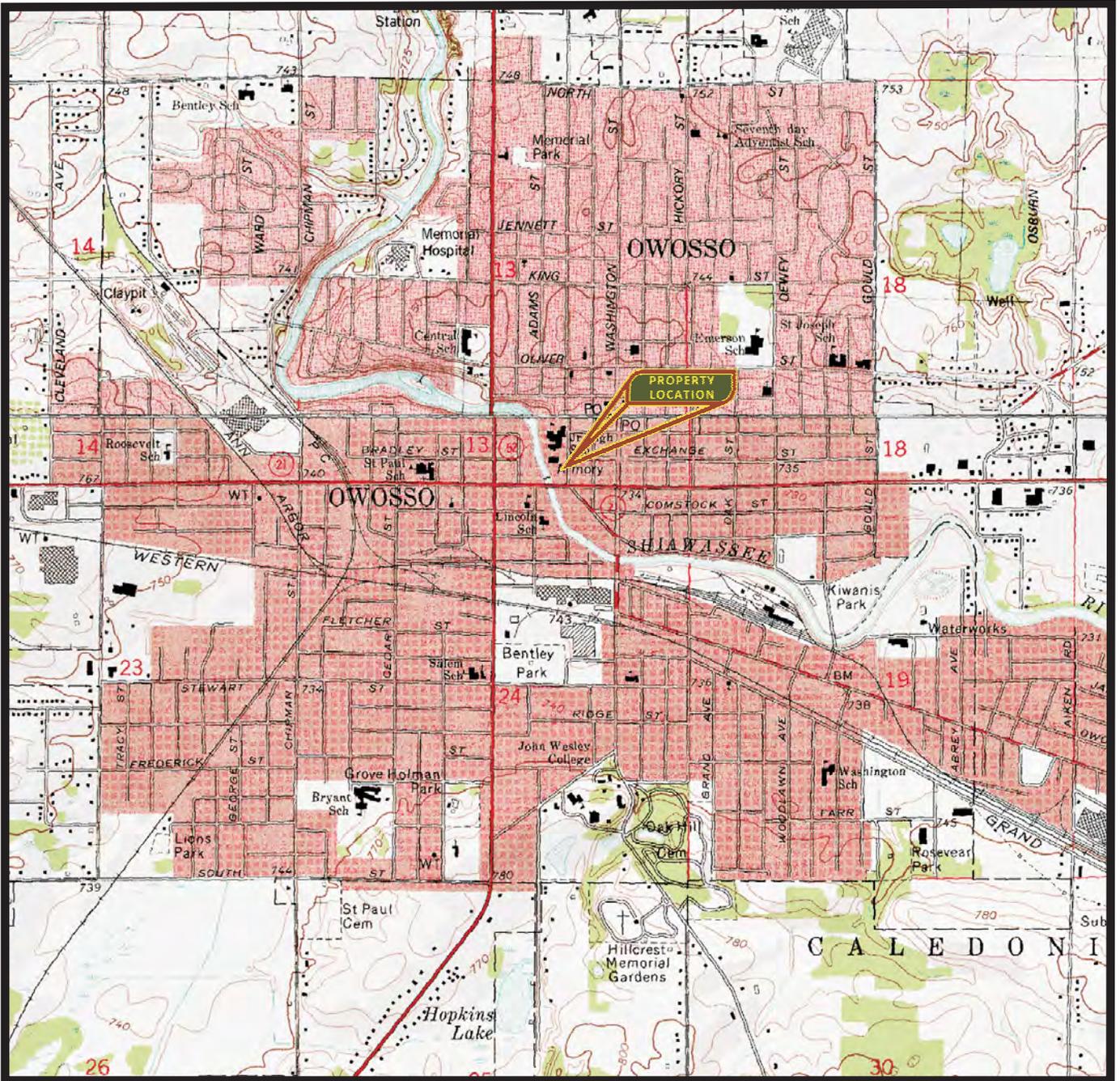


FIGURE 1
PROPERTY LOCATION

300 W. MAIN STREET
OWOSSO, MICHIGAN 48867

SHIAWASSEE COUNTY
T. 7 N. R 2 E., Section 13

PROJECT NUMBER: 14-1318

ADAPTED FROM DELORME 3-D TOPOQUADS

TRI TERRA



1" = ~ 2,000'





| | | |
|--|--|--|
|  | FIGURE 2 PROPERTY ORIENTATION DIAGRAM | 300 W. MAIN STREET OWOSSO, MICHIGAN 48867 |
| | PROJECT NUMBER: 14-1318 | DATE: 5/9/14 |



Adjacent Parking Lot

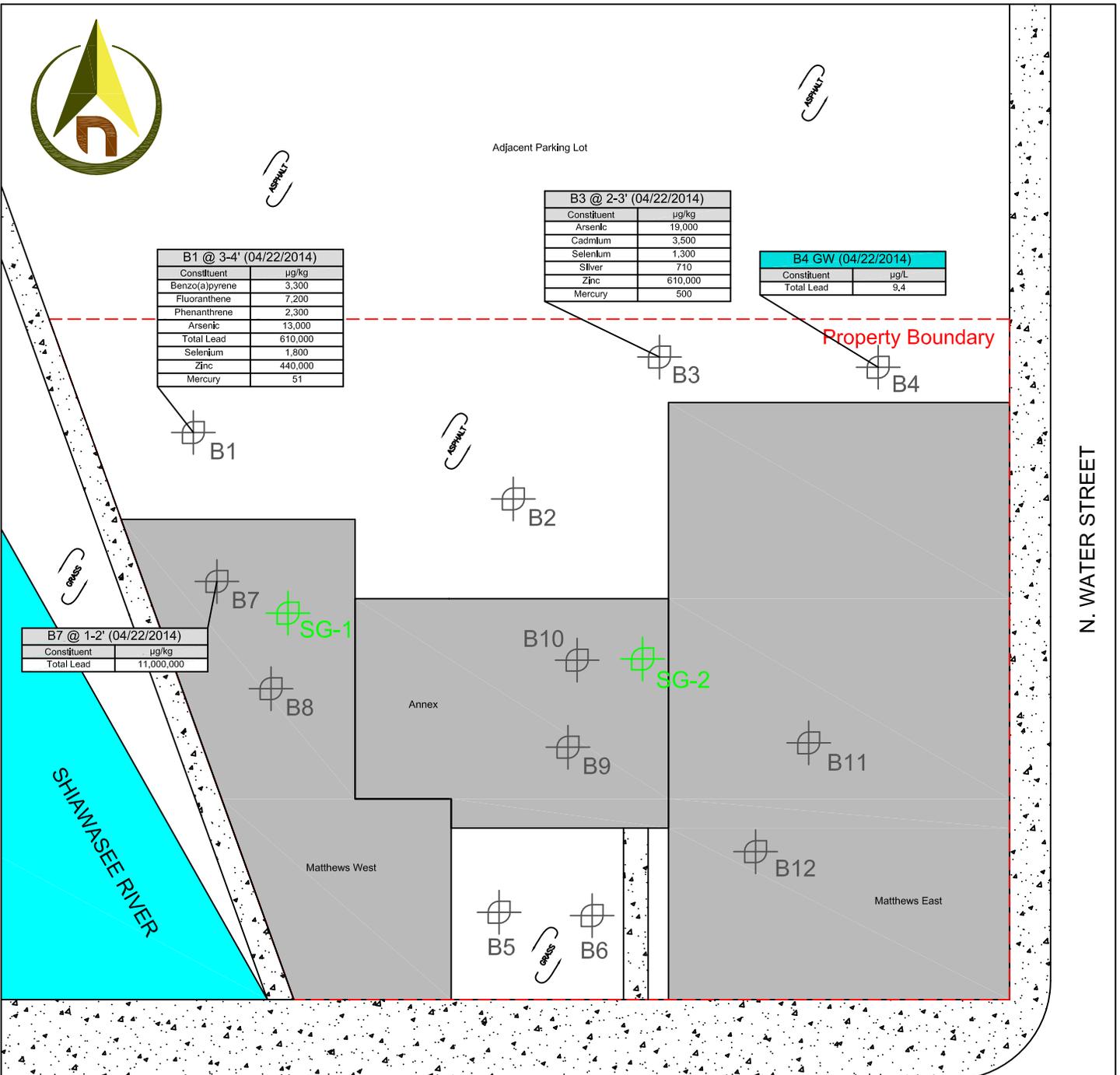
| B1 @ 3-4' (04/22/2014) | |
|------------------------|---------|
| Constituent | µg/kg |
| Benzo(a)pyrene | 3,300 |
| Fluoranthene | 7,200 |
| Phenanthrene | 2,300 |
| Arsenic | 13,000 |
| Total Lead | 610,000 |
| Selenium | 1,800 |
| Zinc | 440,000 |
| Mercury | 51 |

| B3 @ 2-3' (04/22/2014) | |
|------------------------|---------|
| Constituent | µg/kg |
| Arsenic | 19,000 |
| Cadmium | 3,500 |
| Selenium | 1,300 |
| Silver | 710 |
| Zinc | 610,000 |
| Mercury | 500 |

| B4 GW (04/22/2014) | |
|--------------------|------|
| Constituent | µg/L |
| Total Lead | 9.4 |

Property Boundary

| B7 @ 1-2' (04/22/2014) | |
|------------------------|------------|
| Constituent | µg/kg |
| Total Lead | 11,000,000 |



LEGEND

- Soil Boring Location (Triterra)
- Soil Gas Sample Location (Triterra)

W. MAIN STREET

SCALE IN FEET



1210 N Cedar Street, Suite A, Lansing, Michigan 48906
 Phone: 517-702-0470 Fax: 517-702-0477
 www.triterra.us

SOIL/GW ANALYTICAL
 LEVELS ABOVE MDEQ GRCC

THE MATTHEWS BUILDING
 300 W. MAIN STREET
 OWOSSO, MI 48867

Diagram is for illustrative purposes only. Exact locations of items shown on figure may slightly vary.

DATE: 04/09/14

DRAWN BY: IOS

PROJECT NUMBER: 14-1318

FIGURE 3

DATE: 06/29/14

REVISED BY: IOS

TABLES

Table 1: Brownfield Eligible Activities

Table 2: Schedule Tax Increment Revenue

Table 1
Brownfield Eligible Activities
300 W. Main Street
Owosso, MI
November 9, 2016

| <i>LOCAL ONLY ELIGIBLE ACTIVITIES</i> | COST | INCREMENTAL TAX CAPTURE | | | |
|--|------------------|-------------------------|-------------|---------|------------------|
| | | STATE/SCHOOL | | LOCAL | |
| ENVIRONMENTAL | | | | | |
| Due Care Activities | \$ 21,100 | | \$ - | 100.00% | \$ 21,100 |
| Subtotal: | \$ 21,100 | | | | |
| LOCAL ONLY ELIGIBLE ACTIVITIES TOTAL: | \$ 21,100 | | \$ - | | \$ 21,100 |

| <i>STATE AND LOCAL ELIGIBLE ACTIVITIES</i> | COST | INCREMENTAL TAX CAPTURE | | | |
|---|-------------------|-------------------------|-------------------|--------|-------------------|
| | | STATE/SCHOOL | | LOCAL | |
| ENVIRONMENTAL | | | | | |
| Baseline Environmental Assessment Activities | \$ 13,500 | 42.70% | \$ 5,765 | 57.30% | \$ 7,736 |
| NON-ENVIRONMENTAL | | | | | |
| Lead & Asbestos Surveys | \$ 9,500 | 44.23% | \$ 4,202 | 55.77% | \$ 5,298 |
| Lead & Asbestos Abatement | \$ 77,500 | 42.70% | \$ 33,093 | 57.30% | \$ 44,408 |
| Demolition | \$ 410,000 | 42.70% | \$ 175,070 | 57.30% | \$ 234,930 |
| Site Preparation | \$ 195,300 | 42.70% | \$ 83,393 | 57.30% | \$ 111,907 |
| Infrastructure Improvements | \$ 100,000 | 42.70% | \$ 42,700 | 57.30% | \$ 57,300 |
| Subtotal: | \$ 805,800 | | | | |
| Contingency (15%) | \$ 117,420 | 42.70% | \$ 50,138 | 57.30% | \$ 67,282 |
| Brownfield Plan and Act 381 Work Plan Preparation | \$ 14,500 | 42.70% | \$ 6,192 | 57.30% | \$ 8,309 |
| STATE AND LOCAL ELIGIBLE ACTIVITIES TOTAL: | \$ 937,720 | | \$ 400,552 | | \$ 537,168 |

| | | | | | |
|---|-------------------|--|-------------------|--|-------------------|
| GRAND TOTAL - ELIGIBLE ACTIVITIES: | \$ 958,820 | | \$ 400,552 | | \$ 558,268 |
|---|-------------------|--|-------------------|--|-------------------|

NOTES:

These costs and revenue projections should be considered approximate estimates based on expected conditions and available information.

The costs and revenue projections may vary from these estimates.

Contingency calculation excludes costs for BEA, Due Care, Asbestos Survey, Brownfield Plan and Act 381 Work Plan activities.

Table 2
Schedule of Tax Increment Revenue
300 W. Main Street
Owosso, MI
November 9, 2016

| Calendar Year Plan Year | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | | | | |
|--|---------------------|------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-----------|-----------|-----------|-----------|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | | | | | |
| Initial Taxable Value (TV) | \$ 84,400 | \$ 84,400 | \$ 84,400 | \$ 84,400 | \$ 84,400 | \$ 84,400 | \$ 84,400 | \$ 84,400 | \$ 84,400 | \$ 84,400 | \$ 84,400 | \$ 84,400 | \$ 84,400 | \$ 84,400 | \$ 84,400 | \$ 84,400 | \$ 84,400 | | | | |
| Projected Annual Increase in TV | 1% | 1% | 1% | 1% | 1% | 1% | 1% | 1% | 1% | 1% | 1% | 1% | 1% | 1% | 1% | 1% | 1% | | | | |
| Projected TV | \$ 84,400 | \$ 85,244 | \$ 1,500,000 | \$ 1,515,000 | \$ 1,530,150 | \$ 1,545,452 | \$ 1,560,906 | \$ 1,576,515 | \$ 1,592,280 | \$ 1,608,203 | \$ 1,624,285 | \$ 1,640,528 | \$ 1,656,933 | \$ 1,673,503 | \$ 1,690,238 | \$ 1,707,140 | \$ 1,724,211 | | | | |
| Total Captured TV | \$ - | \$ 844 | \$ 1,415,600 | \$ 1,430,600 | \$ 1,445,750 | \$ 1,461,052 | \$ 1,476,506 | \$ 1,492,115 | \$ 1,507,880 | \$ 1,523,803 | \$ 1,539,885 | \$ 1,556,128 | \$ 1,572,533 | \$ 1,589,103 | \$ 1,605,838 | \$ 1,622,740 | \$ 1,639,811 | | | | |
| Annual TIF Revenue by Taxing Jurisdiction | | | | | | | | | | | | | | | | | | | | | |
| | Millage Rate | | | | | | | | | | | | | | | | | | | | |
| Local Capture | | | | | | | | | | | | | | | | | | | | | |
| City Operating | 14.0370 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 22,306 | \$ 22,541 | \$ 22,778 | \$ 23,018 |
| County Operating | 5.1146 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 8,128 | \$ 8,213 | \$ 8,300 | \$ 8,387 |
| Intermediate School | 3.9040 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 6,204 | \$ 6,269 | \$ 6,335 | \$ 6,402 |
| School Voted | 3.0000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,767 | \$ 4,818 | \$ 4,868 | \$ 4,919 |
| SATA | 0.3285 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 522 | \$ 528 | \$ 533 | \$ 539 |
| Seniors | 0.3500 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 556 | \$ 562 | \$ 568 | \$ 574 |
| Medical Care Facility | 2.0000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,178 | \$ 3,212 | \$ 3,245 | \$ 3,280 |
| Veterans PA214 | 0.0900 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 143 | \$ 145 | \$ 146 | \$ 148 |
| Veterans Voted | 0.1350 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 215 | \$ 217 | \$ 219 | \$ 221 |
| MSU Extension | 0.0500 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 79 | \$ 80 | \$ 81 | \$ 82 |
| DDA District | 1.9484 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,096 | \$ 3,129 | \$ 3,162 | \$ 3,195 |
| District Library | 1.2500 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,986 | \$ 2,007 | \$ 2,028 | \$ 2,050 |
| State/School Capture | | | | | | | | | | | | | | | | | | | | | |
| School Operating | 18.0000 | \$ - | \$ 15 | \$ 25,481 | \$ 25,751 | \$ 26,024 | \$ 26,299 | \$ 26,577 | \$ 26,858 | \$ 27,142 | \$ 27,428 | \$ 27,718 | \$ 28,010 | \$ 28,306 | \$ 28,604 | \$ 28,905 | \$ 29,209 | \$ 29,517 | | | |
| State Education Tax (SET) | 6.0000 | \$ - | \$ 5 | \$ 8,494 | \$ 8,584 | \$ 8,675 | \$ 8,766 | \$ 8,859 | \$ 8,953 | \$ 9,047 | \$ 9,143 | \$ 9,239 | \$ 9,337 | \$ 9,435 | \$ 9,535 | \$ 9,635 | \$ 9,736 | \$ 9,839 | | | |
| Total Millage | 56.2075 | | | | | | | | | | | | | | | | | | | | |
| Total Capture Available | | | | | | | | | | | | | | | | | | | | | |
| Local Tax Capture Available | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 51,181 | \$ 51,720 | \$ 52,264 | \$ 52,814 |
| Sub-total State Tax Capture Available | \$ - | \$ 20 | \$ 33,974 | \$ 34,334 | \$ 34,698 | \$ 35,065 | \$ 35,436 | \$ 35,811 | \$ 36,189 | \$ 36,571 | \$ 36,957 | \$ 37,347 | \$ 37,741 | \$ 38,138 | \$ 38,540 | \$ 38,946 | \$ 39,355 | | | | |
| Capture for State Brownfield Revolving Fund (3 mills of SET) (25-Yrs) | \$ - | \$ 3 | \$ 4,247 | \$ 4,292 | \$ 4,337 | \$ 4,383 | \$ 4,430 | \$ 4,476 | \$ 4,524 | \$ 4,571 | \$ 4,620 | \$ 4,668 | \$ 4,718 | \$ 4,767 | \$ 4,818 | \$ 4,868 | \$ 4,919 | | | | |
| State Tax Capture Available | \$ - | \$ 18 | \$ 29,728 | \$ 30,043 | \$ 30,361 | \$ 30,682 | \$ 31,007 | \$ 31,334 | \$ 31,665 | \$ 32,000 | \$ 32,338 | \$ 32,679 | \$ 33,023 | \$ 33,371 | \$ 33,723 | \$ 34,078 | \$ 34,436 | | | | |
| Total Local & State Tax Capture Available | \$ - | \$ 18 | \$ 29,728 | \$ 30,043 | \$ 30,361 | \$ 30,682 | \$ 31,007 | \$ 31,334 | \$ 31,665 | \$ 32,000 | \$ 32,338 | \$ 32,679 | \$ 33,023 | \$ 34,552 | \$ 35,443 | \$ 36,342 | \$ 37,250 | | | | |
| Cumulative Captured Taxes | \$ - | \$ 18 | \$ 29,745 | \$ 59,788 | \$ 90,149 | \$ 120,831 | \$ 151,837 | \$ 183,172 | \$ 214,837 | \$ 246,837 | \$ 279,175 | \$ 311,853 | \$ 344,877 | \$ 429,429 | \$ 514,871 | \$ 601,213 | \$ 688,464 | | | | |
| Reimbursement of BRA Administration Costs | | | | | | | | | | | | | | | | | | | | | |
| Capture for BRA Administrative Costs (5%) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,559 | \$ 2,586 | \$ 2,613 | \$ 2,641 |
| Capture for BRA Local Site Revolving Loan Fund (LSRRF) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Cumulative BRA Administrative and LSRRF Capture | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,559 | \$ 5,145 | \$ 7,758 | \$ 10,399 |
| Reimbursement of Remaining Eligible Activities to Developer (\$958,820) | | | | | | | | | | | | | | | | | | | | | |
| Local/State Annual Total Tax Capture | \$ - | \$ 18 | \$ 29,728 | \$ 30,043 | \$ 30,361 | \$ 30,682 | \$ 31,007 | \$ 31,334 | \$ 31,665 | \$ 32,000 | \$ 32,338 | \$ 32,679 | \$ 33,023 | \$ 81,993 | \$ 82,857 | \$ 83,729 | \$ 84,610 | | | | |
| Local/State Remaining Tax Increment Reimbursement | \$ 937,720 | \$ 937,702 | \$ 907,975 | \$ 877,932 | \$ 847,571 | \$ 816,889 | \$ 785,883 | \$ 754,548 | \$ 722,883 | \$ 690,883 | \$ 658,545 | \$ 625,867 | \$ 592,843 | \$ 510,850 | \$ 427,994 | \$ 344,265 | \$ 259,655 | | | | |
| Local-Only Annual Total Tax Capture | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | | | |
| Local-Only Remaining Tax Increment Reimbursement | \$ 21,100 | \$ 21,100 | \$ 21,100 | \$ 21,100 | \$ 21,100 | \$ 21,100 | \$ 21,100 | \$ 21,100 | \$ 21,100 | \$ 21,100 | \$ 21,100 | \$ 21,100 | \$ 21,100 | \$ 21,100 | \$ 21,100 | \$ 21,100 | \$ 21,100 | | | | |

☐ = 12 Year OPRA / IFE on local taxes

| Taxes - Proportionality | | |
|-------------------------|---------|---------|
| Local Taxes | 32.2075 | 57.30% |
| State Taxes | 24.0000 | 42.70% |
| Total | 56.2075 | 100.00% |

| Debt Millage - Not Captured - New Tax Revenue | | | | | | | | | | | | | | | | | | |
|--|--------|------|------|--------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|-----------|-----------|
| City Debt | 0.5330 | \$ - | \$ 0 | \$ 755 | \$ 763 | \$ 771 | \$ 779 | \$ 787 | \$ 795 | \$ 804 | \$ 812 | \$ 821 | \$ 829 | \$ 838 | \$ 847 | \$ 856 | \$ 865 | \$ 874 |
| | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Cumulative Debt Millage Capture | 0.5330 | \$ - | \$ 0 | \$ 755 | \$ 1,517 | \$ 2,288 | \$ 3,067 | \$ 3,854 | \$ 4,649 | \$ 5,453 | \$ 6,265 | \$ 7,086 | \$ 7,915 | \$ 8,753 | \$ 9,600 | \$ 10,456 | \$ 11,321 | \$ 12,195 |

Table 2
Schedule of Tax Increment Revenue
300 W. Main Street
Owosso, MI
November 9, 2016

| Calendar Year Plan Year | 2033 17 | 2034 18 | 2035 19 | 2036 20 | 2037 21 | 2038 22 | 2039 23 | 2040 24 | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Initial Taxable Value (TV) | \$ 84,400 | \$ 84,400 | \$ 84,400 | \$ 84,400 | \$ 84,400 | \$ 84,400 | \$ 84,400 | \$ 84,400 | | |
| Projected Annual Increase in TV | 1% | 1% | 1% | 1% | 1% | 1% | 1% | 1% | | |
| Projected TV | \$ 1,741,453 | \$ 1,758,868 | \$ 1,776,457 | \$ 1,794,221 | \$ 1,812,163 | \$ 1,830,285 | \$ 1,848,588 | \$ 1,867,074 | | |
| Total Captured TV | \$ 1,657,053 | \$ 1,674,468 | \$ 1,692,057 | \$ 1,709,821 | \$ 1,727,763 | \$ 1,745,885 | \$ 1,764,188 | \$ 1,782,674 | | |
| Annual TIF Revenue by Taxing Jurisdiction | | | | | | | | | | |
| Local Capture | | | | | | | | | | |
| City Operating | 14.0370 | \$ 23,260 | \$ 23,505 | \$ 23,751 | \$ 24,001 | \$ 24,253 | \$ 24,507 | \$ 24,764 | \$ 25,023 | \$ 283,707 |
| County Operating | 5.1146 | \$ 8,475 | \$ 8,564 | \$ 8,654 | \$ 8,745 | \$ 8,837 | \$ 8,930 | \$ 9,023 | \$ 9,118 | \$ 103,373 |
| Intermediate School | 3.9040 | \$ 6,469 | \$ 6,537 | \$ 6,606 | \$ 6,675 | \$ 6,745 | \$ 6,816 | \$ 6,887 | \$ 6,960 | \$ 78,905 |
| School Voted | 3.0000 | \$ 4,971 | \$ 5,023 | \$ 5,076 | \$ 5,129 | \$ 5,183 | \$ 5,238 | \$ 5,293 | \$ 5,348 | \$ 60,634 |
| SATA | 0.3285 | \$ 544 | \$ 550 | \$ 556 | \$ 562 | \$ 568 | \$ 574 | \$ 580 | \$ 586 | \$ 6,639 |
| Seniors | 0.3500 | \$ 580 | \$ 586 | \$ 592 | \$ 598 | \$ 605 | \$ 611 | \$ 617 | \$ 624 | \$ 7,074 |
| Medical Care Facility | 2.0000 | \$ 3,314 | \$ 3,349 | \$ 3,384 | \$ 3,420 | \$ 3,456 | \$ 3,492 | \$ 3,528 | \$ 3,565 | \$ 40,423 |
| Veterans PA214 | 0.0900 | \$ 149 | \$ 151 | \$ 152 | \$ 154 | \$ 155 | \$ 157 | \$ 159 | \$ 160 | \$ 1,819 |
| Veterans Voted | 0.1350 | \$ 224 | \$ 226 | \$ 228 | \$ 231 | \$ 233 | \$ 236 | \$ 238 | \$ 241 | \$ 2,729 |
| MSU Extension | 0.0500 | \$ 83 | \$ 84 | \$ 85 | \$ 85 | \$ 86 | \$ 87 | \$ 88 | \$ 89 | \$ 1,011 |
| DDA District | 1.9484 | \$ 3,229 | \$ 3,263 | \$ 3,297 | \$ 3,331 | \$ 3,366 | \$ 3,402 | \$ 3,437 | \$ 3,473 | \$ 39,380 |
| District Library | 1.2500 | \$ 2,071 | \$ 2,093 | \$ 2,115 | \$ 2,137 | \$ 2,160 | \$ 2,182 | \$ 2,205 | \$ 2,228 | \$ 25,264 |
| State/School Capture | | | | | | | | | | |
| School Operating | 18.0000 | \$ 29,827 | \$ 30,140 | \$ 30,457 | \$ 30,777 | | | | | \$ 497,591 |
| State Education Tax (SET) | 6.0000 | \$ 9,942 | \$ 10,047 | \$ 10,152 | \$ 10,259 | \$ 5,183 | \$ 5,238 | \$ 5,293 | \$ 5,348 | \$ 198,743 |
| Total Millage | 56.2075 | | | | | | | | | \$ 1,347,293 |
| Total Capture Available | | | | | | | | | | |
| Local Tax Capture Available | | \$ 53,370 | \$ 53,930 | \$ 54,497 | \$ 55,069 | \$ 55,647 | \$ 56,231 | \$ 56,820 | \$ 57,415 | |
| Sub-total State Tax Capture Available | | \$ 39,769 | \$ 40,187 | \$ 40,609 | \$ 41,036 | \$ 5,183 | \$ 5,238 | \$ 5,293 | \$ 5,348 | |
| Capture for State Brownfield Revolving Fund (3 mills of SET) (25-Yrs) | | \$ 4,971 | \$ 5,023 | \$ 5,076 | \$ 5,129 | \$ 5,183 | \$ 5,238 | \$ 5,293 | \$ 5,348 | \$ 109,902 |
| State Tax Capture Available | | \$ 34,798 | \$ 35,164 | \$ 35,533 | \$ 35,906 | \$ - | \$ - | \$ - | \$ - | |
| Total Local & State Tax Capture Available | | \$ 88,168 | \$ 89,094 | \$ 90,030 | \$ 90,975 | \$ 55,647 | \$ 56,231 | \$ 56,820 | \$ 57,415 | |
| Cumulative Captured Taxes | | \$ 776,631 | \$ 865,726 | \$ 955,756 | \$ 1,046,731 | \$ 1,102,378 | \$ 1,158,608 | \$ 1,215,429 | \$ 1,272,844 | |
| Reimbursement of BRA Administration Costs | | | | | | | | | | |
| Capture for BRA Administrative Costs (5%) | | \$ 2,668 | \$ 2,697 | \$ 2,725 | \$ 2,753 | \$ - | \$ - | \$ - | \$ - | \$ 21,242 |
| Capture for BRA Local Site Revolving Loan Fund (LSRRF) | | \$ - | \$ - | \$ - | \$ 31,216 | \$ 55,647 | \$ 56,231 | \$ 56,820 | \$ 57,415 | \$ 257,329 |
| Cumulative BRA Administrative and LSRRF Capture | | \$ 13,067 | \$ 15,764 | \$ 18,489 | \$ 52,458 | \$ 108,105 | \$ 164,336 | \$ 221,156 | \$ 278,571 | |
| Reimbursement of Remaining Eligible Activities to Developer (\$958,810) | | | | | | | | | | |
| Local/State Annual Total Tax Capture | | \$ 85,499 | \$ 86,398 | \$ 87,305 | \$ 453 | \$ - | \$ - | \$ - | \$ - | \$ 937,720 |
| Local/State Remaining Tax Increment Reimbursement | | \$ 174,156 | \$ 87,758 | \$ 453 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | |
| Local-Only Annual Total Tax Capture | | | | \$ 21,100 | | | | | | \$ 21,100 |
| Local-Only Remaining Tax Increment Reimbursement | | \$ 21,100 | \$ 21,100 | \$ 21,100 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,347,293 |
| <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="border: 1px dashed black; padding: 2px;"> Reimbursement to Developer Complete </div> <div style="font-size: small;">= Period of Local-Only Tax Capture</div> <div style="border: 1px dashed black; padding: 2px;"> Deposits into LSRRF Complete </div> </div> | | | | | | | | | | |
| Debt Millage - Not Captured - New Tax Revenue | | | | | | | | | | |
| City Debt | 0.5330 | \$ 883 | \$ 892 | \$ 902 | \$ 911 | \$ 921 | \$ 931 | \$ 940 | \$ 950 | \$ 19,526 |
| | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Cumulative Debt Millage Capture | 0.5330 | \$ 13,078 | \$ 13,971 | \$ 14,873 | \$ 15,784 | \$ 16,705 | \$ 17,635 | \$ 18,576 | \$ 19,526 | \$ 19,526 |
| | | | | | | | | | | \$ 19,526 |

ATTACHMENT A

Legal Description of the Property

ATTACHMENT A

**Legal Description of the Property
1409 E. Pierson Road
Flint, MI**

| <u>Tax ID</u> | <u>Property Address</u> | <u>Legal Description</u> |
|----------------------|--------------------------------|---|
| 050-470-024-001-00 | 300 W. Main Street | PART OF ORIGINAL PLAT DESCRIBED AS; SOUTH 1/2 BLOCK 24 & SOUTH 10' OF NORTH 1/2 BLOCK 24, ALSO ADJACENT RESERVE 1, LYING BETWEEN EAST BANK OF SHIAWASSEE RIVER AND SAID DESCRIPTION |

ATTACHMENT B

Summary of Environmental Conditions

ATTACHMENT C
Summary of Known Environmental Conditions
300 West Main Street
Owosso, Michigan

The property is comprised of one parcel of land located in the heart of downtown Owosso directly across the street from Owosso City Hall. The existing property contains (3) adjacent buildings totaling 37,262 square feet on 0.50 acres. All three structures are vacant and under major disrepair. The East and Center (annex) buildings were constructed in 1899. The southern portion of the East building is 2-stories and the northern portion is 4-stories. The Center building is a 2-story building. These buildings were originally constructed and operated as a brewery for the Mueller Brothers Brewing Company. By 1908, the 2-story West building was constructed and operated as a bottling house for the brewery. The existing buildings are not the original developed use of the property. Prior development included the Owosso Steam Flouring Mill operated by the Seiler Brothers between 1884 and 1890 and as a grist mill operated between 1890 and 1893. By 1894, the mill was converted into brewery operated by the Owosso Brewing Company. A fire destroyed the original buildings and many of the surrounding properties in 1898. Historical use of the existing buildings included a mix of manufacturing, retail and predominately professional offices in the most recent past between 1960 and 1999. By 2000, nearly half of the office spaces were vacant. The buildings have been vacant since 2008.

The following environmental assessments and hazardous material surveys were conducted to evaluate current conditions of the Property:

- Asbestos Containing Materials Inspection dated March 19, 2014 prepared by Triterra;
- Phase I Environmental Site Assessment (ESA) dated March 21, 2014, prepared by Triterra;
- Baseline Environmental Assessment (BEA) (including a Phase II investigation) dated May 23, 2014, prepared by Triterra;
- Due Care Plan dated June 10, 2014, prepared by Triterra; and
- Lead-Based Paint Inspection & Lead Risk Assessment dated August 21, 2014 prepared by Triterra.

The aforementioned asbestos and Lead-Based Paints survey identified a significant amount of lead-based paint and asbestos containing building materials with the structure located on the Property. ACM documented at the Property included pipe wrap insulation, floor tile, transite panels, mastic, window caulking and glazing) that will require abatement prior to interior demolition and renovation

The aforementioned ESAs identified heavy metals and petroleum-based contamination in subsurface soil and groundwater at the Property. Therefore, the Property meets the definition of a “facility” as the term is defined by Part 201 of Michigan’s Natural Resources and Environmental Protection Act (P.A. 451, as amended).

ATTACHMENT C

Letter of Functional Obsolescence



May 5, 2016

Owosso City Council
301 W. Main Street
Owosso, MI 48867

Re: Obsolescence - 300 W. Main Street - 78-050-470-024-001-00

Mayor Frederick & City Council:

Functional obsolescence is *loss in value due to inability of the structure to perform adequately the function for which it is used*. This may be a result from changes in demand, design and even technology. It may also take form of deficiency do to the need for modernization. In any case, it is the perception of a loss in utility.

As required for an Obsolete Property Rehabilitation Exemption Certificate, for the property at 300 W. Main Street, owned by Owosso REI, LLC, the following statement describes the functionally obsolescence of this property.

1. Roof in need of repair/replacement in many areas, currently leaking and damaging interior rooms;
2. Electrical system and wiring removed in some areas and insufficient for today's demand requirements. Repair/replacement/upgrade in lighting a must to meet highest and best use of a mixed use facility;
3. Wiring for technology in need of complete replacement. Current system is obsolete and not able to meet today's requirements;
4. Exterior metal wall panels damaged and need of repair/replacement;
5. Brick walls on back of west section cracked, crumbling and need repaired;
6. Interior separation walls damaged in many areas needing removed/replaced;
7. Heating and cooling system needs complete replacement;
8. Only a few entrances meet barrier free requirements;
9. Majority of windows are old and some are only aluminum storm;

It is my opinion the functional obsolescence of this parcel has caused a reduction in value that exceeds 50% in its current use.

If you have any further questions, please feel free to contact me at (989) 725-0530.

Respectfully,

Larry D. Cook
Assessor, MAAO (3)

ATTACHMENT D

Letter of Blighted Conditions



301 W. MAIN OWOSSO, MICHIGAN 48867-2958 · (989) 725-0535 · FAX (989) 725-0546

11/21/2016

OWOSSO REI GROUP, LLC
120 W. EXCHANGE ST., STE 203
OWOSSO, MI 48867

Marilyn Crowley
Development Services Leader
Kincaid Henry
934 Clark Street
Lansing, MI 48906
517-332-8210
517-332-0634
www.kincaidhenry.com

RE: 300 W MAIN ST, Owosso, Michigan
ID# 050-470-024-001-00
Service Request # ENF 13-0550- – Blight Determination

Dear Ms. Crowley:

An inspection was conducted by the City of Owosso Building Official. Please see attached inspection report confirming that the property located at 300 W. Main Street meets the definition of blight per Act 381 of 1996 as listed (below):

(e) "Blighted" means property that meets any of the following criteria as determined by the governing body.

(i) Has been declared a public nuisance in accordance with a local housing, building, plumbing, fire, or other related code or ordinance.

(ii) Is an attractive nuisance to children because of physical condition, use, or occupancy.

(iii) Is a fire hazard or is otherwise dangerous to the safety of other persons or property.

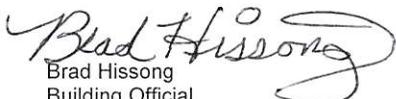
The proposed project will restore the property to a production use, including apartments.

Please do not hesitate to call me if you should have any further questions or concerns. I can be reached at (989)725-0536.

PLEASE SEE COPIES OF BLIGHT PHOTOS-PART OF BUILDING RECORD

Thank you.

Respectfully Submitted,


Brad Hissong
Building Official
(989)725-0536

CC: Susan Montenegro, Community Development Director

INSPECTION REPORT; 11/15/2016
300 W. MAIN STREET, OWOSSO
PARCEL NUMBER: 050-470-024-001-00
VIOLATIONS - 2009 IPCM, AS ADOPTED BY THE CITY OF OWOSSO
EXTERIOR;

304.5 FOUNDATION WALLS SHALL BE FREE FROM CRACKS AND BREAKS AND SHALL PREVENT THE ENTRY OF RODENTS AND OTHER PESTS. (302.5)

INSPECTOR NOTED MISSING BRICKS, CRACKED MORTAR AND AREAS FOUND IN A STATE OF DISREPAIR EXIST, REPAIR/REPLACEMENT/TUCK POINTING NEEDED AND BRICK REPLACEMENT NEEDED RANDOMLY AROUND THE EXTERIOR.

304.6 304.1.1.(7) EXTERIOR WALLS- ALL EXTERIOR WALLS HAVE SUFFERED DAMAGE AND THE FACADES REQUIRE , PORTIONS HAVE FALLEN OFF ONTO THE SIDEWALKS/PARKING AREAS BELOW. VIOLATION OF THE INTERNATIONAL PROPERTY MAINTENANCE CODE AS ADOPTED.

IN ADDITION TO REPAIRING THE FACADE, REPAIR/REPLACEMENT OF INTERIOR WALLS, CEILINGS, LOOSE CEILINGS, LOOSE WALL COVERINGS, LOOSE PANELS AS NEEDED THROUGHOUT INTERIOR. THE ACTUAL PRODUCT THROUGHOUT THE INTERIOR HAS COLLAPSED AND IS IN A STATE OF TOTAL DISREPAIR.

FIRST FLOOR/SECOND FLOOR/THIRD FLOOR & FOURTH FLOOR;

403.2 VENTING BATHROOMS VENTING ROOF AREA, INSPECTOR NOTES FOLLOWING, VENTILATION EQUIPMENT IS NOT PRESENT IN MANY AREAS THROUGHOUT EACH FLOOR, VENTILATION IS REQUIRED BY CODE.

603.2 FUEL BURNING EQUIPMENT SHALL BE CONNECTED TO AN APPROVED CHIMNEY OR VENT. EQUIPMENT IS PRESENT AND IN STATE OF TOTAL DISREPAIR.

704.2 SMOKE ALARMS SHALL BE POWERED BY NON-RECHARGEABLE BATTERIES CAPABLE OF OPERATING THE SMOKE ALARM FOR A LIFE OF 5 YEARS. NONE EXIST.

604.3 ELECTRICAL HAZARDS SHALL BE REPAIRED/REPLACED WHERE FOUND IN DISREPAIR/UNSAFE. MULTIPLE ELECTRICAL HAZARDS EACH FLOOR REQUIRE REPLACEMENT/REPAIR

304.1.1. (9) FLOORING AND FLOORING COMPONENTS WITH DEFECTS SHALL BE REPAIRED/REPLACED, FLOORS THAT ARE DAMAGED, DETERIORATED, ARE NOT PROPERLY ANCHORED OR ARE INCAPABLE OF SUPPORTING ALL NORMAL LOADS AND RESISTING ALL LOAD EFFECTS.

302.3 SIDEWALKS/DRIVEWAY AND PARKING LOT. ALL SIDEWALKS, WALKWAYS, STAIRS, DRIVEWAYS, PARKING LOTS, PARKING SPACES AND SIMILAR AREAS SHALL BE KEPT IN A PROPER STATE OF REPAIR, AND MAINTAINED FREE FROM HAZARDOUS CONDITIONS.

504.1 PLUMBING FIXTURES SHALL BE PROPERLY INSTALLED PER CODE. MULTIPLE AREAS OF EACH FLOOR HAVE BEEN FOUND TO BE IN A STATE OF DIS-REPAIR AND NON WORKING.

605.3 LIGHTING PER CODE - EXISTING LIGHTING IS NOT ACCEPTABLE AS EXIST, REQUIRES REPLACEMENT. MOST FIXTURES ON EACH FLOOR ARE HANGING OR MISSING.

704.1 ALL SYSTEMS, DEVICES AND EQUIPMENT TO DETECT A FIRE SHALL BE MAINTAINED IN OPERABLE CONDITION AT ALL TIME IN ACCORDANCE WITH THE INTERNATIONAL FIRE CODE.

305.3 DEFECTIVE SURFACES SHALL BE CORRECTED INSPECTOR COMMENTS: PEELING PAINT, CEILINGS, AND WALLS REQUIRE REPAIRING/REPLACEMENT.

305.4 EVERY STAIR, RAMP, LANDING, BALCONY, PORCH, DECK OR OTHER WALKING SURFACE SHALL BE MAINTAINED IN SOUND CONDITION AND GOOD REPAIR.
ELEVATOR IS UNSAFE. DIS-REPAIR THROUGHOUT REQUIRES REPAIRS

304.13 REPLACE ALL MISSING/BROKEN GLAZING, WINDOW FRAMES WHERE REQUIRED BOTH FLOORS. REPLACE WINDOWS. INSPECTOR COMMENTS: BOARDED UP

603.1 ALL MECHANICAL APPLIANCES TO BE CORRECTED WHERE NOT IN WORKING CONDITION.

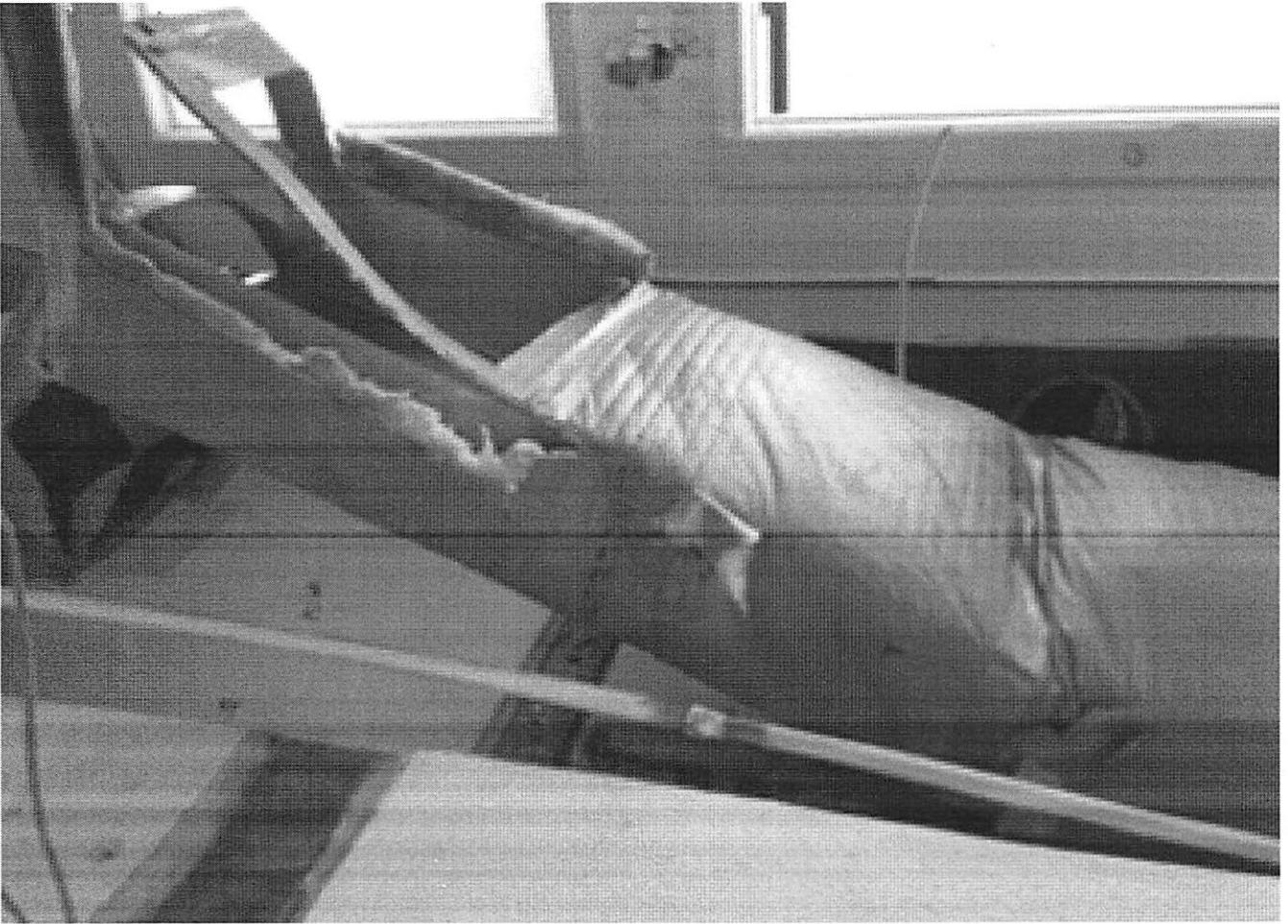
504.1 ALL PLUMBING FIXTURES SHALL BE PROPERLY INSTALLED, INSPECTOR COMMENTS - SYSTEMS THROUGHOUT EACH FLOOR ARE NON USABLE AND IN A STATE OF TOTAL DISREPAIR.

603.1 ALL MECHANICAL APPLIANCES SHALL BE PROPERLY INSTALLED & MAINTAINED , INSPECTOR COMMENTS NO HEATING, NO MAKE UP AIR OR SYSTEM IN ANY WORKING ORDER EXIST.

704.1 IPCM ALL SYSTEMS, DEVICES AND EQUIPMENT TO DETECT A FIRE SHALL BE MAINTAINED IN OPERABLE CONDITION AT ALL TIMES IN ACCORDANCE WITH THE INTERNATIONAL FIRE CODE AS ADOPTED.

702.4 IPCM EMERGENCY ESCAPES SHALL BE OPERATIONAL FROM INSIDE OF THE ROOM WITHOUT THE USE OF KEYS OR TOOLS. THE EQUIPMENT, LOCKING MECHANISM AND EGRESS/INGRESS FIRE ESCAPES ETC. ARE NON USABLE AND IN DIS-REPAIR, UNSAFE CONDITIONS EXIST.

--BRAD HISSONG, BUILDING OFFICIAL

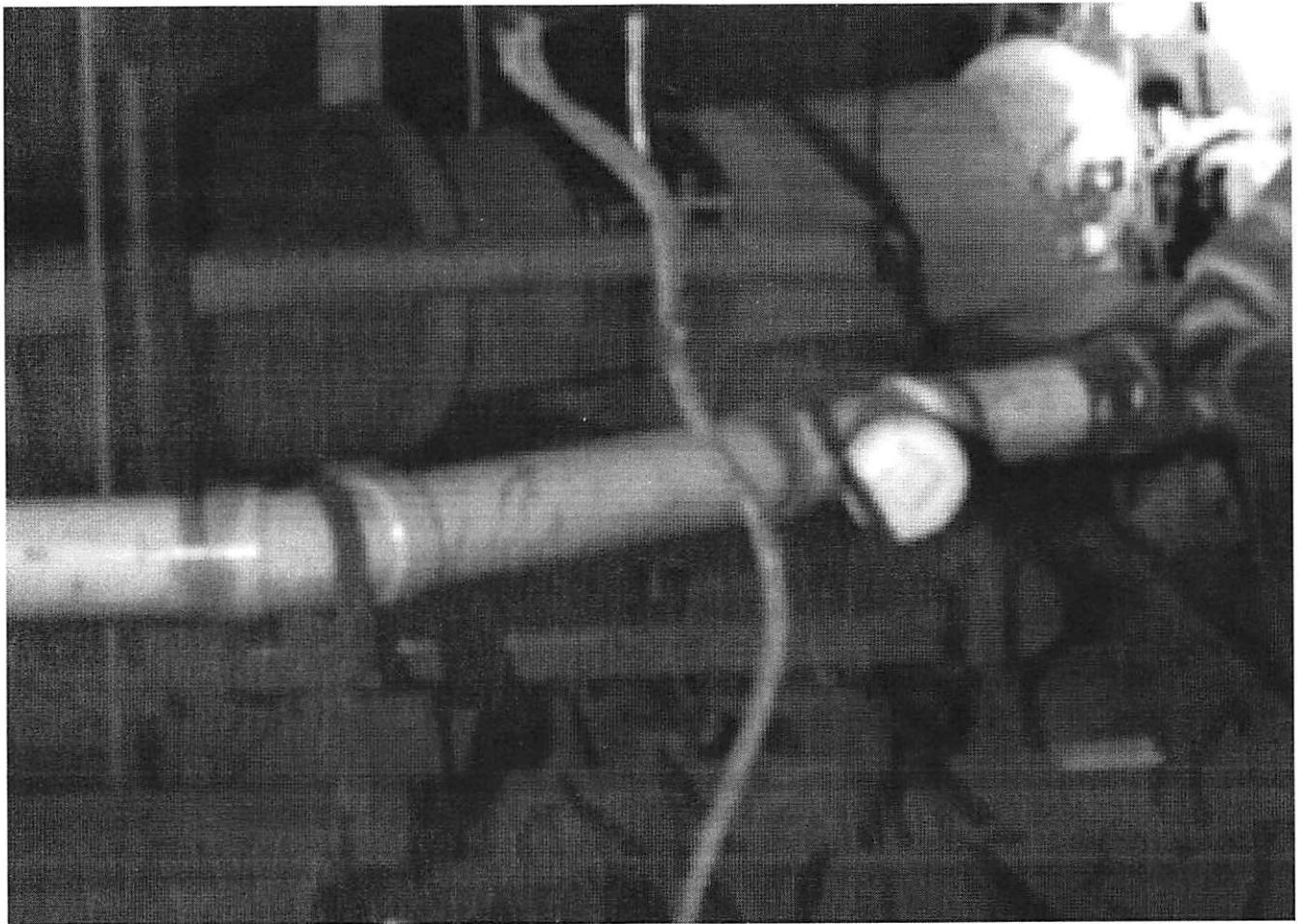


300 W. main st. "Blighly"

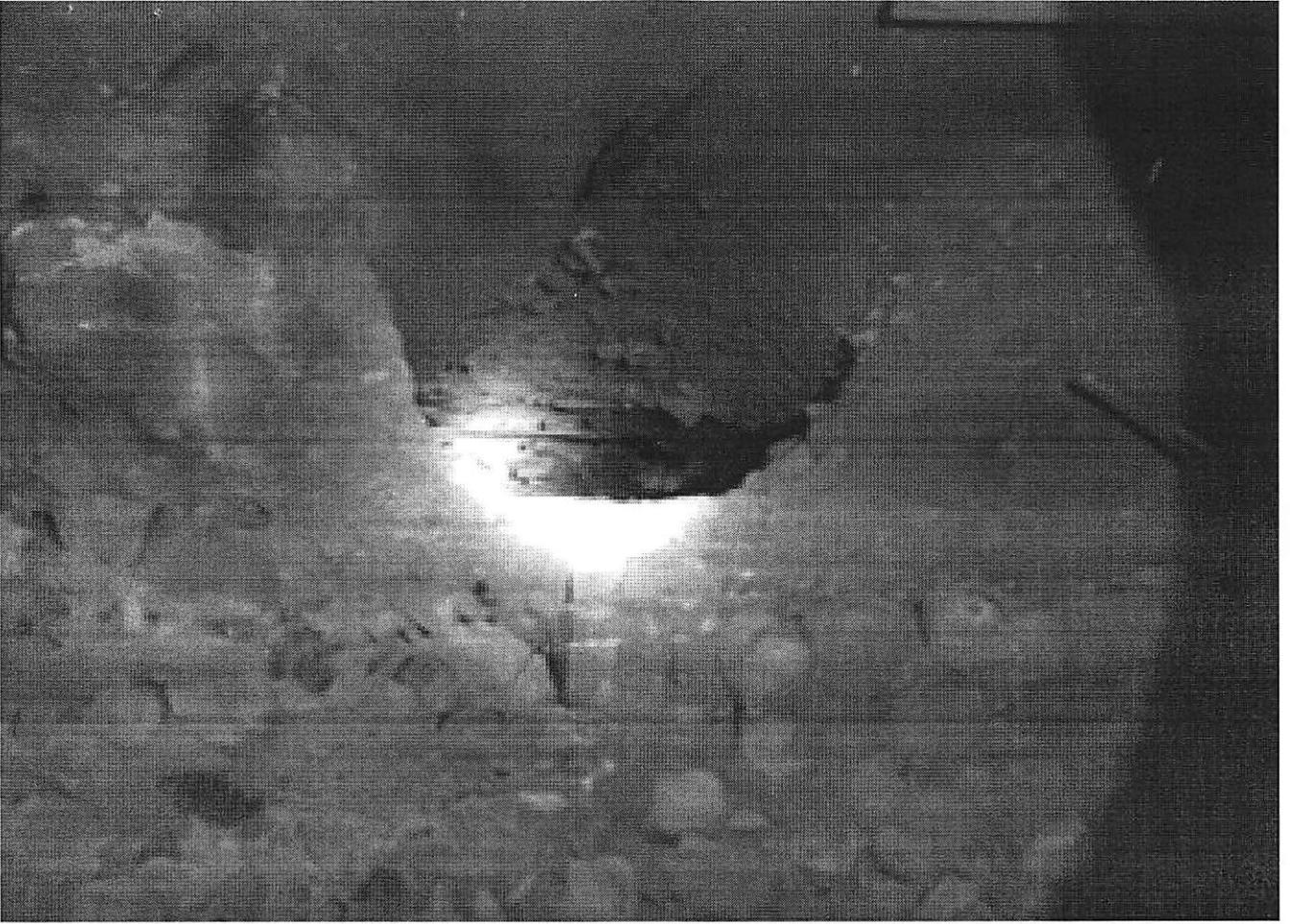


MSH

11-21-2016

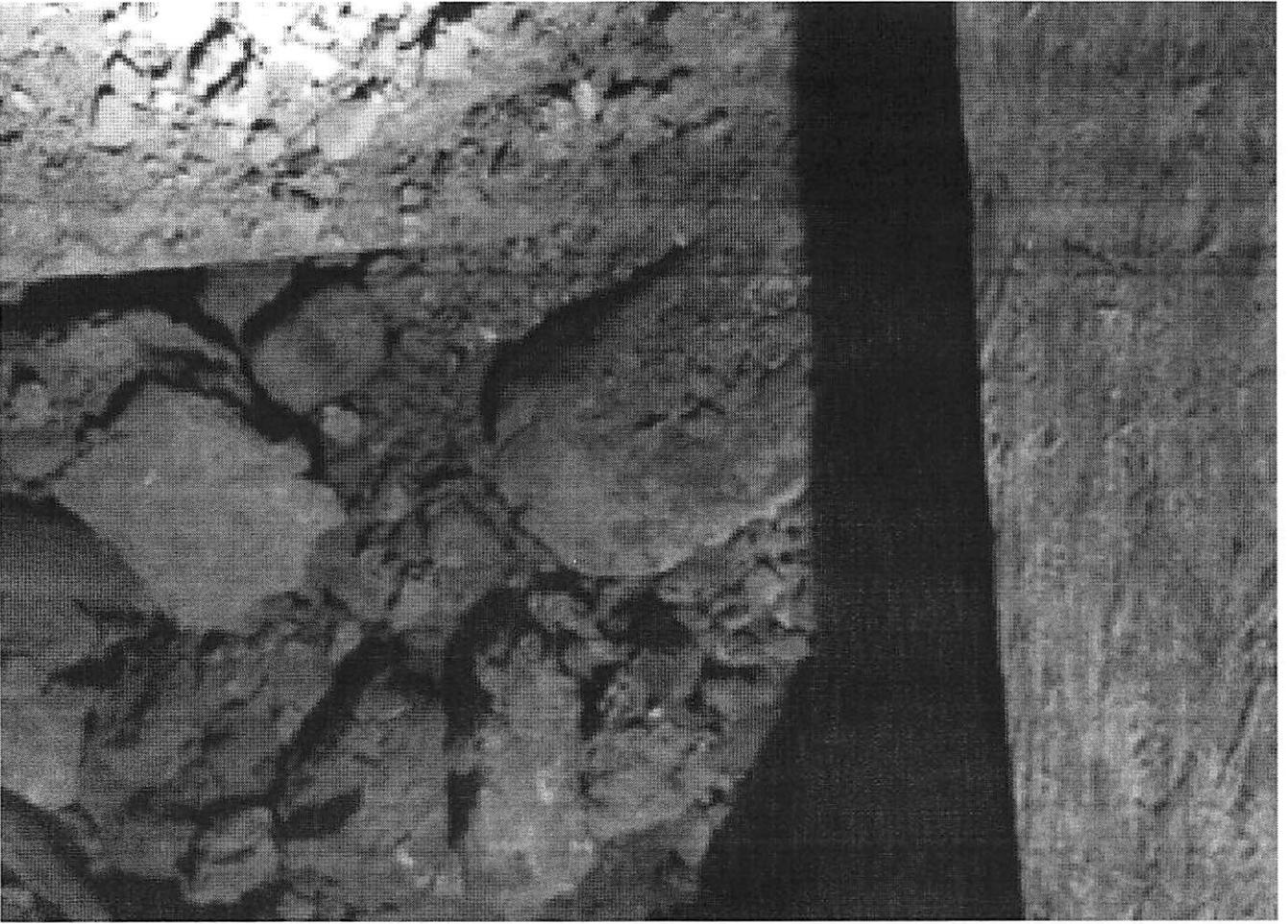


300 W main st. "Bright" 1844 11-21-2015



300 W. main st. "Bright" N84 11-21-2016

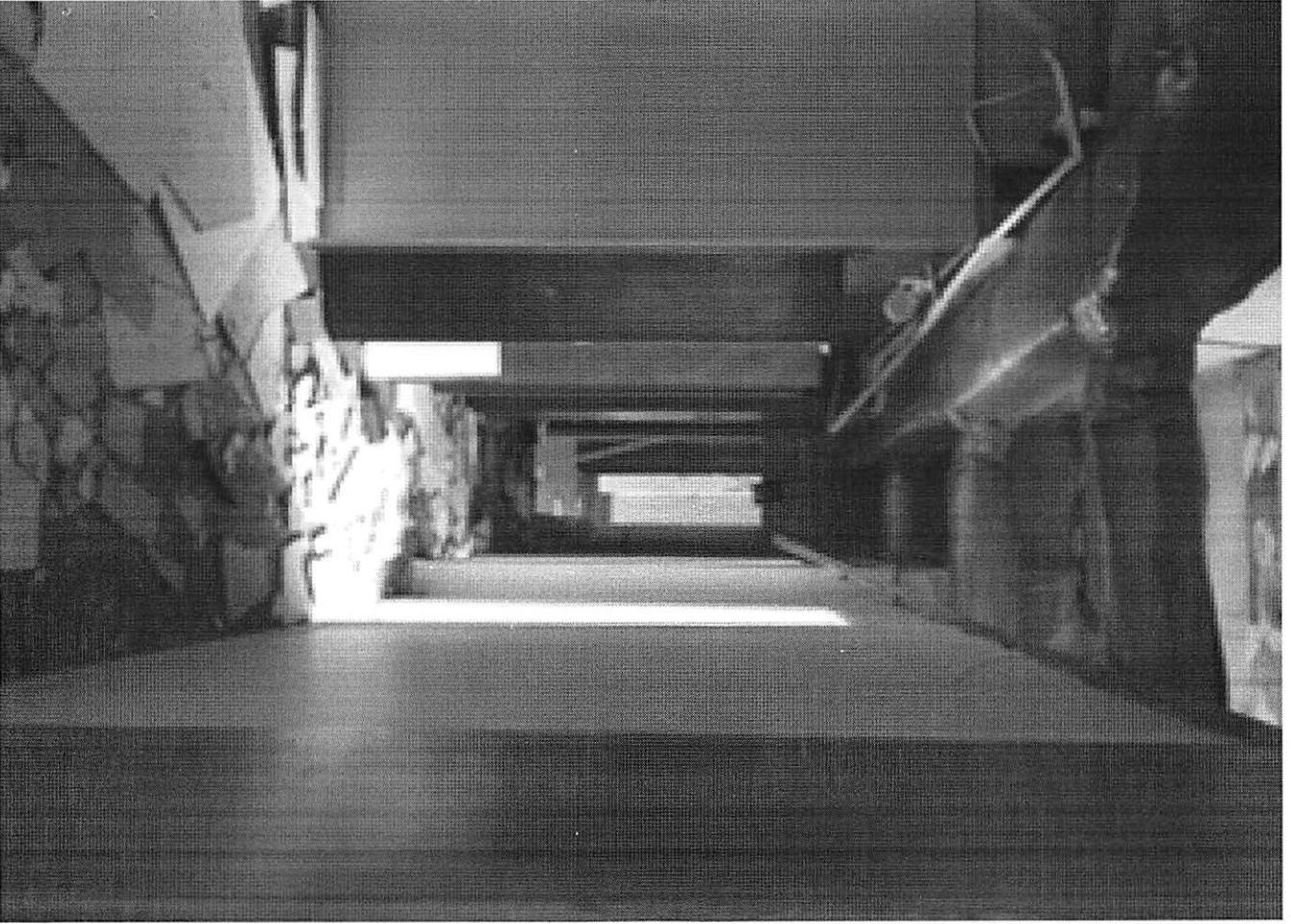




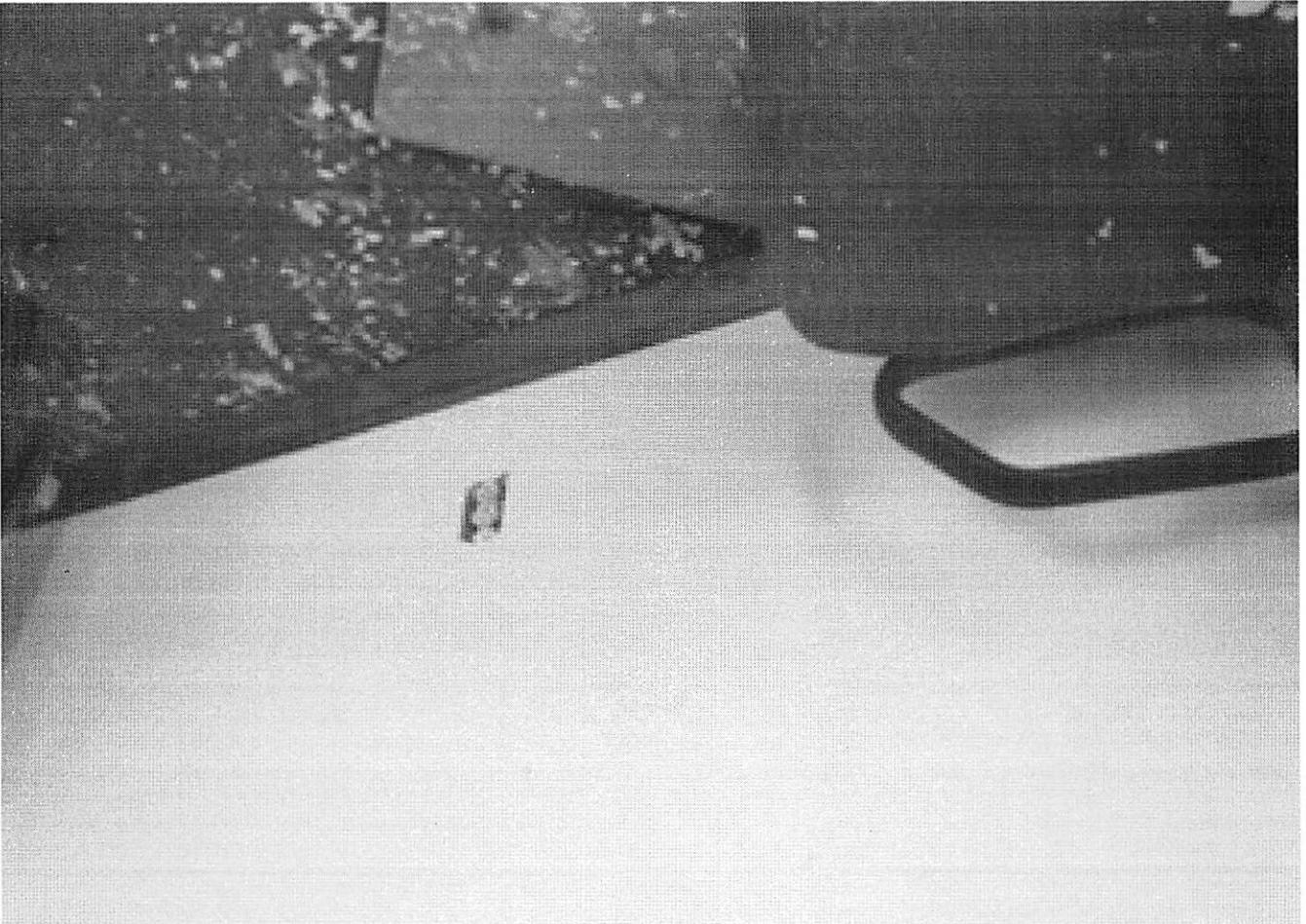
300 W. main ST. "Bright"

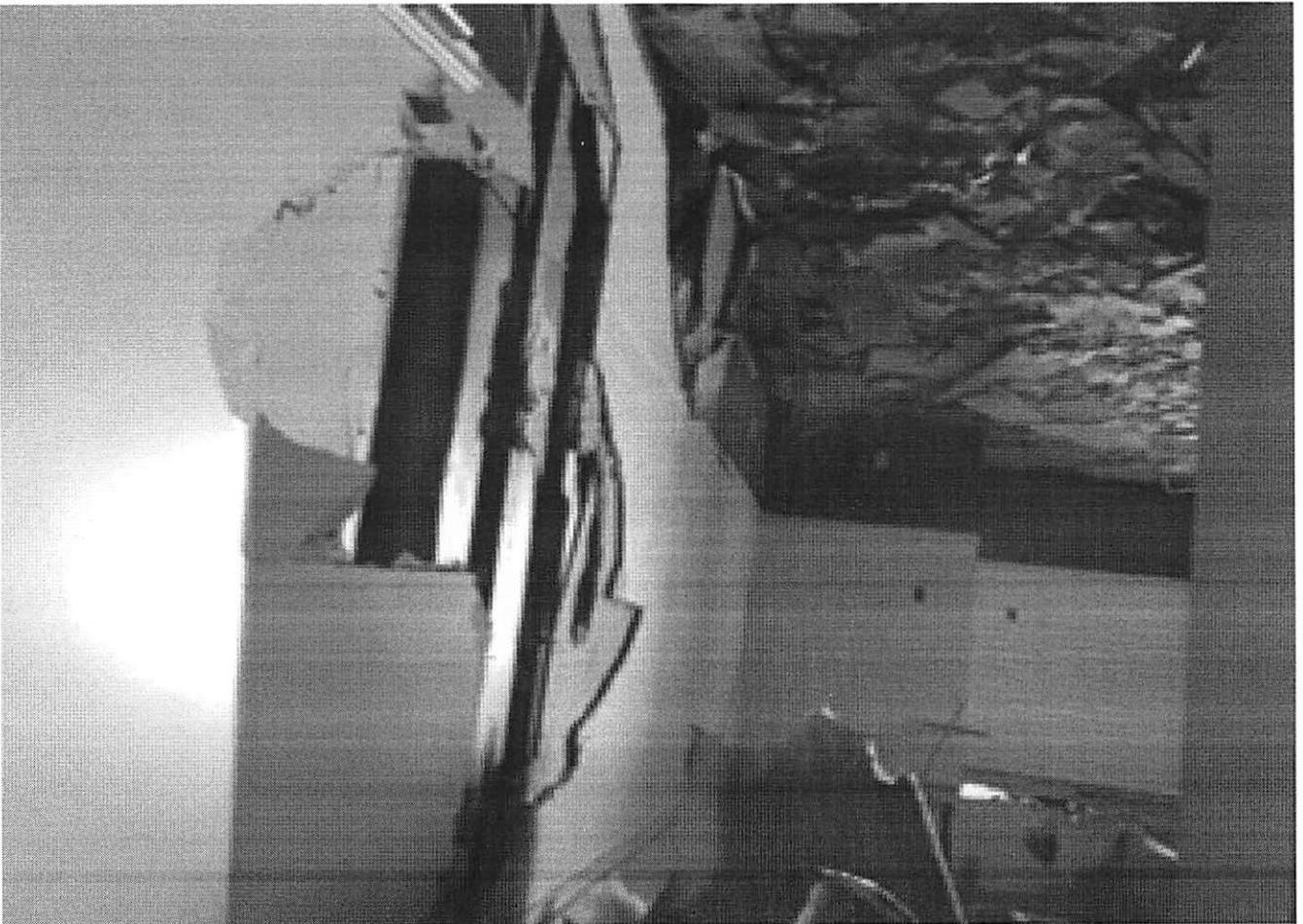
N&A 11-21-2016





300 w. main st. "Bright" N84 11-21-2016





300 W main st. "Blight" NBRH 11-21-16



MEMORANDUM

301 W. MAIN ▪ OWOSSO, MICHIGAN 48867-2958 ▪ WWW.CI.OWOSSO.MI.US

DATE: December 27, 2016

TO: Mayor Eveleth and City Council Members

FROM: Susan Montenegro, Asst. City Manager/Director of Community Development

SUBJECT:

Approval of new brownfield plan, District #19 – The 344 Building, pursuant to and in accordance with the provisions of Act 381 of the Public Acts of the State of Michigan of 1996, as amended.

RECOMMENDATION:

The Owosso Brownfield Redevelopment Authority (OBRA) recommends the approval of brownfield plan for District #19, also known as The 344 Building.

BACKGROUND:

The OBRA approved the brownfield plan to establish District #19, The 344 Project at its December 16, 2016 meeting. The total anticipated investment into the redevelopment project is approximately \$2,838,158. The Developer will be reimbursed for the costs of eligible activities necessary to prepare the Property for redevelopment. The activities that are intended to be carried out at the Property are considered “eligible activities” as defined by Sec 2 of Act 381 and include BEA Activities, due care, lead and asbestos surveys and abatement, demolition, site preparation and preparation of the Brownfield Plan and Act 381 Work Plan.

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local and state tax revenues generated by the Property redevelopment and captured by the OBRA, subject to any limitations and conditions described in this Plan and the terms of a Reimbursement Agreement between the Developer and the Authority (the “Reimbursement Agreement”). The Plan also includes a 12-year Obsolete Property Rehabilitation Act (OPRA) abatement.

The brownfield plan will have a duration period of 17 years (starting in 2017) and is set to expire in 2033. The total amount being sought for eligible activities through the Michigan Strategic Fund and local tax capture is \$166,737.

FISCAL IMPACTS:

The total cost of activities eligible for reimbursement from tax increment revenues is \$166,737. Property taxes will be captured throughout the duration of the plan or until the total amount is repaid, whichever comes first.

Document originated by: Susan Montenegro

RESOLUTION

RESOLUTION APPROVING A BROWNFIELD PLAN "DISTRICT #19, THE 344 BUILDING" FOR THE CITY OF OWOSSO PURUSANT TO AND IN ACCORDANCE WITH THE PROVISIONS OF ACT 381 OF THE PUBLIC ACTS OF THE STATE OF MICHIGAN OF 1996, AS AMENDED

WHEREAS, the Brownfield Redevelopment Authority (the "Authority") of the City of Owosso, pursuant to and in accordance with the provisions of the Brownfield Redevelopment Financing Act, being Act 381 of the Public Acts of the State of Michigan of 1996, as amended (the "Act"), has prepared and recommended for approval by the City of Owosso Council, a Brownfield Plan entitled "District #19, The 344 Building" (the "Plan"), pursuant to and in accordance with Section 13 of the Act, to be carried out within the Brownfield Redevelopment Zone (the "Zone"), said zone being the entire City and with said District #19 described as:

Parcel #050-120-006-008-00 344 West Main Street

Lots 10 thru 15 West 132' lot 8 West 132' of South 18' lot 7 Block 6 Lucy L Comstock's addition including West 132' closed alley, City of Owosso, Shiawassee County, Michigan.

And,

WHEREAS, the Owosso Brownfield Authority held a public hearing for District #19 on December 16, 2016 at its regular meeting to provided notice to and fully informed all taxing jurisdictions which are affected by the Financing Plan (the "Taxing Jurisdictions") about the fiscal and economic implications of the proposed Financing Plan, and the Council has previously provided to the Taxing Jurisdictions a reasonable opportunity to express their views and recommendations regarding the Financing Plan and in accordance with Sections 13 (10) and 14 (1) of the Act; and

WHEREAS, the Council has made the following determinations and findings:

- A. The Plan constitutes a public purpose under the Act;
- B. The Plan meets all of the requirements for a Brownfield Plan set forth in Section 13 of the Act;
- C. The proposed method of financing the costs of the eligible activities, as described in the Plan is feasible and the Authority has the ability to arrange the financing;
- D. The costs of the eligible activities proposed in the Plan are reasonable and necessary to carry out the purposes of the Act;
- E. The amount of captured taxable value estimated to result from the adoption of the Plan is reasonable; and

WHEREAS, as a result of its review of the Plan and upon consideration of their views and recommendations of the Taxing Jurisdictions, the Council desires to proceed with approval of the Plan.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Owosso, Shiawassee County, Michigan that:

- FIRST: The City of Owosso has theretofore determined that it is advisable, necessary and in the public interest to approve the Brownfield Plan for District #19 "The 344 Building." Pursuant to the authority vested in the Council by the Act, and pursuant to and in accordance with the provisions of Section 14 of the Act, the Plan is hereby approved in the form considered by the Council on January 3, 2017, and maintained on file in the office of the City Clerk.
- SECOND: Severability. Should any section, clause or phrase of this Resolution be declared by the Courts to be invalid, the same shall not affect the validity of this Resolution as a whole nor any part thereof other than the part so declared to be invalid.

THIRD: The mayor and city clerk are instructed and authorized to sign the document substantially in the form attached, Brownfield Plan between the City of Owosso, Michigan and Chamber Support Group.

**CITY OF OWOSSO
BROWNFIELD REDEVELOPMENT AUTHORITY**

BROWNFIELD PLAN

**The 344 Building
D.R. & H.P., L.L.C.
16989 Kernwood Drive
East Lansing, Michigan 48823**

Prepared By:

Owosso Brownfield Redevelopment Authority
301 W. Main Street
Owosso, Michigan 48867
Contact Person: Susan Montenegro
susan.montenegro@ci.owosso.mi.us
Phone: 989-725-0544

Triterra
1210 N. Cedar Street, Suite A
Lansing, Michigan 48906
Contact Person: JP Buckingham
jp.buckingham@triterra.us
Phone: 517-853-2151

November 23, 2016

Approved by the City of Owosso BRA on _____, 2016

Adopted by the City of Owosso City Council on _____, 2017

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ATTACHMENTS

Attachment A: Legal Descriptions of the Property

Attachment B: Letter of Functional Obsolescence

Attachment C: Letter of Blighted Conditions

1.0 PROJECT SUMMARY

| | |
|--|---|
| Project Name: | The 344 Building |
| Developer: | D.R. & H.P., L.L.C. |
| Property Location: | 344 W. Main Street, Owosso, Michigan |
| Parcel Information: | The property consists of a single parcel; Parcel ID 050-120-006-008-00. |
| Type of Eligible Property: | “Functionally Obsolete” and “Blighted” |
| Project Description: | A complete rehabilitation of the building located at 344 W. Main Street in the heart of Downtown Owosso, Michigan. The Mixed-use Development will include 9 new residential units and approximately 7,700 square feet of commercial space on the first floor. Brownfield Eligible activities include asbestos and lead abatement, building and site demolition. |
| Total Capital Investment: | Property and Building Improvements is estimated at \$2,838,158 of which \$166,737 is estimated as eligible for Brownfield Reimbursement. |
| Estimated Job Creation/Retention: | The redevelopment is anticipated to generate up to 3 new full-time and 5 part-time equivalent jobs in the commercial office/retail components of the project. |
| Duration of Plan: | 17 years (starting in 2018). The duration of the Plan includes 12 years of Tax Increment Revenue (TIR) capture for reimbursement to the Developer and 5 years of TIR capture for deposit into the City of Owosso Brownfield Local Site Remediation Revolving Loan Fund. The Plan also includes a 12-year Obsolete Property Rehabilitation Act (OPRA) abatement. |

**Uses of New Taxes and Tax
Increment Revenue (TIR):**

| Revenue | Uses | |
|----------------|--|-------------------|
| TIR | Reimburse Developer for Eligible Activity Costs | \$ 166,737 |
| TIR | State Brownfield Revolving Fund | \$ 35,950 |
| TIR | OBRA Local Site Remediation Revolving Fund (LSRRF) | \$ 129,838 |
| New Taxes | New Taxes to City Debt | \$ 6,801 |
| | Total New Taxes | \$ 339,326 |

2.0 INTRODUCTION AND PURPOSE

The City of Owosso Brownfield Redevelopment Authority (Authority or “OBRA”), duly established by resolution of the City Council of the City of Owosso, pursuant to the Brownfield Redevelopment Financing Act, Michigan Public Act 381 of 1996, MCLA 125.2651 et. seq., as amended (Act 381), is authorized to exercise its powers within the City of Owosso, Michigan. The purpose of this Brownfield Plan (the “Plan”), to be implemented by the OBRA, is to satisfy the requirements for a Brownfield Plan as specified in Act 381

The Plan will allow the OBRA to use tax increment financing to reimburse the D.H. & H.P. L.L.C. (the “Developer”) for the costs of eligible activities required to redevelop the eligible property located at 344 W. Main Street, City of Owosso, Michigan, (the “Property”). Any proposed redevelopment of the Property will only be economically viable with the support and approval of the brownfield redevelopment incentives described herein.

3.0 ELIGIBLE PROPERTY INFORMATION

This Brownfield Plan is presented to support the Developer in the redevelopment of the historical building located at 344 W. Main Street in the City of Owosso, Shiawassee County, Michigan. The location of the Property is depicted on Figure 1.

A summary of the Property is presented in the table below:

| Eligible Property | | |
|--------------------|--------------------|------------------------------------|
| Address | Tax ID | Basis of Eligibility |
| 344 W. Main Street | 050-120-006-008-00 | Functionally Obsolete and Blighted |

The Property is situated northeast of the Curwood Castle Drive and West Main Street intersection and consists of approximately 0.66 acres developed with a mixed use commercial/residential building. Currently the first floor consists of approximately 9,565 square foot of vacant commercial space and approximately 1,408 square feet of divided garage/storage areas. The second floor of the building has nine vacant residential apartments, totaling approximately 7,591 square feet. The remainder of the Property consists of asphalt-paved parking/driveways to the north and east sides of the building. The Property is located within the boundaries of the City of Owosso, Michigan. Property layout and boundaries are depicted on Figure 2. The legal description of the Property is included in Attachment A.

The Property is considered an “eligible property” as defined by Act 381, Section 2 because: (a) the Property was previously utilized as a commercial property; (b) it is located within the City of Owosso, a qualified local governmental unit under MCL 125.2782(k); (d) the Property has been determined to be “functionally obsolete” as defined in Section 2(s) of Act 381; and (d) the Property has been determined to be “blighted” as defined in Section 2(e) of Act 381. Refer to Attachment B Letter of Functional Obsolescence and Attachment C Letter of Blighted Conditions.

4.0 PROPOSED REDEVELOPMENT

The Project is located in the heart of downtown Owosso, adjacent to the Shiawassee Arts Center (Curwood Castle) and near the Shiawassee River, the historic Owosso Armory and the Mueller building. The project is a mixed-use development that includes a complete rehabilitation of the two-story building.

The proposed plans have the building fully rehabilitated into a mixed-use development. The garage and storage space on the north side of the building will be demolished. The first floor will house a mix of professional office and retail. The second floor will contain 9 new living units. Combined, the property will provide the ability to “live, work, and play” in Owosso’s downtown.

The total anticipated investment into the redevelopment project is approximately \$2,838,158. The development will result in the rehabilitation and reuse of a vacant, deteriorating and blighted property in the city of Owosso. This development will improve the appearance of the area and put the property back to productive use. This redevelopment will also result in the creation of 3 new full time jobs and 5 temporary jobs.

5.0 BROWNFIELD CONDITIONS

Based on a review of historical documentation, the Property was developed as early as 1884. The use of the Property at this time could not be identified, however, between 1915 and 1924, the structure along the eastern Property boundary was demolished and replaced with a filling station. In 1930, the structure located on the western portion of the Property was demolished and the current structure was erected. Since its construction, this building has operated as an automobile (Buick) dealership, plumbing and heating store, hardware sales, and a Dollar General store. The filling station that was present along the eastern Property boundary was demolished in the early 1980s, and the parcel boundaries were redefined to no longer include this area as part of the Property.

Based on the age (1930) the building contains lead-based paint and asbestos containing building materials (e.g. pipe wrap insulation, floor tile, mastic, caulking material and sink undercoating) that will require abatement prior to interior demolition and renovation.

On August 26, 2016, the City of Owosso Assessing Department formally determined the Property is “functionally obsolete” as the term is defined in Section 2(s), of Act 381. The Assessing Department determined the building suffers in excess of 50% functional obsolescence. The Letter of Functional Obsolescence is provided in Attachment B. The Property also meets the definition of blight per Act 381. The Blight Determination Letter is provided in Attachment C.

6.0 BROWNFIELD PLAN

6.1 Description of Costs to Be Paid With Tax Increment Revenues and Summary of Eligible Activities

The Developer will be reimbursed for the costs of eligible activities necessary to prepare the Property for redevelopment. The activities that are intended to be carried out at the Property are considered “eligible activities” as defined by Sec 2 of Act 381 and include due diligence Activities, lead and asbestos surveys and abatement, demolition and preparation of the Brownfield Plan and Act 381 Work Plan.

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental state tax revenues generated by the Property redevelopment and captured by the OBRA, subject to any limitations and conditions described in this Plan and the terms of a Reimbursement Agreement between the Developer and the Authority (the “Reimbursement Agreement”).

The total cost of activities eligible for reimbursement from tax increment revenues is projected to be \$166,737.

The eligible activities are summarized below:

ELIGIBLE ACTIVITIES

Eligible Environmental Activities

| | |
|---|-----------------|
| Environmental Assessment Activities | \$12,400 |
| Total Environmental Costs..... | \$12,400 |

Eligible Non-Environmental Activities (MSF)

| | |
|---|------------------|
| Lead & Asbestos Surveys | \$6,437 |
| Lead & Asbestos Abatement..... | \$25,000 |
| Demolition | \$91,000 |
| Total Non-Environmental Costs | \$122,437 |
| Contingency (15%)* | \$17,400 |
| Brownfield Plan / Act 381 Work Plan Preparation | \$14,500 |
| GRAND TOTAL – ELIGIBLE ACTIVITIES..... | \$166,737 |

* Contingency calculation excludes costs for Environmental Assessment Activities, Lead & Asbestos Survey, Brownfield Plan and Act 381 Work Plan activities.

The costs listed above are estimated and may increase or decrease depending on the nature and extent of unknown conditions encountered on the Property. The actual cost of those eligible activities encompassed by this Plan that will qualify for reimbursement from tax increment revenues captured by the OBRA shall be governed by the terms of a Reimbursement Agreement. No costs of eligible activities will be qualified for reimbursement except to the extent permitted in accordance with the terms and conditions of the Reimbursement Agreement and Section 2 of Act 381 of 1996, as amended (MCL 125.2652). The Reimbursement Agreement and this Plan will dictate the total cost of eligible activities subject to payment. As long as the total cost limit described in this Plan is not exceeded, line item costs of eligible activities may be adjusted after the date this Plan is approved by the City of Owosso City Council.

6.2 Estimate of Captured Taxable Value, Tax Increment Revenues and Impact of Tax Increment Financing on Taxing Jurisdictions

The costs of eligible activities included in, and authorized by, this Plan will be reimbursed with incremental local and school tax revenues generated by the Property redevelopment and captured by the OBRA. This Plan does include the capture of the School Operating or State Education Tax.

The 2017 taxable value of the Property will be \$170,891, which is the initial taxable value for this Plan. For the purpose of this Plan, the anticipated taxable value in 2018, after completion of the development is \$850,000. This estimated taxable value is based on estimates developed by the Developer's project team. A 12 year tax abatement to local taxes only is planned under the Obsolete Property Rehabilitation Act ("OPRA") PA 146 of 2000. The actual taxable value will be determined by the City's Assessor after the development is completed.

It is estimated that the OBRA will capture tax increment revenues from 2018 through 2028 to reimburse the cost of the eligible activities. It is also estimated the OBRA will capture tax increment revenues from 2030 through 2034 to deposit into the OBRA's Local Site Remediation Revolving Fund (LSRRF).

The total impact of incremental tax capture on taxing jurisdictions is estimated at \$339,326. Impact to specific taxing jurisdictions is presented in Table 2, Schedule of Tax Increment Revenue.

Tax capture for deposits into the State Brownfield Revolving Fund is estimated at \$35,950.

Tax capture for deposit into the OBRA's LSRRF is estimated at \$129,838.

The captured incremental taxable value and associated tax increment revenue will be based on the actual increased taxable value from all taxable improvements on the Property as determined by the City Assessor and the actual millage rates levied by the various taxing jurisdictions during each year of the plan. The actual tax increment captured will be based on taxable value set through the property assessment process by the local unit of government and the millage rates set each year by the taxing jurisdictions.

6.3 Method of Financing Plan Costs and Description of Advances by the Municipality

The Developer is ultimately responsible for financing the costs of eligible activities included in this Plan. Neither the OBRA nor the County of Shiawassee will advance any funds to finance the eligible activities described in this Plan. All Plan financing commitments and activities and cost reimbursements authorized under this Plan shall be governed by the Reimbursement Agreement. The inclusion of eligible activities and estimates of costs to be reimbursed in this Plan is intended to authorize the OBRA to fund such reimbursements. The amount and source of any tax increment revenues that will be used for purposes authorized by this Plan, and the terms and conditions for such use and upon any reimbursement of the expenses permitted by the Plan, will be provided solely under the Reimbursement Agreement contemplated by this Plan.

Reimbursements under the Reimbursement Agreement shall not exceed the cost of eligible activities and reimbursement limits described in this Plan.

6.4 Maximum Amount of Note or Bonded Indebtedness

Not applicable.

6.5 Duration of Brownfield Plan

The duration of this Brownfield Plan for the Property is anticipated to be 17 years total tax capture after the first year of tax capture anticipated as 2018 under this Plan. The duration of the Plan includes a 12 year tax abatement under the Obsolete Property Rehabilitation Act ("OPRA")(PA 146 of 2000). The duration of the Plan also includes 5 years of Tax Increment Revenue (TIR) capture for deposit into the OBRA Local Site Remediation Revolving Fund (LSRRF).

In no event shall the duration of the Plan exceed 35 years following the date of the resolution approving the Plan, nor shall the duration of the tax capture exceed the

lesser of the period authorized under subsection (4) and (5) of Section 13 of Act 381 or 30 years. Further, in no event shall the beginning date of the capture of tax increment revenues be later than five years after the date of the resolution approving the Plan.

6.6 Legal Description, Property Map, Property Characteristics and Personal Property

The Property subject to this Brownfield Plan consists of one parcel of land located in the City of Owosso. A summary of the parcel is presented in the table below:

| Eligible Property | | |
|--------------------------|--------------------|------------------------------------|
| Address | Tax ID | Basis of Eligibility |
| 344 W. Main Street | 050-120-006-008-00 | Functionally Obsolete and Blighted |

The general Property location and boundaries are shown on Figures 1 and 2. The legal description of the parcel is included in Attachment A. The subject property includes all tangible personal property that now or in the future comes to be owned or installed on the Property by the Developer.

6.7 Estimates of Residents and Displacement of Families

No occupied residences are involved in the redevelopment, no persons reside at the Property, and no families or individuals will be displaced as a result of this development.

6.8 Plan for Relocation of Displaced Persons

No persons will be displaced as a result of this development. Therefore, a Plan for relocation of displaced persons is not applicable and is not needed for this Plan.

6.9 Provisions for Relocation Costs

No persons will be displaced as result of this development and no relocation costs will be incurred. Therefore, provision for relocation costs is not applicable and is not needed for this Plan.

6.10 Strategy for Compliance with Michigan's Relocation Assistance Law

No persons will be displaced as result of this development. Therefore, no relocation assistance strategy is needed for this Plan.

6.11 Description of the Proposed Use of Local Site Remediation Revolving Fund

The OBRA has established a Local Site Remediation Revolving Fund (LSRRF). The OBRA will capture incremental local taxes to fund the LSRRF, to the extent allowed by law. The rate and schedule of incremental tax capture for the LSRRF will be determined on a case-by-case basis. Considerations may include, but not be limited to the following: total capture duration, total annual capture, project economic factors, level of existing LSRRF funding, projected need for LSRRF funds, and amount of school tax capture available in accordance with Act 381.

No funds from the OBRA LSRRF will be used to finance or reimburse eligible activities described in this Brownfield Plan. Excess tax increment revenues generated by this redevelopment will be captured by the OBRA for funding of its LSRRF in accordance to Public Act 381 of 1996.

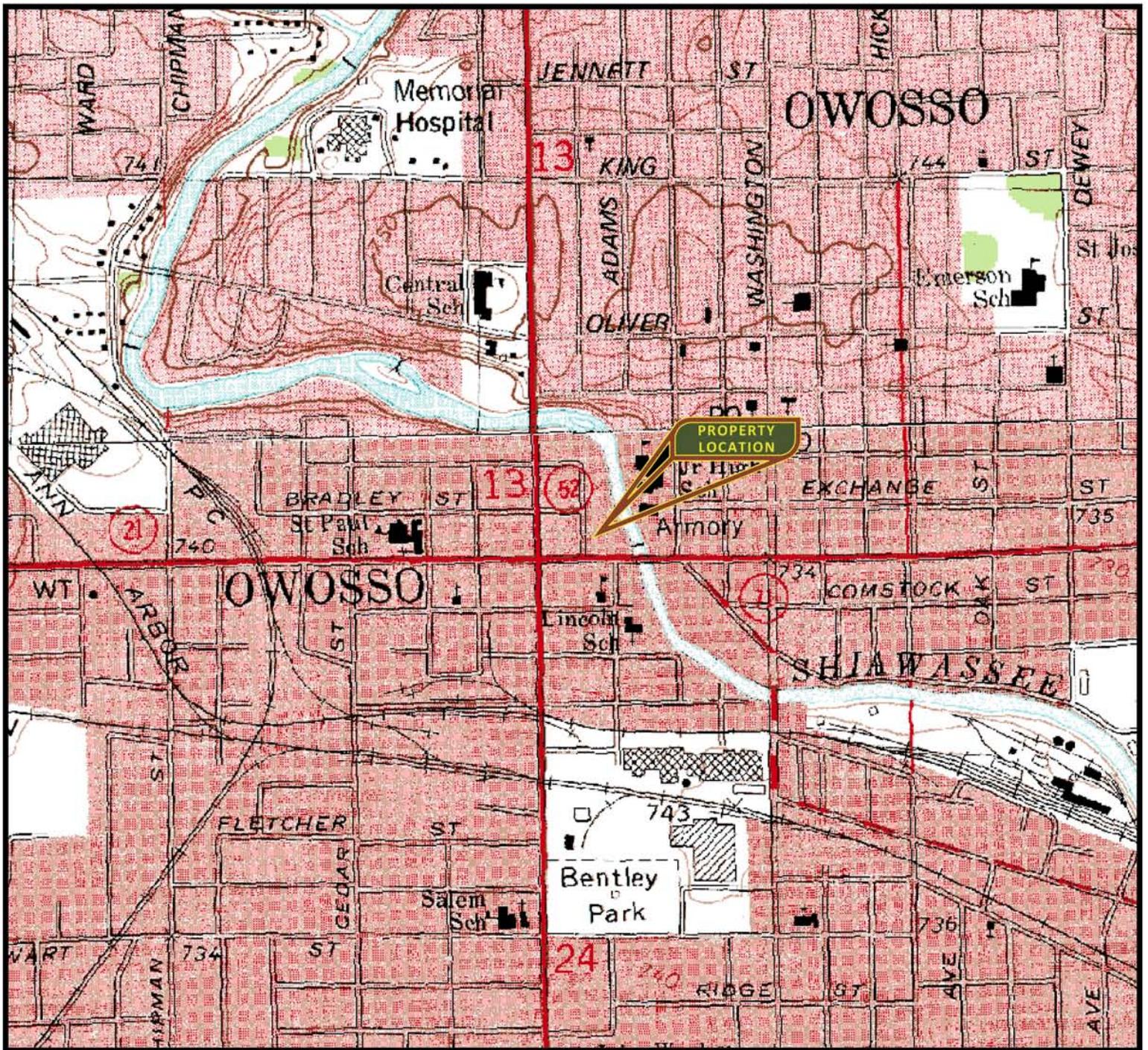
6.12 Other Material that the Authority or Governing Body Considers Pertinent

In addition to the 12 year tax abatement outlined herein, the Developer and City are currently considering additional financial support through a Community Development Block Grant (CDBG).

FIGURES

Figure 1: Property Location Map

Figure 2: Property Boundary Map

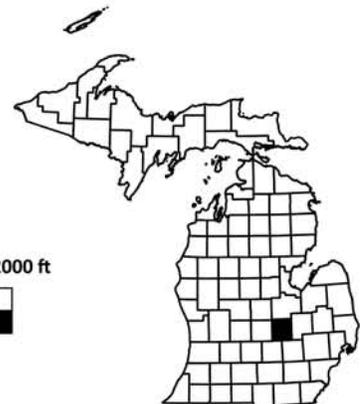


**FIGURE 1
PROPERTY LOCATION**



**344 W. MAIN STREET
OWOSSO, MICHIGAN 48867**

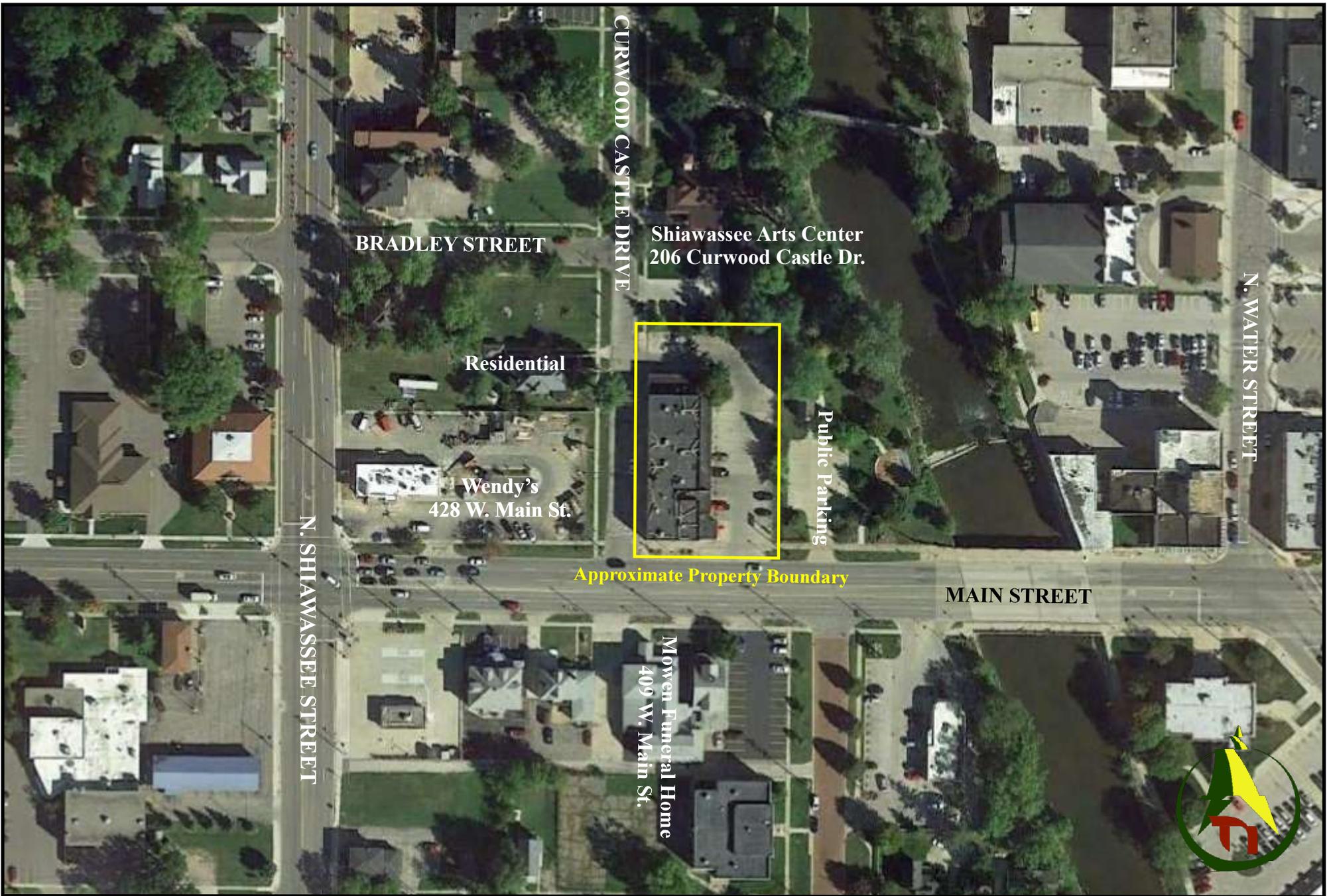
**SHIAWASSEE COUNTY
T. 07 N., R 02 E., SECTION 13**



PROJECT NUMBER: 16-1570

ADAPTED FROM MI GEOGRAPHIC DATA LIBRARY DRG

1:12,000



TRITERRA

FIGURE 2

PROPERTY ORIENTATION DIAGRAM

PROJECT NUMBER: 16-1570

**344 W. MAIN STREET
OWOSSO, MICHIGAN 48867**

DIAGRAM CREATED BY: AMS

DATE: 2/10/16

TABLES

Table 1: Brownfield Eligible Activities

Table 2: Schedule Tax Increment Revenue

Table 1
Brownfield Eligible Activities
344 W. Main Street
Owosso, MI
As of November 23, 2016

| ACTIVITY | COST | INCREMENTAL TAX CAPTURE | | | |
|---|-------------------|-------------------------|-------------------|-------|-------------|
| | | SCHOOL | | LOCAL | |
| ENVIRONMENTAL | | | | | |
| Environmental Assessment Activities | \$ 12,400 | 100.0% | \$ 12,400 | 0.0% | \$ - |
| Environmental Subtotal: | \$ 12,400 | | \$ 12,400 | | \$ - |
| NON-ENVIRONMENTAL | | | | | |
| Lead and Asbestos Surveys | \$ 6,437 | 100.0% | \$ 6,437 | 0.0% | \$ - |
| Lead and Asbestos Abatement | \$ 25,000 | 100.0% | \$ 25,000 | 0.0% | \$ - |
| Demolition | \$ 91,000 | 100.0% | \$ 91,000 | 0.0% | \$ - |
| Non-Environmental Subtotal: | \$ 122,437 | | \$ 122,437 | | \$ - |
| Contingency (15%) | \$ 17,400 | 100.0% | \$ 17,400 | 0.0% | \$ - |
| Brownfield Plan & Act 381 Work Plan Preparation | \$ 14,500 | 100.0% | \$ 14,500 | 0.0% | \$ - |
| TOTAL: | \$ 166,737 | | \$ 166,737 | | \$ - |

NOTE: These costs and revenue projections should be considered approximate estimates based on expected conditions and available information. We cannot guarantee that the costs and revenue projections will not vary from these estimates

Contingency calculation excludes costs for Phase I and II ESAs, Asbestos and Lead Surveys, Brownfield Plan and Act 381 Work Plan activities.

ATTACHMENT A

Legal Description of the Property

ATTACHMENT A
Legal Description of the Property
344 W. Main Street
Owosso, MI

| <u>Tax ID</u> | <u>Property Address</u> | <u>Legal Description</u> |
|----------------------|--------------------------------|--|
| 050-120-006-008-00 | 344 W. Main Street | LOTS 10 THRU 15 W 132' LOT 8 W 132' OF S 18' LOT 7 BLK 6 LUCY L COMSTOCKS ADD INCL W 132' CLSD ALLEY |

Table 2
Schedule of Tax Increment Revenue
344 W. Main Street
Owosso, MI
November 23, 2016

| Calendar Year | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Plan Year | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | |
| Initial Taxable Value (TV) | \$ 170,891 | \$ 170,891 | \$ 170,891 | \$ 170,891 | \$ 170,891 | \$ 170,891 | \$ 170,891 | \$ 170,891 | \$ 170,891 | \$ 170,891 | \$ 170,891 | \$ 170,891 | \$ 170,891 | \$ 170,891 | \$ 170,891 | \$ 170,891 | \$ 170,891 | \$ 170,891 |
| Projected Annual Increase in TV | 1% | 1% | 1% | 1% | 1% | 1% | 1% | 1% | 1% | 1% | 1% | 1% | 1% | 1% | 1% | 1% | 1% | 1% |
| Projected TV | \$ 170,891 | \$ 850,000 | \$ 858,500 | \$ 867,085 | \$ 875,756 | \$ 884,513 | \$ 893,359 | \$ 902,292 | \$ 911,315 | \$ 920,428 | \$ 929,632 | \$ 938,929 | \$ 948,318 | \$ 957,801 | \$ 967,379 | \$ 977,053 | \$ 986,824 | \$ 996,692 |
| Total Captured TV | \$ - | \$ 679,109 | \$ 687,609 | \$ 696,194 | \$ 704,865 | \$ 713,622 | \$ 722,468 | \$ 731,401 | \$ 740,424 | \$ 749,537 | \$ 758,741 | \$ 768,038 | \$ 777,427 | \$ 786,910 | \$ 796,488 | \$ 806,162 | \$ 815,933 | \$ 825,801 |
| Annual TIF Revenue by Taxing Jurisdiction | | | | | | | | | | | | | | | | | | |
| Local Capture | | | | | | | | | | | | | | | | | | |
| City Operating | 14.0370 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 11,046 | \$ 11,180 | \$ 11,316 | \$ 11,453 | \$ 11,592 |
| County Operating | 5.1146 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,025 | \$ 4,074 | \$ 4,123 | \$ 4,173 | \$ 4,224 |
| Intermediate School | 3.9040 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,072 | \$ 3,109 | \$ 3,147 | \$ 3,185 | \$ 3,224 |
| School Voted | 3.0000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,361 | \$ 2,389 | \$ 2,418 | \$ 2,448 | \$ 2,477 |
| SATA | 0.3285 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 259 | \$ 262 | \$ 265 | \$ 268 | \$ 271 |
| Seniors | 0.3500 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 275 | \$ 279 | \$ 282 | \$ 286 | \$ 289 |
| Medical Care Facility | 2.0000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,574 | \$ 1,593 | \$ 1,612 | \$ 1,632 | \$ 1,652 |
| Veterans PA214 | 0.0900 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 71 | \$ 72 | \$ 73 | \$ 73 | \$ 74 |
| Veterans Voted | 0.1350 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 106 | \$ 108 | \$ 109 | \$ 110 | \$ 111 |
| MSU Extension | 0.0500 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 39 | \$ 40 | \$ 40 | \$ 41 | \$ 41 |
| DDA District | 1.9484 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,533 | \$ 1,552 | \$ 1,571 | \$ 1,590 | \$ 1,609 |
| District Library | 1.2500 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 984 | \$ 996 | \$ 1,008 | \$ 1,020 | \$ 1,032 |
| State/School Capture | | | | | | | | | | | | | | | | | | |
| School Operating | 18.0000 | \$ - | \$ 12,224 | \$ 12,377 | \$ 12,531 | \$ 12,688 | \$ 12,845 | \$ 13,004 | \$ 13,165 | \$ 13,328 | \$ 13,492 | \$ 13,657 | \$ 13,825 | \$ - | \$ - | \$ - | \$ - | \$ - |
| State Education Tax (SET) | 6.0000 | \$ - | \$ 4,075 | \$ 4,126 | \$ 4,177 | \$ 4,229 | \$ 4,282 | \$ 4,335 | \$ 4,388 | \$ 4,443 | \$ 4,497 | \$ 4,552 | \$ 4,608 | \$ - | \$ - | \$ 2,418 | \$ 2,448 | \$ 2,477 |
| Total Millage | 56.2075 | | | | | | | | | | | | | | | | | |
| Total Capture Available | | | | | | | | | | | | | | | | | | |
| Local Tax Capture Available | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 25,344 | \$ 25,653 | \$ 25,964 | \$ 26,279 | \$ 26,597 |
| Sub-total State Tax Capture Available | \$ - | \$ 16,299 | \$ 16,503 | \$ 16,709 | \$ 16,917 | \$ 17,127 | \$ 17,339 | \$ 17,554 | \$ 17,770 | \$ 17,989 | \$ 18,210 | \$ 18,433 | \$ - | \$ 2,361 | \$ 2,389 | \$ 2,418 | \$ 2,448 | \$ 2,477 |
| Capture for State Brownfield Revolving Fund (3 mills of SET) (12-Yrs) | \$ - | \$ 2,037 | \$ 2,063 | \$ 2,089 | \$ 2,115 | \$ 2,141 | \$ 2,167 | \$ 2,194 | \$ 2,221 | \$ 2,249 | \$ 2,276 | \$ 2,304 | \$ - | \$ 2,361 | \$ 2,389 | \$ 2,418 | \$ 2,448 | \$ 2,477 |
| State Tax Capture Available | \$ - | \$ 14,261 | \$ 14,440 | \$ 14,620 | \$ 14,802 | \$ 14,986 | \$ 15,172 | \$ 15,359 | \$ 15,549 | \$ 15,740 | \$ 15,934 | \$ 16,129 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total Local & State Tax Capture Available | \$ - | \$ 14,261 | \$ 14,440 | \$ 14,620 | \$ 14,802 | \$ 14,986 | \$ 15,172 | \$ 15,359 | \$ 15,549 | \$ 15,740 | \$ 15,934 | \$ 16,129 | \$ - | \$ 25,344 | \$ 25,653 | \$ 25,964 | \$ 26,279 | \$ 26,597 |
| Cumulative Captured Taxes | \$ - | \$ 14,261 | \$ 28,701 | \$ 43,321 | \$ 58,123 | \$ 73,109 | \$ 88,281 | \$ 103,641 | \$ 119,190 | \$ 134,930 | \$ 150,863 | \$ 166,992 | \$ 166,992 | \$ 192,337 | \$ 217,989 | \$ 243,954 | \$ 270,233 | \$ 296,830 |
| Capture for LSRRF | | | | | | | | | | | | | | | | | | |
| Capture for Local Site Revolving Loan Fund (LSRRF) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 25,344 | \$ 25,653 | \$ 25,964 | \$ 26,279 | \$ 26,597 |
| Cumulative LSRRF Capture | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 25,344 | \$ 50,997 | \$ 76,962 | \$ 103,241 | \$ 129,838 |
| Reimbursement of Remaining Eligible Activities to Developer (\$166,737) | | | | | | | | | | | | | | | | | | |
| State Annual Total Tax Capture | \$ - | \$ 14,261 | \$ 14,440 | \$ 14,620 | \$ 14,802 | \$ 14,986 | \$ 15,172 | \$ 15,359 | \$ 15,549 | \$ 15,740 | \$ 15,934 | \$ 15,874 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| State Remaining Tax Increment Reimbursement | \$ 166,737 | \$ 152,476 | \$ 138,036 | \$ 123,416 | \$ 108,614 | \$ 93,628 | \$ 78,456 | \$ 63,096 | \$ 47,547 | \$ 31,807 | \$ 15,874 | \$ (0) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

□ = 12 Year OPRA

| Taxes - Proportionality | |
|-------------------------|---------|
| Local Taxes | 57.30% |
| State Taxes | 42.70% |
| Total | 100.00% |

Reimbursement to Developer Complete

Deposits into LSRRF Complete

| Debt Millage - Not Captured - New Tax Revenue | | | | | | | | | | | | | | | | | | |
|--|--------|------|--------|--------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| City Debt | 0.5330 | \$ - | \$ 362 | \$ 366 | \$ 371 | \$ 376 | \$ 380 | \$ 385 | \$ 390 | \$ 395 | \$ 400 | \$ 404 | \$ 409 | \$ 414 | \$ 419 | \$ 425 | \$ 430 | \$ 435 |
| | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Cumulative Debt Millage Capture | 0.5330 | \$ - | \$ 362 | \$ 728 | \$ 1,100 | \$ 1,475 | \$ 1,856 | \$ 2,241 | \$ 2,630 | \$ 3,025 | \$ 3,425 | \$ 3,829 | \$ 4,238 | \$ 4,653 | \$ 5,072 | \$ 5,497 | \$ 5,926 | \$ 6,361 |

ATTACHMENT B

Letter of Functional Obsolescence



August 26, 2016

Owosso City Council
301 W. Main Street
Owosso, MI 48867

Re: Obsolescence - 344 W. Main Street - 78-050-120-006-008-00

Mayor Frederick & City Council:

Functional obsolescence is *loss in value due to inability of the structure to perform adequately the function for which it is used*. This may be a result from changes in demand, design and even technology. It may also take form of deficiency do to the need for modernization. In any case, it is the perception of a loss in utility.

As required for an Obsolete Property Rehabilitation Exemption Certificate, for the property at 344 W. Main Street, owned by DRHP, LLC, the following statement describes the functionally obsolescence of this property.

1. Roof in need of repair/replacement in many areas. The support system of the roof is mismatched in many areas and not sufficient for current or future use;
2. Electrical system insufficient for today's demand requirements. Subpanels in rooms are old, some clothe wiring Repair/replacement/upgrade in lighting a must to meet highest and best use of a mixed use facility;
3. Wiring for technology nonexistent;
4. Brick walls on all sides cracked, crumbling and need repaired;
5. Interior separation walls damaged in many areas needing removed/replaced;
6. Heating and cooling system needs complete replacement. Some of the duct work on the roof is falling in;
7. Only one entrance, the southeast entrance, meets barrier free requirements. The entrance through the garage area might meet requirements, but many of the large garage doors are bent, kicked in and unusable;
8. Majority of windows are wood with wood frames rotten, crumbling and not recommended for security or energy purposes;

It is my opinion the functional obsolescence of this parcel has caused a reduction in value that exceeds 50% in its current use.

If you have any further questions, please feel free to contact me at (989) 725-0530.

Respectfully,

Larry D. Cook
Assessor, MAAO (3)

ATTACHMENT C

Letter of Blighted Conditions



301 W. MAIN OWOSSO, MICHIGAN 48867-2958 · (989) 725-0535 · FAX (989) 725-0546

11/07/2016

DRHP, LLC
16989 KERNWOOD RD
EAST LANSING, MI 48823

Marilyn Crowley
Development Services Leader
Kincaid Henry
934 Clark Street
Lansing, MI 48906
517-332-8210
517-332-0634
www.kincaidhenry.com

RE: 344 W MAIN ST, Owosso, Michigan
ID# 050-120-006-008-00
Service Request # ENF 15-0136 – Blight Determination

Dear Ms. Crowley:

An inspection was conducted by the City of Owosso Building Official. Please see attached inspection report confirming that the property located at 344 W. Main Street meets the definition of blight per Act 381 of 1996 as listed (below):

(e) "Blighted" means property that meets any of the following criteria as determined by the governing body.

(i) Has been declared a public nuisance in accordance with a local housing, building, plumbing, fire, or other related code or ordinance.

(ii) Is an attractive nuisance to children because of physical condition, use, or occupancy.

(iii) Is a fire hazard or is otherwise dangerous to the safety of other persons or property.

The proposed project will restore the property to a production use, including apartments.

Please do not hesitate to call me if you should have any further questions or concerns. I can be reached at (989)725-0536.

Thank you.

Respectfully Submitted,

Brad Hissong
City of Owosso
(989)725-0536

CC: Susan Montenegro, Community Development Director

RE-INSPECT Inspection | HISSONG, BRAD

| | | | |
|------------|---------------------|------------|------------|
| Status: | Completed | Result: | No Change |
| Scheduled: | 11/07/2016 12:00 AM | Completed: | 11/07/2016 |

Comments:

BLIGHT INSPECTION INSPECTION REPORT 11/07/2016

EXTERIOR;

304.5 FOUNDATION WALLS SHALL BE FREE FROM CRACKS AND BREAKS AND SHALL PREVENT THE ENTRY OF RODENTS AND OTHER PESTS. (302.5)

INSPECTOR NOTED MISSING BRICKS, CRACKED MORTAR AND AREAS FOUND IN A STATE OF DISREPAIR EXIST, REPALCEMENT/TUCK POINTING NEEDED AND BRICK REPALCEMENT NEEDED RANDOMLY AROUND THE EXTERIOR.

304.6 304.1.1.(7) EXTERIOR WALLS- ALL EXTERIOR WALLS HAVE SUFFERED DAMAGE AND THE FACDES REQUIRE , PORTIONS HAVE FALLEN OFF ONTO THE SIDEWALKS/PARKING AREAS BELOW. VIOLATION OF THE INTERNATIONAL PROPERTY MAINTENANCE CODE AS ADOPTED.

IN ADDITION TO REPAIRING THE FACADE, REPAIR/REPLACEMENT OF INTERIOR WALLS, CEILINGS, LOOSE CEILINGS, LOOSE WALL COVERINGS, LOOSE PANELS AS NEEDED THROUGHOUT INTERIOR.

FIRST FLOOR/SECOND FLOOR;

403.2 VENTING BATHROOMS VENTING ROOF AREA, INSPECTOR NOTES FOLLOWING, NOT SURE THAT BATHROOMS ARE VENTED AS REQUIRED BY SECTION LISTED ABOVE.

603.2 FUEL BURNING EQUIPMENT SHALL BE CONNECTED TO AN APPROVED CHIMNEY OR VENT.

704.2 SMOKE ALARMS SHALL BE POWERED BY NON-RECHARGEABLE BATTERIES CAPABLE OF OPERATING THE SMOKE ALARM FOR A LIFE OF 5 YEARS.

604.3 ELECTRICAL HAZARDS SHALL BE REPAIRED/REPLACED WHERE FOUND IN DISREPAIR/UNSAFE.

304.1.1. (9) FLOORING AND FLOORING COMPONENTS WITH DEFECTS SHALL BE REPAIRED/REPLACED, FLOORS THAT ARE DAMAGED, DETERIORATED, ARE NOT PROPERLY ANCHORED OR ARE INCAPABLE OF SUPPORTING ALL NORMAL LOADS AND RESISTING ALL LOAD EFFECTS.

302.3 SIDEWALKS/DRIVEWAY AND PARKING LOT. ALL SIDEWALKS, WALKWAYS, STAIRS, DRIVEWAYS, PARKING LOTS, PARKING SPACES AND SIMILAR AREAS SHALL BE KEPT IN APROPER STATE OF REPAIR, AND MAINTAINED FREE FROM HAZARDOUS CONDITIONS.

504.1 PLUMBING FIXTURES SHALL BE PROPERLY INSTALLED PER CODE.

605.3 LIFHTING PER CODE - EXISTING LIGHTING IS NOT ACCEPTABLE AS EXIST, REQUIRES REPLACEMENT.

704.1 ALL SYSTEMS, DEVICES AND EQUIPMENT TO DETECT A FIRE SHALL BE MAINTAINED IN OPERABLE CONDITION AT ALL TIME IN ACCORDANACE WITH THE INTERNATIONAL FIRE CODE.

305.3 DEFECTIVE SURFACES SHALL BE CORRECTED INSPECTOR COMMENTS: PEELING PAINE CEILINGS AND WALLS REQUIRE REPAIRING/REPLACEMENT.

304.13 REPLACE ALL MISSING/BROKEN GLAZING, WIDOW FRAMES WHERE REQUIRED BOTH FLOORS.

603.1 ALL MECHANICAL APPLIANCES TO BE CORRECTED WHERE NOT IN WORKING CONDITION.

RE-INSPECT Inspection | RAU, CHUCK

| | | | |
|------------|---------------------|------------|--------------|
| Status: | Completed | Result: | Violation(s) |
| Scheduled: | 09/30/2015 12:00 AM | Completed: | 09/30/2015 |

RE-INSPECT Inspection | RAU, CHUCK

| | | | |
|------------|---------------------|------------|------------|
| Status: | Completed | Result: | Complied |
| Scheduled: | 04/30/2015 12:00 AM | Completed: | 04/30/2015 |



MEMORANDUM

301 W. MAIN ▪ OWOSSO, MICHIGAN 48867-2958 ▪ WWW.CI.OWOSSO.MI.US

DATE: October 14, 2106
TO: City Council
FROM: City Manager
SUBJECT: Naming of new street

The city is seldom faced with the issue of naming a street. The city is now faced with naming the new roadway that will serve Sonoco, Cargill, Detroit Abrasives and Coldiron properties and possibly some others. We could sell naming rights to the highest bidder. Attached is a list of street names that have been taken already.

Normally a street is not named for a business, as businesses come and go and streets often serve more than one business.

Some possible names are:

- Commercial
- Dogwood
- Great Lakes
- Hackberry
- Mitchell
- Mulberry
- Pioneer
- Red Oak
- Spartan
- Wolverine

RESOLUTION NAMING A NEW STREET IN THE CITY OF OWOSSO EXTENDING FROM
CHIPMAN STREET APPROXIMATELY 1,600 FEET NORTHWESTERLY TO A CUL-DE-SAC
AS_(NAME TO BE INSERTED)

WHEREAS, the city of Owosso, Michigan, has acquired property upon which a public
street will be constructed;

WHEREAS, the street will serve or potentially serve Sonoco, Cargill, Coldiron and Detroit
Abrasives, which may have addresses upon the new street; and

WHEREAS, the new street running northwesterly from Chipman Street approximately
1,600 feet to a cul-de-sac has been assigned no name;

NOW THEREFORE be it ordained by the city council of the city of Owosso that:

FIRST:the street shall be named (insert name of street)

SECOND: the public works office proceed to work with Shiawassee County
911 and the United States Postal Service to prepare a numbering
system.

THIRD: the Michigan Department of Transportation be informed of the
addition to the city=s street system.

Owosso Area Street Names

| | | | | |
|------------------|----------------------|--------------------|----------------|----------------------|
| 1st St | Clinton St | Grand Ave | Laverock Alley | Riley Rd |
| 3rd Ave | Clyde St | Gregory St | Lee St | River St |
| 5th St | College Ln | Gute St | Lennox St | Riverside Dr |
| 7th St | Comstock St | Hamblin St | Lillian St | Robbins St |
| Abbott St | Comstock St | Hammont St | Lincoln Ave | Roslyn Dr |
| Abrey Ave | Corlett Dr | Hampton Ave | Lingle Ave | Rubelman Dr |
| Ada St | Cornell Rd | Hanover St | Lynn St | Ruess Rd |
| Adams St | Corunna Ave | Harding St | Lyon St | Ryan St |
| Aiken Rd | Coventry St | Harper St | M-21 | Saginaw St |
| Alger St | Cronk Rd | Harrison St | M-52 | Shady Ln Dr |
| Alger Ave | Curwood Castle Dr | Henry St | Mack St | Simpson Rd |
| Allendale Ave | Delaney Rd | Hiawatha Dr | Main St | Smith Ave |
| Alta-vista Dr | Devonshire Ct | Hibbard Rd | Mallard Cir | State St |
| Alturas Dr | Dewey St | Hickory St | Mansfield St | State Rd |
| Ament St | Dimmick St | Himburg St | Martin St | Stevens Dr |
| Applewood Dr | Dingwall Dr | Hintz Rd | Mary St | Stewart St |
| Avon Dr | Division St | Hiram St | Mason St | Stinson St |
| Baker Dr | Donald St | Holly Ct | Mason Rd | Stratford Dr |
| Ball St | Elizabeth St | Hopkins Lake Dr | Mcmillan Rd | Summit St |
| Beehler St | Elliot St | Howard St | Mcmillan Ave | Tracy St |
| Bennett Field Dr | Elm St | Howell St | Michigan Ave | Union |
| Bluestem Ct | Elmwood | Hoyt St | Milwaukee St | Universal Dr |
| Bradley St | Exchange St | Huggins St | Moore St | Walnut St |
| Brandon St | Farr St | Huntington Dr | Nafus St | Ward St |
| Broadway Ave | Fletcher St | Hwy 21 | Nelson St | Washington St |
| Brooks St | Francis St | Industrial Dr | North St | Water St |
| Buckley Dr | Franklin St | Irene St | North St | Wesley Dr |
| Calvert St | Frazier Ave | Isham St | Oakwood Ave | Whitehaven Ct |
| Campbell Dr | Frederick St | Jackson Dr | Oliver St | Wilkinson |
| Candlewick Dr | Freeman St | Jennett St | Olmstead St | Wilkinson Rd |
| Carmody St | Galusha St | Jerome Ave | Osburn St | Williams St |
| Carr St | Garfield St | Johnstone Rd | Park St | Willow Springs Dr |
| Cass St | Gellatly Ct | Juddville Rd | Pearce St | Willow |
| Cedar St | Genesee St | Juniper St | Penbroke Dr | Wiltshire Dr |
| Center St | George St | Kenwood Dr | Pintail Ct | Wood Ct |
| Chatham St | Gilbert St | Keyte St | Prindle St | Woodhall Ct |
| Chestnut St | Glenwood Ave | King St | Rain St | Woodlawn Ave |
| Chipman Ln | Goodhue St | Krust Dr | Randolph St | Wright St |
| Chipman St | Gould St | Lafayette Blvd | Renfrew Dr | Young St |
| Clark Ave | Grace St | Lansing St | Ridge Rd | |
| Cleveland St | | | Ridge St | |

**PARKS AND RECREATION COMMISSION
REGULAR MEETING
TUESDAY, NOVEMBER 22, 2016 – 7:30 p.m.
City Hall Council Chambers
301 W. Main St. Owosso, MI 48867**

- CALL TO ORDER:** Chairman Espich called the meeting to order at 7:30 p.m.
- PLEDGE OF ALLEGIANCE:** Was recited.
- ROLL CALL:** Was taken by Deputy City Clerk Roxane Cramer.
- MEMBERS PRESENT:** Chairman Mike Espich, Vice Chair Jeff Selbig, and Commissioner Kristen Woodbury.
- MEMBERS ABSENT:** Commissioners Shane Nelson and Randy Woodworth.
- OTHERS PRESENT:** Several citizens (see attached list), Donald Crawford, City Manager; Susan Montenegro, Assistant City Manager/Director of Community Development; Glenn Chinavare, Utilities Director.
- APPROVAL OF AGENDA:** **VICE-CHAIR SELBIG MADE A MOTION TO APPROVE THE AGENDA FOR NOVEMBER 22, 2016, SUPPORTED BY COMMISSIONER WOODWORTH.
AYES ALL, MOTION CARRIED**
- APPROVAL OF MINUTES:** **COMMISSIONER WOODBURY MADE A MOTION TO APPROVE THE MINUTES FOR THE MEETING OF OCTOBER 25, 2016, SUPPORTED BY VICE CHAIR SELBIG.
AYES ALL, MOTION CARRIED**

PUBLIC COMMENTS:

None.

COMMUNICATIONS:

1. Staff memorandum
2. Minutes from October 25, 2016
3. Guidelines for Park Master Plan Update/Revision

BUSINESS:

Skate Park Update – Council decision update.

Ms. Montenegro reported that council approved Grove Holman Park for the location of the skate park.

Vice Chair Selbig asked if council had any questions or suggestions.

Ms. Montenegro reported that they did not have either.

DNR Grant timeline/requirements discussion.

Ms. Montenegro explained that the DNR have not even released the notice of funding availability and that

it normally happens in December. To give everyone a feel of what needs to be done she emailed the commission last year's "Land and Water Conservation Fund Grant Manual". She reported that commission already has a lot of the requirements done, the cost estimate for the skate park, the conceptual design, the resolution by council approving the location have all been completed. The major part will be filling out the application narrative.

The application has to be in the DNR by April 1, 2017. If the commission wants to seek money from the city they have to request that money from council. The city's budgeting process starts in April and everything for budget has to be approved by May 1, 2017. The commission can also count "in-kind work" as part of budgeted money. In the beginning of September the DNR sends a preliminary scoring and allows applicants to go in and tweak the application where permitted to improve final scoring. The city only shows what the city is committing for funding; however, the project expense breakdown has to show where all funding is coming from. The application is submitted by 11:59 p.m., April 1st. Chairperson Espich stated he thought it would be a good idea for March 1st to be the deadline for money commitments.

Parks & Recreation Master Plan timeline/requirements

Chairperson Espich had requested Ms. Montenegro go through the timeline and make certain the commission doesn't miss the deadline.

Ms. Montenegro reported the timeline would be to submit a revised plan that has been adopted by the local unit of government by March 1st. A 30 day public viewing period must take place prior to council adoption. The revised plan could go to the council for adoption at the second meeting in February as long as the plan revisions completed by that time. The plan would be at city hall front desk for the 30 days. Public notification announcing the revised plan could be put in the paper, on the city website and on Facebook so citizens could come in look at the plan and give input on that plan. The commission has to show that they had public input and is why tonight's meeting was posted as a public workshop/forum, allowing for public input on the park plan. Ms. Montenegro also explained to the commissioners if you change the Master Plan it isn't set in stone and revisions can be submitted to the DNR at any time during the five year life cycle of the plan once it is adopted. She suggested a couple of extra meetings maybe one in December and one in January just to get things ironed out. The next meeting will be December 13, 2016 because of the Christmas Holiday. The plan must be submitted by March 1, 2017.

DISCUSSION OF UPDATING THE PARKS AND RECREATION MASTER PLAN

Discussion of Parks & Recreation Master Plan Updates for the following parks:

Adams (Partner with Boy Scouts)

Chairperson Espich asked Ms. Montenegro about clarification of the partnering with the boy scouts.

Ms. Montenegro reported that the boy scouts had built the play scape and she had invited them to the meeting but they were not sure they could attend tonight's meeting. The playscape at Adams Park was built as an Eagle Scout project as well as painting the existing swing set. Two benches were placed near the playscape as well. The boy scouts would like to see a pavilion built there on the cement pad.

Vice Chair Selbig questioned the need to even have "this is a neighborhood park that was formerly a city rink with lighting and a warming house" as a key observation.

Ms. Montenegro pointed out that there isn't much parking because it is located in the middle in of a residential area.

Chairman Espich asked if there had been any attempt to work with the church for parking signage and way finding from a park and where it is located.

The following changes were suggested for Adams Park in the master plan:

11) MEMORIAL FIELD (ADAMS)

Location: North central Owosso with a walk-in entrance on North Adams Street at Galusha Street

Size: 1.3 Acres

Key Observations:

1. ~~This is a neighborhood park that was formerly a city ice rink with lighting and a warming house~~
1. The limited parking limits the types of use for this park.

2. The plans for this park will revolve around the interests and resources of the neighborhood that has shown enthusiasm for “their” park.

3. ~~Youth soccer and ball teams find this field to be a good practice area.~~
3. New play scape recently built is inviting to families in this area.

2016

~~2014 Park Plan Components.~~

- needs signage and adopt wayfinding from all four compass points.
1. ~~The park ^ is unsigned and in its context requires a gateway announcement of its availability and status as a city park.~~

 2. ~~Philanthropic or service club donation of a tot lot will serve a neighborhood that is quite isolated from public open space in the northeast quarter of the city.~~
Build a pavilion and place picnic tables.
 3. ~~^ Improve the pathway to the field—crushed limestone.~~

Vice Chair Selbig asked for comments or suggestions from the audience on Adams Park. There weren't any comments.

Grand Avenue

Chairman Espich asked if this was still part of the parks system.

Ms. Montenegro reported it is still part of the parks system.

Suggestions were to reforest or sell it. If you sell a park you have to put it to the public vote and it has to pass by two-thirds.

City Manager Donald Crawford stated that this park is part of a drainage channel. Old records show that this is a peat bog with a note that homes should not be built here. City manager suggested it should be used as more of a holding area for sandlot/ playground area.

MOTION BY COMMISSIONER WOODBURY SUPPORTED BY VICE CHAIR SELBIG TO ACCEPT THE CHANGES TO ADAMS PARK AND GRAND AVENUE FIELD. ALL AYES, MOTION CARRIED.

12) GRAND AVENUE FIELD

Location: In southeast Owosso on the south end of Grand Avenue with another approach from Washington Street via Harper Street.

Size: 1.3 Acres

Key Observations:

- ~~1. The Planning Commission recommends removing this park from the park system. A process is recommended that incorporates neighborhood planning for the possible uses of the land that might include: reforestation into a conservation area; partial sale—south side—to the cemetery as buffer area only; some residential lots along Grand Avenue.~~
1. This is part of a drainage system along Saginaw Street with potential retention problems. It may still be enjoyed as a park.
2. As an alternate, consider local neighborhood plans for passive recreation, community gardens, or the return of the property to a natural state.

Commissioner Woodbury left at 8:24 p.m. ending the quorum for the evening. No further motions could be made but public discussion and input continued.

Nick Tereck spoke on behalf of the Owosso Rotary Club. The Owosso Rotary also has had a long history working with the YMCA at Hugh Parker Field. The Owosso Rotary Club can request money for Hugh Parker to make it much better than it is. The Rotary will be able to receive \$4,000 grant, and locally their club will match with another \$4,000. He also said that the Owosso Soccer League has committed to raising \$4,000 to help make the soccer field better, stating the money would be used to expand bathrooms make the parking lot more than gravel. The quality of the field could be made better by adding layers of top soil. Vice Chair Selbig asked if there has been any cost estimates on the work to be done. Mr. Tereck said he didn't think there had been any quotes yet. Ms. Montenegro suggested getting a Recreation Passport Grant to add to the money further down the road.

Mr. Tereck also stated that the Owosso Rotary Club uses Harmon Patridge Park for their events and club members enjoy the natural feeling of the park and stated the club would like to continue to work with the city on Harmon Patridge Park.

Vice-Chair Selbig stated he has a project and he would like to see a labyrinth.

Ms. Montenegro reported that Rotary members thought signage on M-52 for Harmon Patridge Park is needed and would increase awareness of the park and its location.

Janae Fear said she is always traveling to Lansing Area Fields due to her children on the traveling soccer team, stating there are 6 – 8 leagues participating. She stated Hugh Parker Field is way overdue for maintenance and feels that the YMCA is not doing a good job on the maintenance. The field brings people from out of town.

PUBLIC COMMENTS:

Gary Burk is board member for the Friends of the Shiawassee River. He is at the meeting tonight in regards to the National Water Trail Designation. He stated he wants the commission to think of the river as a linear park connecting with other parks and other elements. He shared in the past there was talk about Harmon Patridge Park being connected to the Northwest because there is a lack of parks there. Mr. Burk explained the south side could be a trail head. Mr. Tereck said there is a great economic value to have the National Water Trail Designation

Ms. Montenegro stated that there is a joint trail authority with the City of Owosso, Caledonia Township, Airport Board and the City of Corunna as members. The authority is working toward improving the entire length of the trail between Corunna and Owosso. Most recent efforts have cleared brush along the trail allowing widening of the trail near the airport.

ADJOURNMENT:

Meeting Ended at 9:00 p.m. No adjournment due to a lack of quorum.

**MINUTES
REGULAR MEETING OF THE OWOSSO PLANNING COMMISSION
COUNCIL CHAMBERS, CITY HALL
MONDAY, DECEMBER 12, 2016 – 6:30 P.M.**

CALL TO ORDER: Chairperson Bill Wascher called the meeting to order at 6:34 p.m.

PLEDGE OF ALLEGIANCE: Recited by all.

ROLL CALL: Roll call was taken by Susan Montenegro, who clerked the meeting.

MEMBERS PRESENT: Chairperson Bill Wascher, Vice-Chair Craig Weaver, Secretary Janae Fear, Commissioners Michelle Collison, Brent Smith and Tom Taylor.

MEMBERS ABSENT: Tom Cook and Frank Livingston.

OTHERS PRESENT: Susan Montenegro, Assistant City Manager/ Director of Community Development.

APPROVAL OF AGENDA:

MOTION BY COMMISSIONER COLLISON, SUPPORTED BY SECRETARY FEAR TO APPROVE THE AGENDA FOR DECEMBER 12, 2016.

YEAS ALL. MOTION CARRIED.

APPROVAL OF MINUTES:

MOTION BY VICE-CHAIR WEAVER SUPPORTED BY COMMISSIONER TAYLOR TO APPROVE THE MINUTES FOR THE OCTOBER 24, 2016 MEETING.

YEAS ALL. MOTION CARRIED.

COMMUNICATIONS:

1. Staff memorandum
2. PC minutes for October 24, 2016.
3. Site plan application for 1400 E. Monroe Street.

COMMISSIONER/PUBLIC COMMENTS

Chairperson Wascher noticed construction around town happening. Ms. Montenegro spoke about the Qdoba site, Cargill groundbreaking ceremony and that water main and sewer lines are in from Chipman to King and to the railroad line. Washer asked about old Sugar Beet building that is still standing. Ms. Montenegro stated this has two active businesses in them. Also shared Fisher Ready Mix will have an access drive off of the new public road that is being put in to the Cargill site.

New eye doctor office project earth work has started. Lincoln School project is now under way as well. Meeting was delayed until 7pm in case Tri-Mer or Spicer were confused on the start time. Ms. Montenegro shared staff is still working on tweaking language in the proposed sign ordinance before bringing back to planning commission.

Chairman Wascher asked if Tri-Mer needs to go to ZBA for setback and if they are on the December schedule, Ms. Montenegro confirmed they are on the agenda for December.

PUBLIC HEARINGS:

None.

SITE PLAN REVIEW:

1400 E. Monroe Street – Tri-Mer Corporation. No one from Spicer Group or Tri-Mer Corporation was present for the meeting to present the site plan. Ms. Montenegro gave an overview of the site plan and that Tri-Mer Corporation would like to add additional office space to the north side of their current building. Ms. Montenegro also stated the plan included an additional parking lot with nine (9) spaces. The addition will be for office space and the furthest northeasterly portion of the addition appears to be in the 30' side yard setback, which will require Tri-Mer Corporation to obtain a variance in order to build and is on the December 20th agenda. Ms. Montenegro also stated the new parking lot not only extends into the 30' required side yard setback but also extends into property owned by Consumer's Energy.

Staff has addressed the following items/issues in their staff report:

Planning Background

Tri-Mer Corporation is seeking to expand their office area by adding additional office space to the north side of their building. The build out is approximately 2444 square feet, measuring 120' x 19.2'. The buildout will take up part of the existing parking so the current lot will be reconfigured, adding an additional nine (9) spaces. The current parking lot on site appears to be within the Consumers Energy owned property. Please provide evidence of an agreement to use Consumers property.

The northeast corner of the buildout appears to be in the setback, please confirm and correct. The setback off Monroe Street is 30' from the Consumers Energy property line. The setback must be adhered to or must go to Zoning Board of Appeals for a variance.

Utilities

City Utilities Director reviewed the site plans and offers the following comments:

Sanitary Sewer Requirements:

- Service lateral from sewer main to property line 6-inch. Material shall be SDR-26 PVC ASTM D3034. Minimum grade is 1%.
- Service lead from building to property line shall be 4-inch minimum. Material shall be SDR-26 PVC ASTM D3034 or SCH80 PVC ASTM D1785. Minimum grade 1% or approved variance.

Water Connection Requirements:

- None provided on drawings. Please provide domestic water line and fire water line for review.

Engineering

City Engineer reviewed the site plans and offers the following comments:

- The proposed parking lot expansion appears to be outside City right-of-way of Monroe Street. It is inside property owned by Consumers Energy. See attachment. City recommends the developer advise whether Consumers Energy has been contacted and approve the changes.
- The building's downspouts will be connected to a storm drain that empties in front of future building and onto lawn area. The invert elevation of the proposed outlet is lower than existing ground. The developer should explain how this may work without building a swale area to receive the storm drainage. City recommends a swale area sized to receive the storm runoff.
- Public utility work appears as minor; no water service changes are proposed. Sanitary sewer alterations are to connect to existing service well outside road area; Utilities Director to comment further.
- The parking lot expansion may affect ADA guidelines; city Building Official to comment further.

Building

City Building Official reviewed the site plans and offers the following comments:

- The proposed parking lot expansion appears to be outside City right-of-way off Monroe Street. It is inside property owned by Consumers Energy. Building Official recommends the developer submit approval from consumers for these changes.
- The parking spaces are sized and laid out as allowed by City Ordinance; the number of spaces is consistent with City requirements. State of Michigan Barrier Free law applies for Barrier Free Parking – See Below.

The parking lot expansion does effect the requirements for Barrier Free Parking; Table 1106.1 Section 1106 Table 1106.1 requires parking lots with 51 to 75 total spaces to have a minimum of (3) three Barrier Free Parking Spaces, plan as draw reflects one Barrier Free Space. PLEASE NOTE: for every 6 accessible spaces required at least (1) one shall be Van Accessible.

Commissioner Taylor asked if Consumer's Energy had any say on the proposed addition/parking lot because it appears to be on their property. Chairman Wascher asked if staff had contacted Consumers. Ms. Montenegro stated she asked Tri-Mer to verify and provide documentation that Tri-Mer could legally build a parking lot on Consumer's property, which they did in the form of an easement agreement. Commissioner Smith asked if staff ever reviews title work when site plans are brought in. Ms. Montenegro stated staff does not unless there is a question of ownership in which the applicant has to prove they can legally build.

Commissioners discussed the site plan and asked if anything in the staff report was enough to hold up approval. Ms. Montenegro stated no. Chairman Wascher noted that things could be handled in house by staff such as water and parking concerns.

MOTION BY COMMISSIONER SMITH, SECONDED BY VICE-CHAIR WEAVER, TO APPROVE SITE PLAN CONTINGENT UPON TRI-MER/SPICER GROUP TO WORK WITH STAFF TO RESOLVE ISSUES LISTED IN THE STAFF REPORT. COMMISSIONER TAYLOR STATED HE WAS NOT COMFORTABLE TO GIVE PLANNING COMMISSION APPROVAL ON THE SITE PLAN WITHOUT FIRST OBTAINING A VARIANCE FROM THE ZONING BOARD OF APPEALS.

ROLL CALL VOTE:

AYES: COMMISSIONERS FEAR, COLLISON, CHAIRPERSON WASCHER, VICE-CHAIR WEAVER, COMMISSIONER SMITH.

NAYS: COMMISSIONER TAYLOR.

MOTION PASSED.

BUSINESS ITEMS:

None.

ITEMS OF DISCUSSION:

None.

COMMISSIONER/PUBLIC COMMENT:

Commissioner Fear asked if the city was going to get out and plow again.

ADJOURNMENT:

MOTION BY COMMISSIONER TAYLOR, SUPPORTED BY COMMISSIONER COLLISON TO ADJOURN AT 7:08 P.M. UNTIL THE NEXT MEETING ON JANUARY 23, 2017.

YEAS ALL, MOTION CARRIED.

Janae Fear, Secretary

skm