

CITY OF OWOSSO
REGULAR MEETING OF THE CITY COUNCIL
MONDAY, DECEMBER 5, 2011
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 NOVEMBER 21, 2011:

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

1. Recreation Passport Grant Check Presentation. Murdock Jemerson, Rose Lake District Supervisor will present a check to the City from the Department of Natural Resources for the Recreation Passport Grant.

PUBLIC HEARINGS

1. An Ordinance to amend the make-up of the City Employees' Retirement System Board of Trustees. The proposed amendment to Chapter 2, Administration, Article VII, *Municipal Employees' Pensions*, Section 2-403, Board of Trustees would remove the requirement that the mayor be a member and allow a councilmember to be the second councilmember representative.

CITIZEN COMMENTS AND QUESTIONS

CITY MANAGER REPORT

1. Project status report

CONSENT AGENDA

1. Special Assessment District No. 2011-01—Hazards and Nuisances. Authorize Resolution No. 1 setting a public hearing for Tuesday, January 3, 2012 to receive citizen comment regarding Special Assessment District No. 2011-01, Hazards and Nuisances, as it relates to unpaid costs incurred in the altering, repairing, tearing down, abating or removing of hazards and nuisances.

2. Set Public Hearing – Ordinance Amendment, Chapter 28. Set a public hearing for Monday, December 19, 2011 to receive citizen comment regarding the proposed amendment to Chapter 28, Special Assessments, Section 28-10.5, Special assessment roll—Hazards and nuisances, to allow the city to set special assessment rolls for hazards and nuisances multiple times per year.
3. Rescind resolution and reapprove two separate resolutions regarding tax exemptions for Midwest Bus. Rescind Resolution No. 168-2011 authorizing real and personal property tax exemptions for Midwest Bus, Inc. and approve two new separate resolutions authorizing the real and personal property tax exemptions independently.
4. Resolution No. 162-2011 Amendment. Amend Resolution No. 162-2011 to indicate the Obsolete Property Rehabilitation Certificate Application for John Hankerd will not be extended.
5. 2012 Schedule of Meetings. Adopt the 2012 Boards and Commissions Meeting Schedule.
6. Boards and Commissions Appointments. Consider the following mayoral boards and commissions appointments:

Name	Board/Commission	Term Expires
Michael Erfourth	Westown Corridor Improvement Authority	11-12-2013
Lori Bailey	L DFA/Brownfield Redevelopment Authority	11-09-2015
Lori Bailey	Downtown Loan Committee	11-09-2015
Gary Martenis	SATA Board of Directors	10-01-2014

7. Authorize bid award for new police vehicle. Approve resolution authorizing the purchase of one 2012 Chevrolet Impala police vehicle from Shaheen Chevrolet, Inc. in the amount of \$20,222.97.
8. Authorize bid award for demolition of 117 South Shiawassee Street. Approve resolution authorizing the demolition of the structure at 117 South Shiawassee Street by TJ Smith Sand & Gravel, Inc. in the amount of \$6,245.00.
9. Authorize payment for work performed in the construction of the concession stand at Rudy Demuth Field. Approve resolution authorizing payment to Snyder Poured Walls for work performed on the concession stand at Rudy Demuth Field in the amount of \$8,165.76.

ITEMS OF BUSINESS

1. Resolution establishing the registration fee for abandoned and foreclosed properties. Consider resolution establishing fees for the recently adopted ordinance requiring the registration of abandoned and foreclosed properties
2. Resolution authorizing the execution of an interlocal agreement creating the I-69 International Trade Corridor Next Michigan Development Corporation. The city would become an initial member of the new entity being created by the counties and local governments in the counties of St. Clair, Lapeer, Genesee, Shiawassee and Oakland counties. The first year \$10,000 membership fee will be paid by the Shiawassee Economic Development Partnership which covers Shiawassee County and all participating local governments within the county.
3. Publicly Funded Health Insurance Contribution Act. Discuss options regarding the limits on public employer funding of health benefits (PA 152 of 2011).

COMMUNICATIONS

1. Adam Zettel, Assistant City Manager. 2011 Parks & Recreation Report and 2012 Action Plan.
2. Main Street/Downtown Development Authority. Minutes of the November 02, 2011 meeting.
3. Downtown Historic District Commission. Minutes of the November 16, 2011 meeting.

CITIZEN COMMENTS AND QUESTIONS

NEXT MEETING

Monday, December 19, 2011

BOARDS AND COMMISSIONS OPENINGS

Historical Commission, term expiring December 31, 2014

Planning Commission, term expiring June 30, 2012

Zoning Board of Appeals – Alternate, term expiring June 30, 2013

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 or calling the following: Amy K. Kirkland, City Clerk, 301 West Main Street, Owosso, MI 48867 or at (989) 725-0500. The City of Owosso Website address is www.ci.owosso.mi.us.

OWOSSO CITY COUNCIL

NOVEMBER 21, 2011

7:30 P.M.

PRESIDING OFFICER: MAYOR BENJAMIN R. FREDERICK

OPENING PRAYER: PASTOR CAL EMERSON
NORTHGATE WESLEYAN CHURCH

PLEDGE OF ALLEGIANCE: OWOSSO WEBELO PACK #89

PRESENT: Mayor Benjamin R. Frederick, Mayor Pro-Tem Cindy S. Popovitch,
Councilpersons Loreen F. Bailey, Thomas B. Cook, Michael J. Erfourth,
Christopher T. Eveleth and Burton D. Fox.

ABSENT: None.

APPROVE AGENDA

Motion by Councilperson Eveleth to approve the agenda with the addition of a communication from E. Frazier.

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

APPROVAL OF THE MINUTES OF REGULAR MEETING OF NOVEMBER 7, 2011

Motion by Councilperson Cook to approve the Minutes of the Regular Meeting of November 7, 2011 with a correction to the grammar in the proclamation for former Council member Gary Martenis.

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

APPROVAL OF THE MINUTES OF ORGANIZATIONAL MEETING OF NOVEMBER 14, 2011

Motion by Mayor Pro-Tem Popovitch to approve the Minutes of the Organizational Meeting of November 14, 2011 as presented.

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

SPECIAL PRESENTATIONS

None.

PUBLIC HEARINGS

2011 PARKS & RECREATION PLAN

A public hearing was conducted to receive citizen comment regarding the proposed 2011 Parks & Recreation Master Plan.

There were no citizen comments.

There was discussion regarding the competing interests in Fayette Square park. Some expressed a desire to amend the plan to avoid any confusion as to the future plans for that park.

There was further discussion regarding supporting matching efforts such as that for the concession stand at Rudy Demuth Field and the creation of an adopt a park program.

Motion by Councilperson Eveleth to approve the plan as presented.

Motion supported by Councilperson Fox.

Mayor Frederick asked that a friendly amendment be introduced to formally note that the center of Fayette Square is dedicated for a Veteran's memorial.

Councilpersons Eveleth and fox withdrew the original motion and support.

Motion by Councilperson Eveleth to authorize the following resolution adopting the plan with the addition of a notation that formally sets aside the center circle area of Fayette Square for a Veteran's memorial as authorized previously by City Council.

RESOLUTION NO. 175-2011

2011 OWOSSO PARKS AND RECREATION PLAN*

WHEREAS, the City of Owosso must review its parks and recreation plan every five years in accordance with parts 19, 703 and 716 of Act 451, P.A. 1994 of the State of Michigan, as amended; and

WHEREAS, the city council has appointed a parks and recreation commission to oversee the plan; and

WHEREAS, the parks and recreation commission reviewed the 2006 plan this summer by holding workshops and meetings on August 22nd, September 13th, and September 26th in order to get public participation and input for a potential update; and

WHEREAS, updates and amendments to the plan were made in accordance with public, commissioner, and staff input; and

WHEREAS, the plan was approved by the Owosso parks and recreation commission for distribution and review by the city council on September 26, 2011; and

WHEREAS, a public hearing is required by the Owosso city council to be held no less than 30 days after distribution in accordance with the above statute and DNR guidelines in order to validate the plan and where this hearing was held on November 21, 2011.

NOW THEREFORE BE IT RESOLVED THAT City of Owosso City Council, County of Shiawassee, State of Michigan, hereby approves the amended 2011 Owosso Parks and Recreation Plan.

BE IT FURTHER RESOLVED THAT the council hereby directs staff to distribute the plan to the city clerk's office, the County of Shiawassee Planning Commission, the City of Corunna, the Region V Planning Commission, Caledonia Charter Township, Owosso Charter Township, SATA, and the city website.

Motion supported by Councilperson Fox.

Roll Call Vote.

AYES: Councilpersons Bailey, Eveleth, Erfourth, Fox, Cook, Mayor Pro-Tem Popovitch and Mayor Frederick.

NAYS: None.

*Full text of the 2011 Parks & Recreation Plan is on file in the Clerk's Office.

CITIZEN COMMENTS AND QUESTIONS

Shelva Cebulski, 1243 Marion Street, announced a blood drive this Wednesday from noon until 5:45 p.m. at the Knights of Columbus Hall.

County Commissioner Ronald Elder gave an update of the budget proceedings at the county level saying they have a balanced budget that includes funding for the MSU extension.

Thomas Moorehead, 1265 Ada Street, indicated that a group of landlords had recently formed as a non-profit group. He said they would be meeting December 12 to develop a list of requests they will present to Council. He went on to ask Council for a moratorium.

Jane Settingington, 3900 Krouse Road, indicated she owns a number of rental units in the City and was recently notified, by posting, of a violation at one of her homes. The violation was posted on the front door and contained sensitive personal identification information. She said she felt federal laws were violated and her attorney was researching the matter. Mayor Frederick indicated the matter would be looked into.

Eddie Urban, 601 Glenwood Avenue, thanked the Mayor and others for their work on the Veteran's Memorial in Fayette Square.

Joseph Stehlik, 1011 North Hickory Street, commented on his concern with a local abandoned property that has a swimming pool and a gap in the fence around the pool. He wanted to know what could be done to make the property safer. It was noted that it was just this sort of property that the proposed Vacant & Foreclosed Property Registration Ordinance was designed to address. There was discussion regarding the situation brought forward by Mr. Stehlik. It was noted contact had been made with the current owner and there were hopes they would erect a fence. If they do not the City may be forced to take action.

There was further discussion regarding the posting of personal information with a violation notice. Mayor Frederick asked for the relevant statutes requiring posting so he could investigate the matter further.

Councilperson Eveleth reminded everyone about the Glow Parade and tree lighting taking place on Friday at 6:00 p.m. in the downtown.

CITY MANAGER REPORT

City Manager Crawford indicated he would also look into the posting matter.

CONSENT AGENDA

Motion by Councilperson Cook to approve the Consent Agenda as follows:

Set Public Hearing – Ordinance Amendment. Set a public hearing for December 5, 2011 to receive citizen comment regarding the proposed amendment to Chapter 2, Administration, Article VII, *Municipal Employees' Pensions*, Section 2-403, Board of Trustees as follows:

AN ORDINANCE TO AMEND THE MAKE-UP OF THE CITY EMPLOYEES' RETIREMENT SYSTEM BOARD OF TRUSTEES

AN ORDINANCE to amend Section 2-403, Board of Trustees, of Chapter 2, Administration, Article VII, *Municipal Employees' Pensions*, to allow the Mayor to appoint a Council designee to serve in his/her place on the City Employees' Retirement System Board of Trustees.

WHEREAS, the City of Owosso has a retirement system that is managed by a Board of Trustees; and

WHEREAS, Ordinance currently dictates the Mayor serve as a part of this Board; and

WHEREAS, it has been requested Council consider allowing the Mayor the option of appointing a Council designee to serve in his/her place on the Board; and

WHEREAS, it is felt such an amendment will provide flexibility while maintaining the composition of the Board.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Owosso, Michigan that, Chapter 2, Administration, Article VII, Municipal Employees' Pensions, Section 2-403, Board of Trustees, read as follows:

THE CITY OF OWOSSO ORDAINS:

SECTION 1. Sec. 2-403 shall read as follows:

Sec. 2-403. Board of trustees.

(a) There is hereby created a board of trustees (the "board") in whom is vested the general administration, management, and responsibility for the proper operation of the retirement system and for making effective the provisions of this article. The board shall consist of seven (7) trustees as follows:

- (1) The mayor **or a councilman who is not eligible to participate in the retirement system as a member or retiree;**
- (2) A **second** councilman who is not eligible to participate in the retirement system as a member or retiree;
- (3) A citizen who has the qualifications required by the charter for holding an elective city office and who is not eligible to participate in the retirement system as a member or retiree, to be appointed by the council;
- (4) A police officer member to be chosen by the police officer members;
- (5) A fire fighter member to be chosen by the fire fighter members; and
- (6) Two (2) general city members: one (1) general city member to be chosen by non-unionized general city members and one (1) general city member to be chosen by the unionized general city members.

(b) The choosing of the trustees provided for in paragraphs (4), (5), and (6), above, shall be held in the month of May in each year under such rules and regulations as the board shall, from time to time, adopt.

Section 2: Effective Date.

This ordinance shall take effect 20 days after passage.

Section 3: Inspection.

This Ordinance may be purchased or inspected in the City Clerk's Office Monday through Friday between the hours of 9:00 a.m. and 5:00 p.m.

Homelessness Awareness Event Permission. Consider the request from Owosso High School National Honor Society for use of the Main Street Plaza Saturday, December 3, 2011 from 5:00 pm until 8:00 am

December 4, 2011 for an event to raise homelessness awareness in the community and authorize Traffic Control Order No. 1261 formalizing the action.

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

Name	Board/Commission	Term Expires
Brent Wesley	Owosso Community Airport Board	12-31-2013
Christopher Eveleth	Zoning Board of Appeals	06-30-2014
Jerry Jones	Board of Review	12-31-2016

Repair Authorization. Waive competitive bidding requirements and authorize the rehabilitation of one Peerless split case centrifugal pump at the Water Treatment Plant in the amount of \$7,423.00 as follows:

RESOLUTION NO. 176-2011

**RESOLUTION AUTHORIZING THE EXECUTION
OF A PURCHASE ORDER FOR
REHABILITATION OF HIGH SERVICE PUMP # 4
FOR THE WATER TREATMENT PLANT
WITH PEERLESS MIDWEST, INC.**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, requires rehabilitation of a Peerless Split Case Centrifugal Pump at its Water Treatment Plant; and

WHEREAS, Peerless Midwest, Inc. is an authorized Peerless pump distributor and repair facility and has inspected the pump and developed a detailed proposal to restore the pump to like new condition;

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 have peerless Midwest, Inc. rehabilitate the pump at a cost of \$7,423.
- SECOND: The purchase agreement between the City and Peerless Midwest, Inc. shall be in the form of a City Purchase Order.
- THIRD: The above expenses shall be paid from the Water Fund.

Warrant No. 432. Accept Warrant No. 432 as presented.

Check Register. Receive and approve the Check Register for October 2011.

Motion supported by Mayor Pro-Tem Popovitch.

Roll Call Vote.

AYES: Councilpersons Fox, Erfourth, Cook, Eveleth, Mayor Pro-Tem Popovitch, Councilperson Bailey and Mayor Frederick.

NAYS: None.

ITEMS OF BUSINESS

NATIONAL REGISTER OF HISTORIC PLACES CONSIDERATION

City Manager Crawford introduced the topic by giving a brief history of the City's pursuit of tax abatements for downtown property owners. The downtown was recently declared a Michigan State historic district but unfortunately the State has cut the available abatements due to budget constraints. The State Historic Preservation Office recommended the Historic District Commission explore the idea of applying for the National Register of Historic Places in an attempt to make the downtown eligible for federal tax credits. It is anticipated the application would cost between \$15,000 -\$30,000. SHPO has indicated there is grant money available for such costs if the City agrees to start the application process by November 30, 2011.

Motion by Councilperson xxx to approve application to the Michigan State Historic Preservation Organization seeking funding for an application to the National Register of Historic Places for the downtown, with the contingency that should grant funding be unavailable the item will be returned to Council for further consideration, as follows:

RESOLUTION NO. 177-2011

**RESOLUTION AUTHORIZING THE NOMINATION OF
THE OWOSSO DOWNTOWN HISTORIC DISTRICT FOR REGISTRY ON
THE NATIONAL REGISTER OF HISTORIC PLACES
AND SEEKING GRANT SUPPORT FROM
THE STATE HISTORIC PRESERVATION OFFICE (SHPO)**

WHEREAS, the City of Owosso is authorized by the provision of Act 169, Public Acts of Michigan, 1970, as amended, to create an Historic District Commission (HDC); and

WHEREAS, the Owosso Downtown Historic District Commission (HDC) was created by Ordinance No. 717 in August of 2010; and

WHEREAS, the historic district was created to preserve historic buildings in the downtown through regulation as well as through the provision of dedicated state tax credits that would provide an incentive for preservation work; and

WHEREAS, the State of Michigan has greatly reduced the amount and availability of these tax credits; and

WHEREAS, SHPO is offering funds to the City of Owosso to perform a nomination study to place this district on the National Register of Historic Places, thereby making the district eligible for federal tax credits; and

WHEREAS, the Owosso Planning Commission and the Historic District Commission, finding such a study and nomination to be in the best interest of the community, have resolved to recommend pursuit of the national nomination and the funds to execute nomination study.

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

- FIRST: The City of Owosso, finding that the pursuit of a designation for the district on the National Register of Historic Places (NRHP) is in the best interest of the city, hereby approves and permits an application to the NRHP for the current and/or amended downtown historic district for nomination.
- SECOND: The City of Owosso further directs staff to pursue a grant by the State Historic Preservation Office (SHPO) to conduct such a nomination study and to consider the Steam Railroading Institute for inclusion in a resulting district.

THIRD: Furthermore, the council resolves to support the nomination by showing a willingness to educate the community on the NRHP, and to provide local assistance to any retained consultant via access to historic information, local education activities, and by taking part in the research and public participation process.

FOURTH: Furthermore, the council hereby directs staff to engage other community and private interests to secure letters of support, resolutions, and correspondence as necessary to fulfill the needs of SHPO and the grant process timeline.

Motion supported by Councilperson Fox.

Roll Call Vote.

AYES: Councilpersons Erfourth, Bailey, Fox, Cook, Mayor Pro-Tem Popovitch, Councilperson Eveleth and Mayor Frederick.

NAYS: None.

RECREATION PASSPORT GRANT AGREEMENT ACCEPTANCE

Mayor Frederick noted that he continues to be impressed by Community Development Director Zettel's work with such projects.

Motion by Councilperson Eveleth to authorize an agreement with the Michigan Department of Natural Resources for a Recreation Passport Grant in the amount of \$29,300 for the renovation of Bentley Park as follows:

RESOLUTION NO. 178-2011

**RESOLUTION AUTHORIZING THE EXECUTION OF AN AGREEMENT* FOR
THE RENOVATION OF BENTLEY PARK
UTILIZING MICHIGAN DEPARTMENT OF NATURAL RESOURCES GRANT FUNDS**

WHEREAS, Bentley Park is noted as being one of the oldest parks with the most public exposure in the city; and

WHEREAS, the park facilities are exceeding their useful life, and regular maintenance cannot effectively address some shortcomings anymore; and

WHEREAS, the City of Owosso has developed partnerships with area civic groups to rehabilitate the existing facilities, increase accessibility, enhance the natural features, and increase use with a planned playscape; and

WHEREAS, the City of Owosso has also submitted a grant application to the State of Michigan Department of Natural Resources seeking funding assistance to renovate the park; and

WHEREAS, as a result of the application the Department of Natural Resources has awarded the City with a grant in the amount of \$29,300; and

WHEREAS, the State requires City matching funds in the amount of \$36,500 for the project; and

WHEREAS, the City of Owosso, the Evening Owosso Kiwanis Chapter, and the Shiawassee Community Foundation are morally and financially committed to carrying out the improvements in Bentley Park as noted in the grant application; and

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 accept the grant and enter into an agreement with the Michigan Department of Natural Resources for the renovation of Bentley Park.
- SECOND: The Mayor and City Clerk are instructed and authorized to sign the document substantially in the form attached, Agreement between the City of Owosso, Michigan and the Michigan Department of Natural Resources.
- THIRD: The Owosso City Council commits to funding the capital rehabilitation plan as outlined in the Bentley Park Capital Rehabilitation Grant application. Expenses related to this project shall be paid from the General Fund with reimbursement from the Michigan Department of Natural Resources in the amount of \$29,300.
- FOURTH: The City of Owosso agrees to maintain satisfactory financial accounts, documents and records and make them available to the Department of Natural Resources for auditing at reasonable times.
- FIFTH: The City of Owosso agrees to regulate the use of the facility under this agreement to assure the use thereof by the public on equal and reasonable terms.

Motion supported by Councilperson Erfourth.

Roll Call Vote.

AYES: Councilpersons Fox, Erfourth, Mayor Pro-Tem Popovitch, Councilpersons Bailey, Eveleth, Cook and Mayor Frederick.

NAYS: None.

*Full text of the agreement is on file in the Clerk's Office.

PROPERTY SALE POLICY

City Manager Crawford explained the need for a property sale policy. He went on to say that the policy had been developed over his years in city management and was intended to be a road map by which the City could efficiently and fairly sell property.

There was discussion regarding whether the City could dictate covenants when selling a parcel, how the value of a parcel would be determined, environmental testing, and ensuring the City maintains sufficient latitude to dispose of property by whatever means are dictated by the situation.

Motion by Councilperson Cook to approve the proposed Property Sale Policy as follows:

RESOLUTION NO. 179-2011

RESOLUTION APPROVING POLICY FOR DISPOSITION OF CITY-OWNED REAL PROPERTY

WHEREAS, the city of Owosso is the owner of real property which is used for various municipal purposes, including land-banking;

WHEREAS, as public service needs change, the requirements for these properties may be revised, and, on occasion, certain parcels may be found greater than the city's current need;

WHEREAS, this requires that the site be reviewed as to its potential for future public use and its potential economic benefit to the city;

Whereas it is in the best interest of the city to have a policy which:

1. establishes a procedure by which unused or marginally used city-owned real estate is reviewed for its potential public use and for designating unneeded parcels for lease or sale; and
2. provides guidance for the auction, negotiated sale, or exchange of city-owned real estate; and
3. establishes the conditions under which city-owned real property may be leased.

NOW THEREFORE BE IT RESOLVED by the city council of the city of Owosso, Shiawassee County, Michigan that the City of Owosso Policy for the Disposition of City-Owned Real Property, as attached, is adopted and becomes effective immediately.

CITY OF OWOSSO POLICY FOR DISPOSITION OF CITY-OWNED REAL PROPERTY

BACKGROUND

The city of Owosso is or may become the owner of real property which is used for various municipal purposes, including land-banking. As public service needs change, the requirements for these properties maybe revised, and on occasion, certain parcels may be found greater than the city's current need. This requires reviewed of the site's potential for future public use and its potential economic benefit to the city.

PURPOSE

It is the purpose of this policy to:

- A. establish a procedure by which unused or marginally used city-owned real estate is reviewed for its potential public use and for designating unneeded parcels for lease or sale; and
- B. provide guidance for the auction, negotiated sale, or exchange of city-owned real estate; and
- C. establish the conditions under which city-owned real property may be leased.

POLICY

It is the city's policy to manage its real estate assets so that they may properly carry out municipal needs which rely on these assets. It is not the city's policy to speculate in real estate. The city council will review all city-owned real estate not adequately used for municipal purposes and determine the appropriate use of the property. Those properties needed for municipal purposes may be so designated. If a property is not needed for public use within the foreseeable future, it may be made available for lease or sale, or if it will be needed at a future time, it may be suitable for lease in the interim. Those properties not required for municipal use, including those acquired because the owner failed to pay taxes, or designated for lease may be designated for sale or reserved to be exchanged for other land the city needs. The city shall optimize the sale price or lease rent from city-owned real estate based on relevant factors including:

- A. an appraisal of the property which is no more than six months old at the time the sales agreement is presented to the city council,
- B. prevailing economic conditions and recent applicable trends, and
- C. any special benefits to accrue from the sale or lease.

Discounts will not be negotiated unless an extraordinary need or circumstance is recognized by city council resolution before negotiation, setting forth the amount of the discount and the justification for it. The purpose of this is to demonstrate to the community that the city is not making a gift of public assets.

The *Owosso City Charter* places limitations on the sale of property as follows:

Section 14.3(b). Limitations on Contractual Power.

(b) The city shall not have power to purchase, sell, lease, or dispose of any real estate, unless:

- (1) Such action is approved by the affirmative roll call vote of five or more members of the Council, and, unless;
- (2) In the case of real estate owned by it, the resolution authorizing the sale, lease, or disposal thereof shall be completed in the manner in which it is to be finally passed and has remained on file with the Clerk for public inspection for twenty-one days after its original introduction at a meeting of the Council before the final adoption or passage thereof and, unless;
- (3) When the proposition is to sell any park cemetery or any part thereof, except when such park is not required under an official master plan of the city, or any property bordering on a water front, the proposition to sell, lease, or dispose of the same shall also be approved by a three-fifths vote of the electors of the city voting thereon at any general or special election.

Section 15.5. Disposal of Municipal Utility Plants and Property.

The city shall not sell, exchange, lease, or in any way dispose of any property, easement, equipment, privilege, or asset needed to continue the operation of any municipal public utility, unless the proposition to do so is approved by a three-fifths majority vote of the electors of the city voting on such proposition at a regular or special city election. All contracts, grants, leases, or other forms of transfer in violation of this section shall be void and of no effect as against the city. The restrictions of this section shall not apply to the sale or exchange of articles of machinery or equipment of any municipally owned public utility which are no longer useful or which are replaced by new machinery or equipment, or to the leasing of property not necessary for the operation of the utility, or to the exchange of property or easements for other needed property or interests in property

PROCEDURE

A. Real estate review

All unused and marginally used city-owned real estate will be reviewed on a continuing basis to determine public facility needs and to implement the comprehensive plan on a timely basis. The following procedure will apply:

1. Review by appropriate city departments.
2. Review by any applicable city commission(s).
3. Review by the planning commission for consistency with the comprehensive plan and environmental impact.
4. The staff's recommendation and relevant comments along with those of the planning commission are submitted to the city council.
5. The city council then determines the designation to be applied to the property (e.g., public facility, open space, surplus, sale, or lease).

B. Comprehensive plan and rezoning.

Before marketing a parcel, staff will review the parcel for likely changes in density or intensity of use since the city acquired the property. If such changes are likely, then staff shall initiate a necessary rezoning and comprehensive plan amendment through the planning commission to enable marketing the property at its highest and best use. When different land-use classifications divide projects, staff will seek lot splits, lot

mergers, or property-line adjustments to divide the property along use lines, to reserve rights-of-way for streets and utilities, and to be able to disclose the terms of development of the property.

C. Lease versus sale

City-owned real property not required for municipal uses may be designated for lease or sale using criteria listed below. At the time staff recommends whether the property should be sold, leased, or reserved for exchange purposes, council shall be provided with an appropriate analysis of the alternatives.

D. Sale of real estate

1. Auction

Unless otherwise directed by the city council, land which is readily marketable and unrestricted in its sale potential will be sold to the highest bidder at a public auction by either oral or sealed bid, provided that the highest bid equals or exceeds the minimum published price established by the city before bid opening, which price shall not be lower than the amount shown on the appraisal. Notice of the sale by bid shall be published in a newspaper of general circulation at least ten days before bid opening. If sealed bids are requested, a deposit must accompany each bid in the form of certified or cashiers' check made payable to the city in an amount equal to at least 10 percent of the bid amount. After sealed bids are opened, oral bids are permitted from bidders who can meet the 10 percent deposit requirement. The initial oral bid must be at least 5 percent higher than highest sealed bid. Subsequent oral bids must be in increments of not less than \$100.00. If the person whose bid is accepted fails to pay the total bid price within 60 days from acceptance of bid, the bidder's deposit is forfeited, and at the sole option of this city, property may be offered for sale to the next highest bidder on the same terms as granted the high bidder. The council shall be notified of bids received or, if applicable, the fact that no bids had been received. The council may reject any and all bids.

The minimum acceptable bid will usually be the appraised fair market value as determined by the city assessor or an independent Member of Appraisal Institute (MAI) appraiser. The intent of this procedure is to set a minimum bid which will ensure a fair return to the city for its property, while encouraging maximum participation in the bidding process.

The city council may determine that property should be developed in a specific manner and may issue a request for competitive proposals (RFP) based upon preestablished criteria, in which case the property would not be sold at auction but sold through public advertising and the solicitation of proposals which will be publicly examined. See appendix A.

2. Negotiated sales

If the property is to be developed in a manner that would satisfy a long-term objective of the city or no bids are received or no bids are deemed acceptable by the city council, the city may seek to sell land by one of the following:

Marketing - Competitive offers for lease or sale may be solicited from the open market. This may be accomplished through several marketing techniques, such as requests for proposals (RFPs), a marketing subscription system, direct advertising, exposure through real estate services, posting the property, and any other appropriate means.

Direct marketing - seeking to sell the property through direct contacts under the following circumstances:

- a. When the land is not readily marketable because of its odd shape, lack of sufficient area to meet minimum space requirements for building in the zone in which it is located, landlocked state, or other lack of sales potential, the land may be sold by taking offers or by negotiation with adjoining landowners, provided the purchase price agreed upon is within 10 percent of

the appraisal or the land is exchanged for public improvements of equal or greater value that would otherwise be the obligation of the city.

- b. When the sale to a contiguous owner would correct a site deficiency or improve access to the other property in a manner desired by the city.
- c. When a fee interest in public right-of-way is no longer required, it may be sold to a contiguous owner or exchanged for public improvements of equal or greater value. A restrictive easement of adequate width or other required easements may be reserved from said sale.
- d. When other governmental, public, and quasi-public agencies submit proposals to acquire city property, the city shall consider such requests before making the land available to the general public. Such sales shall be at fair market value, unless the council finds that selling at a lesser value is in the city's interest. Selling land at less than the appraised fair market value shall require a four-fifths vote of the city council to do so.
- e. When qualified, nonprofit institutional organizations offer to purchase city-owned land, a negotiated sale may be consummated at fair market value, providing there is (1) a development commitment and (2) a right to repurchase or a reversion upon a condition subsequent. Nonprofit and institutional organizations are required to develop under the city's conditional use permit procedure.
- f. When a property has been offered by public auction and no acceptable bids have been received, it may be sold on a negotiated basis to any applicant submitting an acceptable offer within six months following the date of auction. After six months, any offer must be based on an updated appraisal.
- g. When a property is to be developed in a manner that would satisfy a long term objective of the city, the sale may be negotiated as long as the objectives of the city are protected by the sale agreement.
- h. Real property exchanges may be consummated by direct negotiation; however, exchanges will be considered only when there is an advantage to the city, when it results in land needed for a public purpose, or to further the goals and objectives of the city's comprehensive plan.

E. Easements

Where the city or other governmental agency has paid for easements, rights-of-way, or access rights and requests to vacate such interests are received and approved, the city shall receive the current fair market value or equivalent compensation for the removal of the restriction. Easements may be exchanged for other easements or relocated to other locations without compensation.

F. Exchanges

When land is exchanged, it shall be done based on the fair market value of each property as determined by MAI appraisal. Any difference in value shall be made up by the party with the lower appraisal value.

G. Payment for city surplus property

Sales of real property shall be on an all cash-basis, with the following exceptions:

- 1. Upon written recommendation and approval by the council, a parcel of surplus real property may be sold on such credit terms as are deemed to be necessary in each case. After the required down payment has been made, the balance of the purchase price shall be secured by a note and deed of trust. The credit payment period shall not exceed five years from the date of execution of

the trust deed. Interest shall be at the prevailing rate in the community, and the use of term payments shall be linked to job generation for the sale of commercial or industrial property.

2. Sales to nonprofits performing a public purpose may be in the form of a loan or residual receipts note at less than the prevailing interest rates and for more than five years, provided the note is tied to affordable housing.

H. Leasing

1. Rate of return. Except for the areas listed below, the city shall obtain a fair market rate of return on city-owned property being considered for lease and negotiate terms and conditions which will continue to sustain a fair rate of return through rent review, consumer price index adjustments, reappraisals, or the application of percentage rents to gross income. The rate of return shall be based upon the highest rate commensurate with the highest and best use of the property or a fair rate of return commensurate with the designated public use. Rental rates shall be established by the city council based on a current appraisal, comparative studies, or past rents received.
2. Long-term lease. A lease greater than one (1) year requires council approval.
3. Short-term lease. Unless there are special circumstances, the city manager without council approval may execute a lease term of less than one (1) year. A short-term lease may not be renewed without council approval.
4. Selection of lessee. Lease proposals shall be evaluated in terms of:
 - a. Consideration offered as rent,
 - b. Financial capability,
 - c. Expertise regarding the proposed leasehold development and operation,
 - d. Nature of proposed development,
 - e. Special public benefits to be derived (if any), and
 - f. Consistency of the intended use with the comprehensive plan and zoning.
5. Leasehold assignments. Requests for assignment of leasehold interest will be evaluated on the same basis as the criteria used in evaluating a leasehold proposal. The city manager may authorize assignments which do not require amendment of the master lease provisions and do not extend beyond the term of the lease.
6. Subleases. Requests for sublease approval will be considered on the merits of each individual transaction. No sublease shall be approved which would be detrimental to the city's rights under the master lease. The city manager may authorize subleases which meet this condition and which do not require amendment of the master lease or extend the term of the lease.
7. Amendments. Amendments of long-term leases require council authorization. Whenever there is a substantial amendment, staff shall provide the council an indication of the fair return for the leasehold. This can be accomplished by appraisals, a survey of the market rate of return, a combination of the above, or any other relevant information.
8. Updating lease terms. Lease terms shall be updated as often as practicable whenever there is a request for assignment or significant amendments or subleases are proposed.
9. Financial encumbrances. The city will generally not subordinate its fee interest to encumbrances placed against the leasehold by the lessee without specific authorization of the city council.
10. Tenant improvements. Improvements installed by the lessee will be removed at termination without cost to the city or they will revert to the city. In the event of removal, the property will be returned to "as was" condition. All leasehold improvements and alterations require prior approval

by the city manager or city council, depending on the term of the lease. Any improvements within a public right-of-way by a lessee shall be deeded to the city.

11. Lease term. Lease terms will be limited to the shortest practical time commensurate with capital investment in permanent improvements to be made by the lessee following state law.
12. Audits. The city may audit all percentage leases in the first year of operation to establish proper reporting procedures and at least once every three years afterwards. More frequent audits may be made if appropriate. The city shall reserve the right to audit all other leases and agreements if determined warranted by the director of finance or city manager. Absent a city audit, a lessee shall submit an annual report certified by a certified public accountant each year within 30 days of the anniversary date of the lease.
13. Cancellation clauses. Short-term leases shall not have cancellation clauses unless they are month-to-month leases.

I. Option agreements

1. Option to sell. When properties have been put up for sealed or oral bids and bids have not either been received or been rejected by the city, the city manager may enter an option agreement of up to 90 days with someone interested in purchasing surplus property. Any such option agreement shall be subject to the following minimum terms:
 - a. Shall not exceed 90 days without approval of the city council;
 - b. Shall provide time for the prospective buyer to perform due diligence to see if the property is feasible for his/her purposes;
 - c. Shall require a minimum non-refundable deposit of not less than 10 percent of the value of the property per month of the option agreement;
 - d. Shall require forfeiture of the deposit if the property is not placed in escrow within 90 days;
 - e. Shall set the minimum purchase price of the property at not less than the appraised fair market value, based on an appraisal prepared within six months of the date escrow was opened, and shall provide a non-refundable deposit in an amount agreed upon by the city council and set the length of escrow;
 - f. Shall disclose all realtors involved, if any; and
 - g. Shall disclose the name of the buyer and his/her intended use of the property.

J. Real estate listing

It will be the presumption that the city will act as its own agent and that any real estate agent or broker will represent the buyer. When it is determined that any real property owned by the city is to be disposed of by sale, the city council may authorize a written listing contract with a real estate broker licensed by the state of Michigan.

Selecting a real estate broker to provide real estate services will be accomplished through a competitive recruitment process based on the type of property to be marketed, relevant experience, knowledge of the community, proposed commission, qualifications, necessary licenses in good standing, and demonstrated competence.

Absent a real estate listing, the council may still designate certain surplus property for sale or lease for which the city would pay a partial commission upon the successful conclusion of a sale or lease. The

agent or broker that procures a buyer or lessee for the city would be eligible for a commission. A commission would not be paid for subleases and existing leases on city property.

While the city will allow agent or broker participation on designated properties in the sale and lease of land not covered by contract, inherent in this is the right of the city to solicit and obtain sales or leases through in-house capabilities. There will not be any discount in land values or lease rates due to the absence of a commission to real estate brokers.

K. Time of payment of a real estate commission for a sale

In the event an agent or broker covered by contract with the city gets a buyer who submits either the highest bid or an offer to purchase based on the fair market value of the parcel and the sale is made and completed in due course, the commission provided in the contract will be paid to the agent or broker by the escrow agent from the sales proceeds.

L. Real estate commissions

Unless there is a written contract between a real estate agent or broker and the city, the city shall represent itself and practice good business practices in all real estate transactions. The city may pay a real estate brokerage fee for qualified representation of a selected lessee or purchaser of city property. While the amount of rental or purchase price offered is a criterion for selecting a lessee or purchaser in competitive situations, the selection will be based on the highest net rental or net purchase price, without taking into account any brokerage fees involved in the competition.

M. Real estate agent or broker certification

For any sale or lease involving a real estate agent or broker not under contract to the city on designated properties, the city shall require the following:

1. That the buyer or lessee certify that the real estate agent or broker is his/her agent in the transaction and has performed a service and procured the sale or lease.
2. That the real estate agent or broker certify that he or she is not an employee of the lessee or buyer.

N. Use of proceeds

Unless otherwise directed by the city council, proceeds from sales or leases shall be assigned as follows:

1. To enterprise accounts, if the property was purchased using ratepayer funds.
2. To the general fund
3. To a program or grant that requires refunding if the land was purchased using a source of money with that type of restriction.

O. Costs to sell, lease, and market surplus properties

Unless otherwise directed, the costs to sell, lease, exchange, or market surplus properties will be charged to the fund to which the proceeds of a sale would go.

APPENDIX A

Owosso from time to time will have parcels that are vital to community and economic development for which proposals should be sought and examined by preestablished criteria. This will normally involve redevelopment projects. In such circumstances, Owosso will follow a process similar to the following.

1. Preparation of a site development program

Illustrative development plans and guidelines are prepared by the city that reflect and address:

- economic parameters and feasibility
- community goals and design criteria
- physical capacity

There may be extensive public participation in the process to address critical issues such as height, orientation, parking, traffic, general design/materials, and community character. Open workshops or charettes may be held early in the process. Typically, this task includes the services of a planning/design firm, civil engineer, and traffic planners and often the services of a development advisor. The result should be a project that is economically feasible and physically reasonable and that meets the goals of Owosso.

Development guidelines will be crafted that give prospective developers direction but still allow the community to tap the creativity and resourcefulness of the private sector.

2. Address development readiness of the site

There must be realistic assessment of factors that may impede development and may be difficult for the developer to address. Issues may include ownership holdouts, demolition, environmental contamination, soil conditions, storm water requirements, infrastructure status and responsibility, title exceptions and other similar problems.

Who is in the best position to address these issues must be evaluated and action taken to resolve the issues. Decisions must be made as to the role the developer may have to play in their resolution. At the very least the key issues should be disclosed.

3. Prepare request for qualifications and proposals

A two-step process will usually be followed, first seeking qualifications (RFQ), then requesting proposals (RFP) from only a shortlist of not more than five qualified firms or teams. The request for qualifications provides full background information on the project and seeks the experience, track record, financial capacity, and references of development teams.

The two-step process is followed because Owosso wants to advertise sale of land and other development opportunities. This creates a "beauty contest" in the eyes of qualified developers. Firms may hire an architect to prepare attractive exhibits, whether or not they represent a feasible plan or the firm has the financial and development capability to deliver. As a result, many best qualified firms will avoid a request for full proposals that is open to all and for which they cannot reasonably assess the odds of success. The cost of a full proposal is too great to incur unless there is a reasonable chance of success.

4. Review qualifications and determine a short list

Qualifications will be reviewed and a short list selected. The review of qualifications will include assessing the relevance and depth of the background of each team, a confidential review of financial capacity, and interviews of references. A short list will be made. This may require interviews and staff/ consultant review.

5. Solicit/receive proposals from a short list

Meetings will be held with short-listed teams to provide additional background information and to answer questions that may arise. Other discussions also may occur during this period to help the developers fully understand the municipality's goals. The full proposals will include conceptual site and building plans,

financial analysis, requests for city participation, and proposed payments to the city. Each developer will approach the project differently.

6. Evaluate proposals

Proposals will be evaluated in terms of overall quality, financial proposal, responsiveness, level of commitment from financing sources and tenants, etc. This is sometimes a summary and comparison or may be more evaluative. In either case, this provides information for use in interviews of the teams.

7. Interviews

Developers will publicly present their proposals to the city council.

8. Selection

Results of the interviews and public comment, if any, then will be considered along with the evaluation of the proposal as for quality, character, track record, ease of working relationship, price offered, and other factors.

9. Negotiation of redevelopment agreement

Following selection, Owosso will negotiate the business terms of the redevelopment agreement for the project. This includes both financial terms and the responsibilities of parties. City and special legal counsel may be involved. A redevelopment agreement is the basis for the public-private partnership that occurs. It will be far more than a land sale contract to ensure that Owosso gets what it wants. The typical redevelopment agreement will include:

- Approved development
- Time of performance
- Protection on undeveloped land
- Acceptable tenants
- Payments to city
- Excess profit sharing
- Financing terms and public financial role, if any
- Requirements for closing, such as full funding, in balance
- Review and monitoring provisions

This is the opportunity to provide for requirements that reflect the desire to steward the land and achieve key public goals. Some may impact the economics of the project and value of the land, but if they are affordable and acceptable, the redevelopment agreement and covenants that run with the land are the mechanisms to do so and must be done before transfer.

Motion supported by Councilperson Bailey.

Roll Call Vote.

AYES: Councilperson Eveleth, Mayor Pro-Tem Popovitch, Councilpersons Erfourth, Bailey, Fox, Cook and Mayor Frederick.

NAYS: None.

THE COUNCIL RECESSED AT 8:54 P.M.

THE COUNCIL RETURNED AT 9:02 P.M.

VACANT AND FORECLOSED PROPERTY ORDINANCE

City Manager Crawford distributed information to Council members on the reasons why houses become vacant and the benefits the City would realize if these properties were registered. There was discussion regarding adding a clause requiring inspection prior to re-occupancy and what the fee structure may look like.

City Manager Crawford noted the ordinance would be quite comprehensive when dovetailed with code enforcement.

Motion by Councilperson Cook to approve the amendment to Chapter 8, Buildings and Building Regulations, Article VIII, *Registering Abandoned and Foreclosed Homes*, Sections 8-160 through 8-176 of the Code of Ordinances of the City of Owosso, Michigan and renaming current Articles VIII and IX as Articles IX and X, respectively, as follows:

ORDINANCE NO. 724

AN ORDINANCE TO REQUIRE ABANDONED OR FORECLOSED PROPERTY REGISTRATION AND MAINTENANCE

AN ORDINANCE to amend Sections 08-160 through 08-176, naming a new Article VIII, *Registering Abandoned and Foreclosed Homes*, Chapter 8, Buildings and Building Regulations, to insure the health, safety and welfare of the residents of the city of Owosso, by preventing blight, protecting property values and neighborhood integrity, avoiding the creation and maintenance of nuisances and ensuring safe and sanitary maintenance of structures, and repealing all ordinances and/or resolutions in conflict therewith.

WHEREAS, the City of Owosso has been hit particularly hard by the recent recession; and

WHEREAS, the recession has lead to a large increase in foreclosed and abandoned homes in the City; and

WHEREAS, foreclosed and abandoned homes are many times subject to neglect bringing down property values and presenting a health and safety risk to the neighborhoods they are a part of; and

WHEREAS, the City needs a mechanism to track foreclosed and abandoned homes to prevent them from becoming nuisances.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Owosso, Michigan that all foreclosed and abandoned homes in the City of Owosso be registered in accordance with Article VIII, *Registering Abandoned and Foreclosed Homes*, of Chapter 8, Buildings and Building Regulations, as follows:

THE CITY OF OWOSSO ORDAINS:

SECTION 1. Short Title.

This Ordinance shall be known and cited as the *City of Owosso Abandoned or Foreclosed Property Registration and Maintenance Ordinance*.

SECTION 2. Secs 8-160 through 8-176 shall read as follows:

Sec. 8-160. Purpose.

It is the purpose and intent of the city of Owosso, through the adoption of this article, to establish an abandoned residential property registration program as a mechanism to protect residential neighborhoods from becoming blighted through the lack of adequate maintenance and security of abandoned properties.

Sec. 8-161. Definitions.

For the purpose of this article, certain words and phrases are defined as follows:

Abandoned means a property that is vacant and is under a current complaint for foreclosure or notice of foreclosure and/or notice of trustee's sale, pending tax sale, and/or properties that have been the subject of a foreclosure sale where the title was retained by the beneficiary of a mortgage involved in the foreclosure and any properties transferred under a deed in lieu of foreclosure/sale.

Accessible property means a property that is accessible through a compromised/breached gate, fence, wall, etc.

Accessible structure means a structure/building that is unsecured and/or breached in such a way as to allow access to the interior space by unauthorized persons.

Agreement means any agreement or written instrument which provides that title to residential property shall be transferred or conveyed from one owner to another owner after the sale, trade, transfer, or exchange.

Assignment of rents means an instrument that transfers the beneficial interest under a mortgage from one lender/entity to another.

Beneficiary means a lender under a note secured by a mortgage.

Buyer means any person, co-partnership, association, corporation, or fiduciary who agrees to transfer anything of value in consideration for property described in an agreement of sale, as defined in this section.

Dangerous building means any building/structure that is in violation of any condition referenced in chapter 8 of this Code.

Days means consecutive calendar days.

Deed in lieu of foreclosure/sale means a recorded document that transfers ownership of a property from the trustor to the holder of a mortgage upon consent of the beneficiary of the mortgage of a deed from mortgagor to mortgagee.

Default means the failure to fulfill a contractual obligation, monetary, or conditional.

Distressed means a property that is under a current notice of default and/or notice of trustee's sale and/or pending tax assessor's lien sale or has been foreclosed upon by the trustee or has been conveyed to the beneficiary/trustee via a deed in lieu of foreclosure/sale.

Evidence of vacancy means any condition that on its own or combined with other conditions present would lead a reasonable person to believe that the property is vacant. Such conditions include, but are not limited to, overgrown and/or dead vegetation, accumulation of newspapers, circulars, flyers and/or mail, past due utility notices and/or disconnected utilities, accumulation of trash, junk and/or debris, the absence of window coverings such as curtains, blinds and/or shutters, the absence of furnishings and/or personal items consistent with residential habitation, statements by neighbors, passersby, delivery agents, government employees that the property is vacant.

Foreclosure means the process by which a property, placed as security for a real estate loan, is sold at auction to satisfy the debt if the trustor or mortgagor (borrower) defaults.

Local means within forty (40) road/driving miles distance of the subject property.

Mortgage means an instrument by which title to real estate is transferred to a third party trustee as security for a real estate loan or by which a mortgagor grants mortgagee a lien on real estate.

Mortgagee means a lender that has taken a lien on real property to secure a loan.

Mortgagor means an owner of real property that has granted a lien on real property to secure a loan.

Neighborhood standard means those conditions that are present on a simple majority of properties within a three-hundred-foot radius of an individual property. A property that is the subject of a neighborhood standard comparison, and any other abandoned property within the three-hundred-foot radius, shall not be counted toward the simple majority.

Out-of-area means in excess of forty (40) road/driving miles distance of the subject property.

Owner means any person, co-partnership, association, corporation, or fiduciary having a legal or equitable title or any interest in any real property excluding governmental agencies.

Owner of record means the person having recorded title to the property.

Property means any unimproved or improved real property, or portion thereof, situated in the city and includes the buildings or structures located on the property regardless of condition.

Residential building means any improved real property, or portion thereof, situated in the city, designed, or permitted to be used for dwelling purposes, and shall include the buildings or structures located on such improved real property. This includes any real property being offered for sale, trade, transfer, or exchange as residential whether or not it is legally permitted and/or zoned for such use.

Secure or *secured* means such measures as may be directed by the city of Owosso building official or his or her designee that render the property inaccessible to unauthorized persons, including but not limited to the repairing of fences and walls, chaining/padlocking of gates, and the repair or boarding of doors, broken windows and/or other openings. In the case of broken windows, securing means the reglazing or boarding of the window. Boarding shall be completed or required. In addition, secure or secured means closing and locking windows, doors (walk-through, sliding and garage), gates and any other opening of such size that it may allow a person to access the interior of a property and/or structure(s).

Trustee means the person, firm, or corporation holding a mortgage on a property.

Trustor means a borrower under a mortgage, who deeds property to a trustee as security for the payment of a debt.

Vacant means a building/structure that is not legally occupied.

Sec. 8-162. Registration.

Any beneficiary/trustee or mortgagee, who holds a mortgage on a property located within the city, shall perform an inspection, to the extent permitted by law or under the mortgage, of the property that is the security for the mortgage, upon default by the trustor or mortgagor, within five (5) days after either filing a complaint for foreclosure (if foreclosure is by judicial action) or publishing a notice of foreclosure (if foreclosure is by advertisement). If the property is found to be vacant or shows evidence of vacancy, it is, by this article, deemed abandoned and the beneficiary/trustee or mortgagee shall, within ten (10) days of the inspection, register the property with the city of Owosso building official or his or her designee on forms provided by the city.

If the property is occupied but remains in default, it shall be inspected, to the extent permitted by law and the mortgage, by the beneficiary/trustee or mortgagee, or his designee, monthly until (1) the trustor, mortgagor or other party remedies the default or (2) it is found to be vacant or shows evidence of vacancy at which time it is deemed abandoned, and the trustee shall, within ten (10) days of that inspection, register the property with the city of Owosso building official or his or her designee on forms provided by the city.

In either case the registration shall contain the name of the beneficiary/trustee or mortgagee (corporation or individual), the direct street/office mailing address of the beneficiary/trustee or mortgagee (no P.O. boxes), a direct contact name and phone number for the beneficiary/trustee or mortgagee and, in the case of a corporation or out-of-area beneficiary/trustee or mortgagee, the local property management company responsible for the security, maintenance, and marketing of the property. Registration fees will not be prorated.

An annual registration fee shall accompany the registration form. The fee and registration shall be valid for the calendar year, or remaining portion of the calendar year, in which the registration was initially required. Subsequent registrations and fees are due January 1 of each year and must be received no later than January 31 of the year due.

This section shall also apply to properties that have been the subject of a foreclosure sale where the title was transferred to the beneficiary of a mortgage or mortgagee involved in the foreclosure and any properties transferred under a deed in lieu of foreclosure/sale. Such properties shall be registered with the city in accordance with the terms of this section upon transfer even if occupied at the time of transfer.

Properties subject to this article shall remain under the annual registration requirement, security, and maintenance standards of this section as long as they remain vacant. A person, firm, or corporation that has registered a property under this article must report any change of information contained in the registration to the city of Owosso building official within ten (10) days of the change.

Sec. 8-163. Maintenance requirements.

Vacant and abandoned properties subject to this section shall be, in comparison to the neighborhood standard, kept free of weeds, dry bush, dead vegetation, trash, junk, debris, building materials, any accumulation of newspapers, circular, flyers, notices, except those required by federal, state, or local law, discarded personal items including but not limited to furniture, clothing, large and small appliances, printed material or any other items that give the appearance that the property is abandoned.

The property shall be maintained free of graffiti, tagging, or similar markings by removal or painting over with an exterior grade paint that matches the color of the exterior of the structure.

Visible front and side yards shall be landscaped and maintained to the neighborhood standard at the time registration was required. Landscape includes, but is not limited to, grass, ground covers, bushes, shrubs, hedges or similar plantings, decorative rock or bark or artificial turf/sod designed specifically for residential installation. Landscape does not include weeds, gravel, broken concrete, asphalt, decomposed granite, plastic sheeting, mulch, indoor-outdoor carpet or any similar material.

Maintenance includes but is not limited to regular watering, irrigation, cutting, pruning, and moving of required landscape and removal of all trimmings.

Pools and spas shall be either kept in working order so the water remains clear and free of pollutants and debris or drained and kept dry or drained and covered. In either case properties with pools and/or spas must comply with the minimum security fencing requirements of the state of Michigan.

Adherence to this section does not relieve the beneficiary/trustee or property owner of any obligations set forth in any covenants, conditions, and restrictions and/or homeowners' association rules and regulations which may apply to the property.

Sec. 8-164. Security requirements.

Properties subject to this section shall be secured so as not to be accessible to unauthorized persons. If the property is owned by a corporation and/or out-of-area beneficiary/trustee/owner/mortgagee, a local property management company shall be contracted to perform weekly inspections to verify that the requirements of this section, and any other applicable laws, are being met.

The local property management company shall inspect the property on a weekly basis to determine if the property is in compliance with the requirements of this article.

Sec. 8-165. Additional authority.

In addition to the enforcement remedies established in this article or other chapters of the *Code of Ordinances*, the city of Owosso building official or his or her designee shall have the authority to require the beneficiary/trustee/owner/mortgagor/mortgagee and/or owner of record of any property affected by this section to implement additional maintenance and/or security measures including but not limited to securing any/all door, window, or other openings, installing additional security lighting, increasing on-site inspection frequency, employment of an on-site security guard or other measures as may be reasonably required to arrest the decline of the property.

Sec. 8-166. Fees.

The fee for registering an abandoned residential property shall be set by resolution of the city of Owosso.

Sec. 8-167. Failure to secure and maintain.

If a property has not been maintained or secured, the city and/or its contracted agent may maintain and/or secure the property and assess costs to the owner, beneficiary or trustee.

Sec. 8-168. Re-occupancy.

A registered property may not be occupied until all outstanding costs, assessments and/or liens owed to the city have been paid in full.

An abandoned and/or vacant residential structure shall not be occupied until a certificate of occupancy has been issued by the city, and all violations have been corrected in accordance with the applicable requirements of the *Michigan Building/Residential Code, Michigan Electrical Code, Michigan Mechanical Code, Michigan Plumbing Code, International Property Maintenance Code* and applicable provisions of the *City of Owosso Code of Ordinances*. All mechanical, electrical, plumbing, and structural systems shall be certified by a licensed contractor as being in good repair.

Sec. 8-169. Violation/abatement.

Violations of this article shall be treated as a strict liability offense regardless of intent. Violations of this article may be enforced as allowed in this chapter. Alternatively, at the sole discretion of the city, the city may issue to the beneficiary/trustee/owner/mortgagor/mortgagee and/or owner of record a notice to abate. The notice to abate shall include:

- (1) The nature and location of the violation;
- (2) The time within which the violation must be abated;

- (3) Notice that the city may act to abate the violation if it is not abated by the owner within a reasonable time stated in the notice, but which may not exceed fifteen (15) days;
- (4) Notice that the cost of such action by the city, plus an administrative fee, shall be a personal debt of the owner, which may be assessed as a lien against the property until paid; and
- (5) Notice that any refusal to allow the city to abate an uncorrected violation shall be a separate violation under this Code.

Sec. 8-170. Authorization for city abatement.

Upon failure of a beneficiary/trustee/owner/mortgagor/mortgagee and/or owner of record to abate a violation as ordered in a notice to abate, the city may abate the nuisance. This abatement may be performed by the city, by a contract vendor, or by other means determined by the city.

Sec. 8-171. Administrative fees.

The fees necessary for the administration of this article shall be established from time to time by resolution of the city council. Such administrative fees shall include the following:

- (1) Notice to abate;
- (2) Search warrant;
- (3) Contact request or warning of abatement action;
- (4) Warning letter;
- (5) Civil infraction preparation;
- (6) Additional inspections;
- (7) Vending;
- (8) Second and subsequent vending;
- (9) Vehicle removal;
- (10) Second and subsequent vehicle removal; and
- (11) Denied entry.

Sec. 8-172. Charge for costs.

When the city has abated a cited nuisance, the cost of abatement, plus any applicable administrative charges as established by city council resolution, shall be billed to the property owner or beneficiary/trustee/mortgagor/mortgagee. Such billing shall be a personal debt of the owner to the city, which may be assessed as a lien against the property, including interest thereon, until paid.

Sec. 8-173. Appeals.

Any person aggrieved by any of the requirements of this section may appeal to the Owosso Building Board of Appeals, provided that a written application for appeal is filed within twenty (20) days after the day the decision, notice, or order was served. An application for appeal shall be based on a claim that the true intent of this Code or the rules legally adopted thereunder have been incorrectly interpreted, the provisions of this Code do not fully apply, the requirements of this Code are adequately satisfied by other means, or the strict application of any requirement of this Code would cause an undue hardship.

Sec. 8-174. Owner, unoccupied premises.

If a property is not in foreclosure but is otherwise unoccupied, the owner shall comply with all of the following:

- (1) Maintain the property in accordance with section 8-163 herein and article VI of this chapter.
- (2) Register the property in accordance with section 8-162
- (3) Responsible for the fee identified pursuant to section 8-166 herein.
- (4) Keep the property secure in accordance with sections 8-164 and 8-165 herein.

- (5) Not permit re-occupancy until all outstanding costs, assessments and/or liens owed to the city are paid in full.
- (6) If the owner leases or lets the property, the owner shall comply with article VII of this chapter in addition to the requirements herein.

Sec. 8-175. Exempt properties.

Properties currently registered with the City as a rental dwelling unit in accordance with Section VII of this Chapter are exempt from the *City of Owosso Abandoned or Foreclosed Property Registration and Maintenance Ordinance*.

Sec. 8-176. Penalty.

Violation of this article is a civil infraction wherein a fine of up to five hundred dollars (\$500.00) may be assessed for each violation.

Section 3: Renumbering of Articles VIII, IX & X.

The current Article VIII, *Numbering of Buildings*, will become Article IX, *Numbering of Buildings*, with Sections 8-161 and 8-162 becoming Sections 8-190 and 8-191 respectively, the text to remain as written.

The current Article IX, *Historic Districts*, will become Article X, *Historic Districts*.

Section 4: Severability.

If any section, subsection, sentence, clause or phrase of this article is, for any reason, held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this article. The city hereby declares that it would have passed this ordinance, and each section, subsection, clause or phrase thereof, irrespective of the fact that any one (1) or more sections, subsections, sentences, clauses and phrases be declared unconstitutional.

Section 5: Effective Date.

This ordinance shall take effect December 11, 2011.

Section 6: Inspection.

This Ordinance may be purchased or inspected in the City Clerk's Office Monday through Friday between the hours of 9:00 a.m. and 5:00 p.m.

Motion supported by Councilperson Fox.

Roll Call Vote.

AYES: Mayor Pro-Tem Popovitch, Councilpersons Erfourth, Eveleth, Bailey, Cook, Fox and Mayor Frederick.

NAYS: None.

COMMUNICATIONS

E. Frazier, Zoning Board of Appeals. Letter of Resignation (added to agenda).

Charles Wascher, Historical Commission. Letter of Resignation.

Gary Palmer, Building Official. October 2011 Building Department Report.

Gary Palmer, Building Official. October 2011 Code Violations Report.

Michael T. Compeau, Public Safety Director. October 2011 Police Department Report.

Michael T. Compeau, Public Safety Director. October 2011 Fire Department Report.
Historical Commission. Minutes of the Meeting of November 15, 2011.

CITIZEN COMMENTS AND QUESTIONS

Thomas Moorehead, 1265 Ada Street, said he felt the posting of personal information with a notice of violation violated many statutes. He went on to ask for a moratorium on the rental registration ordinance once again.

Jane Settingington, 3900 Krouse Road, asked why her husband's social security number was not abbreviated on the notice. She asked that Council fix the rental registration ordinance.

Eddie Urban, 601 Glenwood Avenue, commented on a recent picture in the newspaper.

NEXT MEETING

Monday, December 5, 2011

BOARDS AND COMMISSIONS OPENINGS

Historical Commission, term expiring December 31, 2014
Planning Commission, term expiring June 30, 2012
Zoning Board of Appeals – Alternate, term expiring June 30, 2013

ADJOURNMENT

Motion by Councilperson Eveleth for adjournment at 9:28 p.m.

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

Benjamin R. Frederick, Mayor

Amy K. Kirkland, City Clerk

Memo reprinted from
the meeting of
November 21, 2011.



301 W. MAIN • OWOSSO, MICHIGAN 48867-2958 • (989) 725-0599 • FAX (989) 723-8854

MEMORANDUM

DATE: November 21, 2011

TO: City Council

FROM: Amy K. Kirkland
Owosso City Clerk

RE: Retirement Ordinance Amendment

Currently, the City Employees' Retirement Board of Trustees consists of seven members including the Mayor and one other Council member. As written the ordinance requires membership by the Mayor. The Mayor has requested Council consider amending the ordinance to allow the appointment of another Council member to serve in his/her place, maintaining the 2 members of Council on the board simply allowing for some flexibility given the other responsibilities the Mayor must take on.

Attached you will find the language of the proposed amendment.

Staff recommends Council set a public hearing for Monday, December 5th to hear citizen comments regarding the proposed amendment.

**AN ORDINANCE TO AMEND THE MAKE-UP OF THE CITY EMPLOYEES' RETIREMENT
SYSTEM BOARD OF TRUSTEES**

AN ORDINANCE to amend Section 2-403, Board of Trustees, of Chapter 2, Administration, Article VII, *Municipal Employees' Pensions*, to allow the Mayor to appoint a Council designee to serve in his/her place on the City Employees' Retirement System Board of Trustees.

WHEREAS, the City of Owosso has a retirement system that is managed by a Board of Trustees; and

WHEREAS, Ordinance currently dictates the Mayor serve as a part of this Board; and

WHEREAS, it has been requested Council consider allowing the Mayor the option of appointing a Council designee to serve in his/her place on the Board; and

WHEREAS, it is felt such an amendment will provide flexibility while maintaining the composition of the Board.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Owosso, Michigan that, Chapter 2, Administration, Article VII, *Municipal Employees' Pensions*, Section 2-403, Board of Trustees, read as follows:

THE CITY OF OWOSSO ORDAINS:

SECTION 1. Sec. 2-403 shall read as follows:

Sec. 2-403. Board of trustees.

(a) There is hereby created a board of trustees (the "board") in whom is vested the general administration, management, and responsibility for the proper operation of the retirement system and for making effective the provisions of this article. The board shall consist of seven (7) trustees as follows:

- (1) The mayor or a councilman who is not eligible to participate in the retirement system as a member or retiree;
- (2) A second councilman who is not eligible to participate in the retirement system as a member or retiree;
- (3) A citizen who has the qualifications required by the charter for holding an elective city office and who is not eligible to participate in the retirement system as a member or retiree, to be appointed by the council;
- (4) A police officer member to be chosen by the police officer members;
- (5) A fire fighter member to be chosen by the fire fighter members; and
- (6) Two (2) general city members: one (1) general city member to be chosen by non-unionized general city members and one (1) general city member to be chosen by the unionized general city members.

(b) The choosing of the trustees provided for in paragraphs (4), (5), and (6), above, shall be held in the month of May in each year under such rules and regulations as the board shall, from time to time, adopt.

Section 2: Effective Date.

This ordinance shall take effect December 25, 2011.

Section 3: Inspection.

This Ordinance may be purchased or inspected in the City Clerk's Office Monday through Friday between the hours of 9:00 a.m. and 5:00 p.m.



301 W. MAIN • OWOSSO, MICHIGAN 48867-2958 • (989) 725-0599 • FAX (989) 723-8854

MEMORANDUM

DATE: For December 06, 2011 City Council Agenda
TO: Owosso City Council
FROM: Ronald J. Tobey, City Treasurer
RE: Hazards and Nuisances Special Assessment Roll

Over the course of the year, the City takes action to alleviate nuisances and hazards to the public that exist on private property. The charges for these actions are invoiced to the owner of record for the property. Once a year, per section 28-10.5 of the Code, any charges left unpaid shall be established as liens to the affected property. Once the lien is established I would be authorized to add the amount to the delinquent tax roll that will be prepared for the county on March 1, 2012. Even though these invoices will be established as liens, property owners are again notified of the outstanding charges and may make payment to the City of Owosso through February of 2012 without the charge being added to the delinquent tax roll.

The associated document to this memo details the outstanding nuisance and hazard invoices since this process last took place in December of 2010. It lists the invoice numbers, the date of the invoice, the parcel number and address, the type of nuisance or hazard and the amount of the invoice.

The process for establishing a lien is handled via special assessment. Initially, the list of outstanding invoices is presented to Council with a request to set a public hearing. Upon this action letters are sent to the affected property owners informing them of the City's intent to lien their property. They then have the opportunity to protest the proposed action at the public hearing. At the conclusion of the public hearing the Council can accept the roll as presented, make amendments to the roll, or hold off on action all together (though this is not recommended).

Please note that some of the invoices listed are less than 30 days old. Because the Code stipulates this process be taken up once per year unless there are extraordinary circumstances we have included these invoices on the list on the chance that if they are not paid we will not be forced to wait until December of 2012 to seek remedy. As stated above, if any of these invoices are paid before March 1, 2012 the invoice will be closed and no lien will be filed with the county.

Tonight, I recommend that you take action to start this process in motion by setting a public hearing for January 3, 2012, to receive citizen comment regarding this roll. An updated list of unpaid nuisance and hazard invoices will be provided to you for that meeting.

**RESOLUTION NO.
SPECIAL ASSESSMENT DISTRICT NO. 2011-01
HAZARDS AND NUISANCES**

WHEREAS, the Assessor has prepared a special assessment roll for the purpose of specially assessing that portion of the unpaid costs incurred in the altering, repairing, tearing down, abating or removing of hazards and nuisances more particularly hereinafter described to the properties specially benefited by said public improvement, and the same has been presented to the Council by the City Clerk.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said special assessment roll is hereby accepted and shall be filed in the office of the City Clerk for public examination.
2. The Council shall meet at the Owosso City Hall, Owosso, Michigan at 7:30 o'clock p.m., on Tuesday, January 3, 2012 for the purpose of hearing all persons interested in said special assessment roll and reviewing the same.
3. The City Clerk is directed to publish the notice of said hearings once in *The Argus Press*, the official newspaper of the City of Owosso, not less than ten (10) days prior to said hearing and shall further cause notice of said hearing to be sent by first class mail to each owner of the property subject to assessment, as indicated by the records in the City Assessor's office as shown on the general tax rolls of the City, at least ten (10) days before the time of said hearing, said notice to be mailed to the addresses shown on said general tax rolls of the City.

The notice of said hearing to be published and mailed shall be in substantially the following form:

**NOTICE OF HEARING TO REVIEW
SPECIAL ASSESSMENT ROLL – HAZARDS AND NUISANCES
CITY OF OWOSSO
COUNTY OF SHIAWASSEE, MICHIGAN**

TO THE OWNERS OF THE OF THE FOLLOWING DESCRIBED PROPERTY:

PARCEL NUMBER	ADDRESS	BALANCE
050-602-008-015-00	1024 S Chipman	103.52
050-580-000-140-00	930 Jerome	509.23
050-391-000-015-00	433 E Mason	103.52
050-470-009-002-00	316 E Williams	147.03
050-652-007-003-00	822 S Saginaw	208.60
050-194-000-011-00	1009 Wiltshire	124.18
050-602-007-005-00	1803 W Stewart	105.08
050-580-000-140-00	930 Jerome	577.81
050-602-014-008-00	1064 Tracy	551.86
050-622-002-009-00	835 Ament	614.91
050-690-006-002-00	912 N Chipman	621.89
050-120-001-010-00	502 River	219.67
050-390-004-012-00	1260 Adams	940.68
050-113-016-006-00	1407 Young	122.27
050-230-000-040-00	1201 Willow	306.62
050-113-016-008-00	1415 Young	252.27
050-652-007-003-00	822 S Saginaw	225.11
050-601-000-002-00	417 Grace	137.57

050-220-000-044-00	1420 Young	485.11
050-500-002-008-00	311 Prindle	140.96
050-720-000-008-00	1407 W King	140.96
050-668-000-022-00	518 E Williams	185.78
050-113-011-003-00	536 Martin	271.71
050-111-001-030-00	614 E King	185.78
050-668-000-021-00	522 E Williams	185.78
050-651-006-019-00	312 Green	131.34
050-060-001-004-00	502 Jennett	312.58
050-114-006-009-00	1021 S Lyon	544.18
050-420-007-009-00	719 Lingle	140.96
050-420-005-003-00	713 Division	140.96
050-111-005-008-00	531 N Gould	118.22
050-170-0004-008-00	415 Curwood	325.78
050-130-000-023-00	Ash - VL	130.00
050-420-005-016-00	712 Grand	130.00
050-602-004-013-00	826 Hammont	130.00
050-602-029-014-00	1318 S Chipman	140.00
050-580-000-007-00	622 E Main	130.00
050-602-008-018-00	1024 S Chipman	420.00
050-470-009-005-00	324 NSaginaw	130.00
050-420-010-020-00	814 Broadway	260.00
050-580-000-007-00	622 E Main	130.00
050-060-008-002-00	820 N Water	130.00
050-450-000-021-00	804 Center	160.00
050-010-023-001-00	990 Corunna	140.00
050-010-023-002-00	516 Garfield	130.00
050-010-023-004-00	528 Garfield	130.00
050-220-000-040-00	1428 Young	130.00
050-010-023-001-00	990 Corunna	430.49
050-420-011-011-00	719 Broadway	598.46
050-090-002-016-00	1419 Cleveland	296.36
050-470-021-015-00	113 E Main	131.78
050-420-010-020-00	814 Broadway	622.95
050-113-016-006-00	1407 Young	355.78
050-113-010-004-00	1408 W Stewart	944.67
050-602-008-012-00	1224 Frederick	222.00
050-668-000-022-00	518 E Williams	145.08
050-060-009-008-00	713 Pine	168.94
050-390-001-006-00	1020 N Water	544.44
050-113-015-004-00	1315 W Main	239.35
050-668-000-021-00	522 E Williams	154.95
050-010-004-004-00	827 Glenwood	308.93
050-170-004-008-00	415 Curwood	368.93
050-010-016-018-00	608 Glenwood	296.11
050-170-004-008-00	415 Curwood	92.54

17,523.68

TAKE NOTICE that a Special Assessment Roll-Hazards and Nuisances has been prepared for the purpose of defraying the unpaid costs incurred in the altering, repairing, tearing down, abating or removing of hazards and nuisances of the above described property.

TAKE NOTICE THAT ANY HAZARDS/NUISANCES INVOICES OR CHARGES REMAINING UNPAID AS OF THEIR DUE DATE WILL BE INCLUDED ON THIS ROLL.

The said Special Assessment Roll-Hazards and Nuisances is on file for public examination with the City Clerk and any objections to said Special Assessment Roll-Hazards and Nuisances must be filed in writing with the City Clerk prior to the close of the hearing to review said Special Assessment Roll-Hazards and Nuisances.

TAKE FURTHER NOTICE that appearance and protest at this hearing is required in order to appeal the amount of the special assessment to the State Tax Tribunal if an appeal should be desired. A property owner or party in interest, his or her agent, may appear in person at the hearing to protest the special assessment or may file his or her appearance by letter and his or her personal appearance shall not be required. The property owner or any person having an interest in the property subject to the proposed special assessments may file a written appeal of the special assessment with the State Tax Tribunal within thirty days after confirmation of the special assessment roll if that special assessment was protested at this hearing.

TAKE FURTHER NOTICE that the City Council will meet at the Owosso City Hall, Owosso, Michigan at 7:30 p.m. on Tuesday, January 3, 2012 for the purpose of reviewing said Special Assessment Roll-Hazards and Nuisances and for the purpose of considering all objections to said roll submitted in writing. If you have questions regarding this notice, please contact the City Treasurer's Office at 725-0599.

To: Owosso City Council
 From: Ronald J. Tobey, City Treasurer
 Date: November 29, 2011



The following special assessment roll consists of unpaid nuisances and hazards.

INVOICE #	DATE	PARCEL NUMBER	ADDRESS	TYPE OF NUISANCE	BALANCE
2590	2/11/2011	050-602-008-015-00	1024 S. Chipman	CLEAR ICE/SNOW	103.52
2592 & 2624	2/11/2011	050-580-000-140-00	930 Jerome	CLEAR ICE/SNOW	509.23
2594	2/11/2011	050-391-000-015-00	433 E. Mason	CLEAR ICE/SNOW	103.52
2596	2/11/2011	050-470-009-002-00	316 E. Williams	CLEAR ICE/SNOW	147.03
2601 & 2623	2/11/2011	050-652-007-003-00	822 S. Saginaw	CLEAR ICE/SNOW	208.60
2602	2/11/2011	050-194-000-011-00	1009 Wiltshire	CLEAR ICE/SNOW	124.18
2621	3/10/2011	050-602-007-005-00	1803 W. Stewart	CLEAR ICE/SNOW	105.08
2675/2734/2767	6/10/2011	050-580-000-140-00	930 Jerome	MOW TALL GRASS/WEEDS	577.81
2677/2761/2809	6/10/2011	050-602-014-008-00	1064 Tracy	MOW TALL GRASS/WEEDS	551.86
2678/2748/60/807	6/10/2011	050-622-002-009-00	835 Ament	MOW TALL GRASS/WEEDS	614.91
2680/2746/62/805	6/10/2011	050-690-006-002-00	912 N. Chipman	MOW TALL GRASS/WEEDS	621.89
2681 & 2745	06/10/2011	050-120-001-010-00	502 River	MOW TALL GRASS/WEEDS	219.67
2683/2747/2806	6/15/2011	050-390-004-012-00	1260 Adams	MOW TALL GRASS/WEEDS	940.68
2684	6/15/2011	050-113-016-006-00	1407 Young	MOW TALL GRASS/WEEDS	122.27
2686	6/15/2011	050-230-000-040-00	1201 Willow	MOW TALL GRASS/WEEDS	306.62
2687 & 2731	6/15/2011	050-113-016-008-00	1415 Young	MOW TALL GRASS/WEEDS	252.27
2688	6/15/2011	050-652-007-003-00	822 S. Saginaw	MOW TALL GRASS/WEEDS	225.11
2689	6/15/2011	050-601-000-002-00	417 Grace	MOW TALL GRASS/WEEDS	137.57
2690/2733/2763	6/15/2011	050-220-000-044-00	1420 Young	MOW TALL GRASS/WEEDS	485.11
2693	6/21/2011	050-500-002-008-00	311 Prindle	MOW TALL GRASS/WEEDS	140.96
2695	6/21/2011	050-720-000-008-00	1407 W. King	MOW TALL GRASS/WEEDS	140.96
2696	6/21/2011	050-668-000-022-00	518 E. Williams	MOW TALL GRASS/WEEDS	185.78
2698	6/21/2011	050-113-011-003-00	536 Martin	MOW TALL GRASS/WEEDS	271.71
2699	6/21/2011	050-111-001-030-00	614 E. King	MOW TALL GRASS/WEEDS	185.78
2700	6/21/2011	050-668-000-021-00	522 E. Williams	MOW TALL GRASS/WEEDS	185.78
2701	6/21/2011	050-651-006-019-00	312 Green	MOW TALL GRASS/WEEDS	131.34
2704 & 2755	6/24/2011	050-060-001-004-00	502 Jennett	MOW TALL GRASS/WEEDS	312.58
2705/2759/2795	6/24/2011	050-114-006-009-00	1021 S. Lyon	MOW TALL GRASS/WEEDS	544.18
2706	6/24/2011	050-420-007-009-00	719 Lingle	MOW TALL GRASS/WEEDS	140.96
2707	6/24/2011	050-420-005-003-00	713 Division	MOW TALL GRASS/WEEDS	140.96
2708	6/24/2011	050-111-005-008-00	531 N. Gould	MOW TALL GRASS/WEEDS	118.22
2709 & 2804	6/24/2011	050-170-0004-008-00	415 Curwood	MOW TALL GRASS/WEEDS	325.78
2720	7/1/2011	050-130-000-023-00	Ash - VL	MOW TALL GRASS/WEEDS	130.00
2723	7/1/2011	050-420-005-016-00	712 Grand	MOW TALL GRASS/WEEDS	130.00
2732	7/18/2011	050-602-004-013-00	826 Hammont	MOW TALL GRASS/WEEDS	130.00
2737	7/25/2011	050-602-029-014-00	1318 S. Chipman	MOW TALL GRASS/WEEDS	140.00
2738	7/25/2011	050-580-000-007-00	622 E. Main	MOW TALL GRASS/WEEDS	130.00
2739/2765/2812	7/25/2011	050-602-008-018-00	1024 S. Chipman	MOW TALL GRASS/WEEDS	420.00
2754	8/10/2011	050-470-009-005-00	324 N Saginaw	MOW TALL GRASS/WEEDS	130.00
2766 & 2814	8/30/2011	050-420-010-020-00	814 Broadway	MOW TALL GRASS/WEEDS	260.00
2788	9/22/2011	050-580-000-007-00	622 E. Main	MOW TALL GRASS/WEEDS	130.00
2794	10/3/2011	050-060-008-002-00	820 N. Water	MOW TALL GRASS/WEEDS	130.00
2799	10/5/2011	050-450-000-021-00	804 Center	MOW TALL GRASS/WEEDS	160.00
2815	10/31/2011	050-010-023-001-00	990 Corunna	MOW TALL GRASS/WEEDS	140.00
2816	10/31/2011	050-010-023-002-00	516 Garfield	MOW TALL GRASS/WEEDS	130.00
2817	10/31/2011	050-010-023-004-00	528 Garfield	MOW TALL GRASS/WEEDS	130.00
2832	11/21/2011	050-220-000-040-00	1428 Young	MOW TALL GRASS/WEEDS	130.00
	12/20/2010	050-010-023-001-00	990 Corunna	PROPERTY CLEAN UP	430.49
2563	12/20/2010	050-420-011-011-00	719 Broadway	PROPERTY CLEAN UP	598.46
2573	1/11/2011	050-090-002-016-00	1419 Cleveland	PROPERTY CLEAN UP	296.36
2580	1/28/2011	050-470-021-015-00	113 E. Main	PROPERTY CLEAN UP	131.78
2642	4/21/2011	050-420-010-020-00	814 Broadway	PROPERTY CLEAN UP	622.95
2658	5/20/2011	050-113-016-006-00	1407 Young	PROPERTY CLEAN UP	355.78
2702	6/21/2011	050-113-010-004-00	1408 W. Stewart	PROPERTY CLEAN UP	944.67
2730	7/5/2011	050-602-008-012-00	1224 Frederick	PROPERTY CLEAN UP	222.00
2764	8/26/2011	050-668-000-022-00	518 E. Williams	PROPERTY CLEAN UP	145.08
2779	9/8/2011	050-060-009-008-00	713 Pine	PROPERTY CLEAN UP	168.94
2781	9/8/2011	050-390-001-006-00	1020 N. Water	PROPERTY CLEAN UP	544.44
2783	9/14/2011	050-113-015-004-00	1315 W. Main	PROPERTY CLEAN UP	239.35
2827	11/11/2011	050-668-000-021-00	522 E. Williams	PROPERTY CLEAN UP	154.95
2828	11/11/2011	050-010-004-004-00	827 Glenwood	PROPERTY CLEAN UP	308.93
2829	11/11/2011	050-170-004-008-00	415 Curwood	PROPERTY CLEAN UP	368.93
2730	11/15/2011	050-010-016-018-00	608 Glenwood	PROPERTY CLEAN UP	296.11
2729	7/15/2011	050-170-004-008-00	415 Curwood	TEMP FENCE/POOL	92.54
					<u>17,523.68</u>

The foregoing special assessment roll for nuisances and hazards for the year 2011 is acknowledged by the Assessing Officer

The foregoing special assessment roll for nuisances and hazards for the year 2011 is acknowledged by the City Clerk



301 W. MAIN • OWOSSO, MICHIGAN 48867-2958 • (989) 725-0599 • FAX (989) 723-8854

MEMORANDUM

DATE: November 29, 2011
TO: Owosso City Council
FROM: Amy K. Kirkland, City Clerk
RE: Chapter 28, Special Assessments, Amendment

As the City has made inroads in code enforcement we have discovered numerous properties that will require demolition. The costs for such actions are billed to the property owners and eventually assessed to the properties via the hazards and nuisances section of the special assessment ordinance if they remain unpaid. The language in the current ordinance limits us to one special assessment roll for hazards and nuisances each year. This leaves a window of time in which charges are due but no lien has been perfected, allowing properties to be sold without payment of these charges. A very simple amendment to the ordinance would allow the city to specially assess for hazards and nuisances in a much more timely fashion. Attached you will find the proposed amendment.

Staff recommends setting a public hearing for December 19, 2011 to gather citizen comment regarding the proposed amendment.

**AN ORDINANCE TO AMEND THE SPECIAL ASSESSMENT PROCESS FOR
HAZARDS AND NUISANCES**

AN ORDINANCE to amend Section 28-10.5, *Special assessment roll – Hazards and nuisances*, Chapter 28, Special Assessments, to allow hazards and nuisances to be specially assessed more than once per year.

WHEREAS, the City of Owosso has a Special Assessment process to lien properties for unpaid invoices resulting from the abatement of hazards and nuisances; and

WHEREAS, the process allows properties to be liened only once per year; and

WHEREAS, recent circumstances have brought to light the need for more action to prevent a loss in the ability to collect such costs; and

WHEREAS, it is felt an amendment to the ordinance governing special assessments is essential to resolving this problem.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Owosso, Michigan that, Chapter 28, Special Assessments, Section 28-10.5, *Special assessment roll – Hazards and nuisances*, read as follows:

THE CITY OF OWOSSO ORDAINS:

SECTION 1. Sec. 28-10.5 shall read as follows:

Sec. 28-10.5 Special assessment roll--Hazards and nuisances.

Pursuant to the provisions of section 10.7 of the Charter, the assessor shall make a special assessment roll of all lots and parcels of land within the city upon which hazards and nuisances were found to have existed and for which the city incurred costs associated with altering, repairing, tearing down, abating or removing the hazards and nuisances. The assessment roll shall be prepared **at least** annually and shall list for each lot and parcel the amount of such cost that has remained unpaid for at least thirty (30) days.

Section 2: Effective Date.

This ordinance shall take effect twenty days after passage.

Section 3: Inspection.

This Ordinance may be purchased or inspected in the City Clerk's Office Monday through Friday between the hours of 9:00 a.m. and 5:00 p.m.

Section 4: Public Hearing.

A public hearing is set for Monday, December 19, 2011 at approximately 7:30 p.m. in the City Hall Council Chambers to hear citizen comment regarding the proposed amendment.



MEMORANDUM

DATE: November 30, 2011

TO: Mayor Benjamin Frederick, City Council, and Manager Don Crawford

FROM: Larry Cook, Assessor

RE: Tax Abatement Application – Midwest Bus Corporation – 1070 Aiken Rd.
Amendment to Resolution 168-2011

On November 7, 2011 at your regular council meeting, this council approved a resolution for a Tax Abatement from Midwest Bus Corporation, owners of 1070 Aiken Road. The State Tax Commission has required that the Real Property and Personal Property IFT Certificate Applications be on separate applications. They have also required separate resolutions. They have explained to us that the Real Property is a Rehab and the Personal Property is New.

With that in mind, Midwest Bus Corporation has filed separate IFT Applications and the council is being asked to rescind resolution 168-2011 and adopt two new resolutions, one for the real property exemption and one for the personal property exemption.

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

RESOLUTION APPROVING AN IFE APPLICATION
To replace Resolution No. 168-2011
-Real Property Rehabilitation-
Midwest Bus Corporation
1070 Aiken Road

WHEREAS, pursuant to PA 198 of 1974, as amended, after a duly noticed public hearing held on June 20, 2011, this City Council, by resolution established a Plant Rehabilitation Development District; and

WHEREAS, Midwest Bus Corporation has filed an application for Industrial Facilities Exemption Certificates with respect to real property within the Plant Rehabilitation District; and

WHEREAS, before acting on said application, the City of Owosso held a hearing on November 7, 2011, in City Hall, at 301 W. Main Street, Owosso, MI, 48867, at 7:30 p.m. at which hearing the applicant, the Assessor and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, construction of and/or acquisition of the real and personal property had not begun earlier than six (6) months before October 12, 2011, the date of original application received for the Industrial Facilities Exemption Certificate; and

WHEREAS, construction of the real property is calculated to and will, at the time of issuance of the certificates, have the reasonable likelihood to retain, create or prevent the loss of employment in the City of Owosso; and

WHEREAS, the aggregate SEV of property exempt from ad valorem taxes within the City of Owosso, after granting this certificate, will not exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of property thus exempted.

NOW, THEREFORE, BE IT RESOLVED BY the City Council of the City of Owosso that:

1. The City Council finds and determines that the granting of the Industrial Facilities Exemption Certificate considered together with the aggregate amount of certificates previously granted and currently in force under PA 198 of 1974, as amended and PA 225 of 1978, as amended shall not have the effect of substantially impeding the operation of the City of Owosso, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Owosso.

2. The application from Midwest Bus Corporation for the Industrial Facilities Exemption Certificate, with respect to Real Property on the following described parcel of real property situated within the Plant Rehabilitation District, to wit:

LOT 8 OWOSSO SOUTHEAST INDUSTRIAL PARK

is hereby approved.

3. The Industrial Facilities Exemption Certificate, when issued, shall be and remain in force for a period of 12 years.

RESOLUTION APPROVING AN IFE APPLICATION
To replace Resolution No. 168-2011
-New Personal Property-
Midwest Bus Corporation
1070 Aiken Road

WHEREAS, pursuant to PA 198 of 1974, as amended, after a duly noticed public hearing held on April 18, 1977, this City Council, by resolution established an Industrial Development District and on June 20, 2011, this City Council, by resolution established a Plant Rehabilitation Development District; and

WHEREAS, Midwest Bus Corporation has filed an application for Industrial Facilities Exemption Certificate with respect to personal property within the Industrial Development District and a Plant Rehabilitation District; and

WHEREAS, before acting on said application, the City of Owosso held a hearing on November 7, 2011, in City Hall, at 301 W. Main Street, Owosso, MI, 48867, at 7:30 p.m. at which hearing the applicant, the Assessor and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, construction of and/or acquisition of the personal property had not begun earlier than six (6) months before October 12, 2011, the date original application received for the Industrial Facilities Exemption Certificate; and

WHEREAS, construction of and/or the acquisition of the personal property is calculated to and will, at the time of issuance of the certificates, have the reasonable likelihood to retain, create or prevent the loss of employment in the City of Owosso; and

WHEREAS, the aggregate SEV of property exempt from ad valorem taxes within the City of Owosso, after granting this certificates, will not exceed 5% of an amount equal to the sum of the SEV of the unit, plus the SEV of property thus exempted.

NOW, THEREFORE, BE IT RESOLVED BY the City Council of the City of Owosso that:

1. The City Council finds and determines that the granting of the Industrial Facilities Exemption Certificate considered together with the aggregate amount of certificates previously granted and currently in force under PA 198 of 1974, as amended and PA 225 of 1978, as amended shall not have the effect of substantially impeding the operation of the City of Owosso, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Owosso.

2. The application from Midwest Bus Corporation for the Industrial Facilities Exemption Certificates, with respect to Personal Property on the following described parcel of real property situated within the Industrial Development District and Plant Rehabilitation District, to wit:

LOT 8 OWOSSO SOUTHEAST INDUSTRIAL PARK

is hereby approved.

3. The Industrial Facilities Exemption Certificates, when issued, shall be and remain in force for a period of 12 years.



301 W. MAIN • OWOSSO, MICHIGAN 48867-2958 • (989) 725-0599 • FAX (989) 723-8854

MEMORANDUM

DATE: November 30, 2011
TO: Owosso City Council
FROM: Larry D. Cook, City Assessor
RE: Amendment to Resolution No. 162-2011

On October 17, 2011 the Council approved an Obsolete Property Rehabilitation Certificate Application from John Hankerd for the property located at 116 West Exchange Street. Upon review by the State, a request has been made to further clarify the reference to the City's Tax Abatement Policy contained within the approval resolution. The resolution indicated an 8-year abatement was approved per the City's Policy. Since this is less than the 12-year maximum allowed the State has asked that we further clarify by explicitly stating the abatement is not eligible for extension.

Attached you will find an Amended Resolution No. 162-2011 containing the necessary alterations. Staff recommends approval of the amended resolution.

**AMENDED
RESOLUTION NO. 162-2011**

**A RESOLUTION TO APPROVE
THE APPLICATION FOR AN
OBSOLETE PROPERTY REHABILITATION EXEMPTION CERTIFICATE
FROM JOHN HANKERD OF HANKERD SPORTSWEAR
FOR PROPERTY LOCATED AT
116 WEST EXCHANGE STREET**

WHEREAS, the City of Owosso is a Qualified Local Government Unit within the State of Michigan and is empowered to provide tax exemptions for increased value of rehabilitated facilities within the City; and

WHEREAS, after public notice and a public hearing on September 20, 2010, the City Council of the City of Owosso approved an Obsolete Property Rehabilitation District at 116 West Exchange Street in Owosso, Michigan. As provided by section 4(2) of Public Act 146 of 2000, said property more particularly described as:

W 1/3 OF LOT 7, BLOCK 15 (EX N 12') ORIGINAL PLAT OF CITY OF OWOSSO

WHEREAS, the City Clerk received an application on September 20, 2011 from John Hankerd, the owner of the property occupied by Hankerd Sportswear, for an Obsolete Property Rehabilitation Exemption Certificate; and

WHEREAS, notice of a public hearing concerning the application for an exemption certificate was provided to the Assessor of the City and the legislative body of each taxing unit that levies ad valorem property taxes in the City; and

WHEREAS, the City finds that the property meets the definition of an obsolete property as defined in section 2(h) of Public Act 146 of 2000 and the application for the exemption certificate is complete; and

WHEREAS, the City finds that the property relates to a rehabilitation program that when completed constitutes a "rehabilitated facility" within the meaning of P.A. 146 of 2000, and said property is located within an Obsolete Property Rehabilitation District established in a Qualified Local Governmental Unit eligible under Public Act 146 of 2000 to establish such a district; and

WHEREAS, the rehabilitation includes improvements aggregating 10% or more of the true cash value of the property at commencement of the rehabilitation as provided by section 2(l) of PA 146 of 2000; and

WHEREAS, it has been found that the rehabilitation of the obsolete property is calculated to, and will at the time of the issuance of the certificate, have the reasonable likelihood to increase commercial activity, retain and create employment, and revitalize the downtown; and

WHEREAS, the taxable value of the property proposed to be exempt plus the aggregate taxable value of the property already exempt under PA 146 of 2000 and under PA 198 of 1974 does not exceed 5% of the total taxable value of the unit; and

WHEREAS, the applicant is not delinquent in any taxes related to the facility; and

WHEREAS, the rehabilitation work described in the application had not commenced prior to the establishment of the District.

NOW, THEREFORE, BE IT RESOLVED that, based on the findings above made at public hearing, the City Council of the City of Owosso authorizes the application for an Obsolete Property Rehabilitation Exemption Certificate at 116 West Exchange Street for a period of 8 years, a period determined per the Abatement Schedule of the City of Owosso Tax Abatement Policy of 2010 **that will not be extended**; and

ALSO, BE IT RESOLVED that the rehabilitation shall be completed within eighteen (18) months from the date of approval of said application, and

FURTHERMORE, BE IT RESOLVED that the application and resolution are authorized for submittal to the State Tax Commission for final review and authorization.

**CITY OF OWOSSO
SCHEDULE OF REGULAR MEETINGS
FOR THE CALENDAR YEAR BEGINNING JANUARY 1, 2012**

NOTICE IS HEREBY GIVEN, pursuant to the provisions of Act 267, Public Acts of 1976, of the schedule of Regular Meetings of the City of Owosso, County of Shiawassee, State of Michigan for the calendar year beginning January 1, 2012. The Board, dates, time and place of said regular meetings shall be as follows:

CITY COUNCIL					
The 1 st and 3 rd Monday of each month, except as noted – 7:30 p.m., local prevailing time					
Owosso City Hall, Council Chambers					
JAN 03*	MAR 05	MAY 07	JUL 16	SEP 17	DEC 03
JAN 17*	MAR 19	MAY 21	JUL 30	OCT 01	DEC 17
JAN 30	APR 02	JUN 04	AUG 06	OCT 15	
FEB 06	APR 16	JUN 18	AUG 20	NOV 05	
FEB 21*	APR 30	JUL 02	SEP 04*	NOV 19	
PLANNING COMMISSION					
The 2 nd & 4 th Mondays of each month, except as noted – 7:00 p.m., local prevailing time					
Owosso City Hall, Council Chambers					
JAN 09	FEB 27	APR 09	JUN 25	SEP 24	DEC 10*
JAN 23	MAR 12	APR 23	JUL 23	OCT 22	
FEB 13	MAR 26	MAY 29*	AUG 27	NOV 26	
CABLE ACCESS ADVISORY COMMISSION			DOWNTOWN DEVELOPMENT AUTHORITY		
The 2nd Monday of each quarter, except as noted – 5:00 p.m., local prevailing time			The 1 st Wednesday of each month, except as noted – 7:30 a.m., local prevailing time		
Owosso City Hall, Council Chambers			Owosso City Hall, Council Chambers		
	JAN 09		JAN 04	MAY 02	SEP 05
	APR 09		FEB 01	JUN 06	OCT 03
	JUL 09		MAR 07	JUL 05*	NOV 07
	OCT 09*		APR 04	AUG 01	DEC 05
DOWNTOWN HISTORIC DISTRICT COMMISSION			EMPLOYEES RETIREMENT SYSTEM BOARD		
The 3 rd Wednesday of each month - 6:00 p.m., local prevailing time			The 3rd Thursday of each month, except as noted - 7:15 a.m., local prevailing time		
Owosso City Hall, Council Chambers			Owosso City Hall, Council Chambers		
JAN 18	MAY 16	SEP 19	FEB 16	JUN 21	OCT 18
FEB 15	JUN 20	OCT 17	APR 19	AUG 16	DEC 20
MAR 21	JUL 18	NOV 21			
APR 18	AUG 15	DEC 19			
OWOSSO HISTORICAL COMMISSION			PARKS & RECREATION COMMISSION		
The 3 rd Tuesday of each month, except as noted – 7:00 p.m., local prevailing time			The 4th Monday of each month, except as noted – 6:00 p.m., local prevailing time		
Gould House, 100 West Oliver Street			Owosso City Hall, Council Chambers		
JAN 17 6:30 pm	MAY 15	SEP 18	JAN 23	MAY 29*	SEP 24
FEB 21 6:30 pm	JUN 19	OCT 16	FEB 27	JUN 25	OCT 22
MAR 20	JUL 17	NOV 20	MAR 26	JUL 23	NOV 26
APR 17	AUG 21	DEC 18	APR 23	AUG 27	DEC 10*
WESTOWN CORRIDOR IMPROVEMENT AUTHORITY			ZONING BOARD OF APPEALS		
Quarterly, the 2nd Wednesday of each quarter – 7:00 p.m., local prevailing time			The 3 rd Tuesday of each month, except as noted – 9:30 a.m., local prevailing time		
The Connection Christian Church, 812 West Main St			Owosso City Hall, Council Chambers		
	JAN 11		JAN 17	MAY 15	SEP 18
	APR 11		FEB 21	JUN 19	OCT 16
	JUL 11		MAR 20	JUL 17	NOV 20
	OCT 10		APR 17	AUG 21	DEC 18

* Rescheduled due to legal holiday on regular meeting date

The City of Owosso will provide necessary auxiliary aids and services, such as signers for the hearing impaired and audiotapes 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 or calling the following: Amy K. Kirkland, City Clerk, 301 West Main Street, Owosso, MI 48867 (989) 725-0500.

Amy K. Kirkland, Owosso City Clerk



301 W. MAIN • OWOSSO, MICHIGAN 48867-2958 • (989) 725-0599 • FAX (989) 723-8854

MEMORANDUM

DATE: November 29, 2011
TO: City Council
FROM: Michael Compeau
Director of Public Safety
RE: New Police Vehicle Bid

Request council approve the purchase of one new police patrol vehicle.

Sealed bids were solicited for the purchase.

The following bids were received:

- Shaheen Chevrolet for \$20,222.97
- Berger Chevrolet for \$20,545.00
- Signature Ford for \$24,994.00
- Young Chevrolet for \$24,115.00
- Whiteside Chevrolet for \$24,200.00

Local preference did not affect bid outcome.

Request council approve low bid from Sheehan Chevrolet for \$20, 222.97.

RESOLUTION _____

**RESOLUTION AUTHORIZING THE EXECUTION OF A CONTRACT FOR
PURCHASE OF POLICE VEHICLE WITH SHAHEEN CHEVROLET, INC.**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has police department requiring the use of police vehicles; and

WHEREAS, the City of Owosso received the State of Michigan bid from Shaheen Chevrolet, Inc.; and it is hereby determined that Shaheen Chevrolet, Inc. is qualified to provide such vehicle and that it has submitted the responsible and responsive bid;

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 purchase a 2012 Chevrolet Impala Police Vehicle from Shaheen Chevrolet, Inc. for a cost to the City of Owosso of \$20,222.97
- SECOND: The mayor and city clerk are instructed and authorized to sign the document substantially in the form attached, Contract for Services between the City of Owosso, Michigan and Shaheen Chevrolet, Inc. up to the amount of \$20,222.97.
- THIRD: The above expenses shall be paid from the Police Division Capital Outlay fund 101-300-978.000.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF OWOSSO, SHIAWASSEE COUNTY, MICHIGAN THIS 5th DAY OF DECEMBER, 2011.

AYES:
NAYS:
ABSTENTIONS:
ABSENT:

CITY OF OWOSSO

ATTEST:

Benjamin R. Frederick, Mayor

Amy K. Kirkland, City Clerk

CITY OF OWOSSO BID TABULATION SHEET

DATE 11/22/2011

DEPT. POLICE

SUBJECT: PURCHASE 2012 POLICE CAR

ITEM #	DESCRIPTION	EST. QTY	UNIT	Shaheen Chevrolet Lansing		Berger Chevrolet Grand Rapids		Signature Ford Owosso	
				UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	2012 POLICE CAR	1	EA	\$ 19,871.70	\$ 19,871.70	\$ 20,274.00	\$ 20,274.00	\$ 23,244.00	\$ 23,244.00
2	2-Tone Paint		LS	\$ 500.00	\$ 500.00	\$ 850.00	\$ 850.00	\$ 750.00	\$ 750.00
	TOTAL				\$ 20,371.70		\$ 21,124.00		\$ 23,994.00
	Alternate Bid								
	2012 Police Car	1	EA	\$ 19,722.97	\$ 19,722.97	\$ 19,695.00	\$ 19,695.00	\$ 24,244.00	\$ 24,244.00
	2-Tone Paint	1	LS	\$ 500.00	\$ 500.00		\$ 850.00	\$ 750.00	\$ 750.00
	TOTAL				\$ 20,222.97		\$ 20,545.00		\$ 24,994.00
					Chevy Impala		Chevy Impala		Alternate is All Wheel Drive
	Local Preference does not affect bid outcome				Pricing good only through 12/22/2011				
TOTAL BID									

TOTAL BID PRICING ADJUSTED FOR LOCAL PURCHASING PREFERENCE:

\$ 20,982.85

\$ 21,757.72

DEPT. HEAD: *Michael Cooper*

GENERAL LIABILITY INSURANCE EXPIRATION DATE: _____

AWARDED: _____

PURCH. AGENT: *Shakeen Chaw*

WORKERS COMPENSATION INSURANCE EXPIRATION DATE: _____

COUNCIL APPROVED: _____

STAFF REC.: *Shakeen Chaw*

SOLE PROPRIETORSHIP EXPIRATION DATE: _____

PO NUMBER: _____

Bid for 20,222.97

CITY OF OWOSSO BID TABULATION SHEET

DATE 11/22/2011

DEPT. POLICE

SUBJECT: PURCHASE 2012 POLICE CAR

ITEM #	DESCRIPTION	EST. QTY	UNIT	Young Oldsmobile Owosso		Whiteside Chevrolet Ohio			
				UNIT PRICE	TOTAL	UNIT PRICE	TOTAL		
1	2012 POLICE CAR	1	EA	\$ 22,844.00	\$ 22,844.00	\$ 22,800.00	\$ 22,800.00		
2	Two-tone Paint	1	LS	\$ 1,495.00	\$ 1,271.00	\$ 1,400.00	\$ 1,400.00		
	TOTAL				\$ 24,115.00		\$ 24,200.00		
	Alternate Bid								
	2012 Police Car-All Wheel Drive	1	EA						
	2-Tone Paint	1	LS						
	TOTAL								
					Chevy Impala		Chevy Impala		
					*bid proposal not filled out correctly for two-tone paint item				
			TOTAL BID						

TOTAL BID PRICING ADJUSTED FOR LOCAL PURCHASING PREFERENCE: \$ 24,926.00



301 W. MAIN • OWOSSO, MICHIGAN 48867-2958 • (989) 725-0599 • FAX (989) 723-8854

MEMORANDUM

DATE: November 29, 2011
TO: City Council
FROM: Michael Compeau
Director of Public Safety
RE: Demolition Bid-117 South Shiawassee Street

The Public Safety Department has taken all required actions as listed in the International Property Maintenance for the demolition of the vacant home at 117 South Shiawassee Street.

Section 110.2 of the *International Property Maintenance Code* states; **Unreasonable repairs:** Whenever the code official determines that the cost of such repairs would exceed 100 percent of the current value of such structure, such repairs shall be presumed unreasonable and it shall be presumed for the purpose of this section that such structure is a public nuisance which shall be ordered razed without option on the part of the owner to repair.

The City of Owosso Code Official has determined that the vacant home at 117 South Shiawassee Street fits the criteria set forth in **Section 110.2** of the *International Property Maintenance Code*.

The owner of 117 South Shiawassee Street, St. Charles Enterprises, L.L.C, a Michigan limited liability company, of 5933 Eagle Way, Haslett, Michigan 48840, has entered into a consent agreement with the city of Owosso for the demolition of the structure on the property at 117 South Shiawassee Street and further authorized the cost of the demolition, removal and clean-up will be charged against the property.

Sealed bids were solicited for the demolition of the home:

- | | | |
|----|---|--------------|
| 1. | TJ Smith Sand & Gravel, Inc. Owosso, MI | \$ 6,245.00 |
| 2. | Fisher Gravel of Owosso, MI | \$ 9,900.00 |
| 3. | Sumbera Excavating Owosso, MI | \$ 10,500.00 |
| 4. | Rohde Bros Excavating Saginaw, MI | \$ 19,180.00 |
| 5. | Technical Service Perry, MI | \$ 23,445.00 |

Recommend approval of demolition of the structure at 117 South Shiawassee Street, accepting the low bid from TJ Smith Sand & Gravel, Inc. for \$6,245.00 and move forward with the special assessment process to establish a lien on the property for the cost of the demolition.

RESOLUTION NO. ____

**AUTHORIZING EXECUTION OF A CONTRACT FOR SERVICES BETWEEN
THE CITY OF OWOSSO, MICHIGAN AND TJ SMITH SAND & GRAVEL, INC.
FOR DEMOLITION OF 117 SOUTH SHIAWASSEE STREET**

WHEREAS, the city of Owosso, Shiawassee County, Michigan, has determined that a home located at 117 South Shiawassee Street has deteriorated to a condition that it is unusable and has a blighting effect upon the neighborhood and community at large and has been determined to be a public nuisance;

WHEREAS, to eliminate this condition of blight the property and the public nuisance after reaching a consent agreement with the owner the property should be cleared of the deteriorated building through its demolition;

WHEREAS, proposals for the demolition of the structure were sought and received; and

WHEREAS, TJ Smith Sand & Gravel, Inc. submitted a bid in the amount of \$6,245.00;

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 employ TJ Smith Sand & Gravel, Inc., to demolish a structure at 117 South Shiawassee Street.

SECOND: The mayor and city clerk of the city of Owosso are instructed and authorized to sign the document substantially in the form attached, Contract for Services between the city of Owosso, Michigan and TJ Smith Sand & Gravel, Inc., at a total cost of \$6,245.00.

THIRD: The city manager is authorized to execute any required permits to proceed with the demolition.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF OWOSSO,
SHIAWASSEE COUNTY, MICHIGAN THIS 5th DAY OF December, 2011.

AYES:

NAYS:

ABSTENTIONS:

ABSENT:

ATTEST:

Benjamin R Frederick, Mayor

Amy K. Kirkland, City Clerk.

RESOLUTION NO. _____

WHEREAS, the City Council of the City of Owosso deems it necessary to demolish the following property, per the tenants of the International Property Maintenance Code:

117 South Shiawassee Street

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The matter of permitting the demolition of the structure in question has been addressed by the Owosso City Council. Further the owner of the property has agreed to be specially assessed for the cost of the demolition, removal and clean up of the property, and other costs directly related to the demolition of the property.

RESOLUTION NO. _____

**SPECIAL ASSESSMENT DISTRICT NO. 2012-01
VOLUNTARY**

WHEREAS, the Assessor has prepared a special assessment roll for the purpose of specially assessing that portion of the unpaid costs incurred in the altering, repairing, tearing down, abating or removing of hazards and nuisances more particularly hereinafter described to the properties specially benefited by said public improvement, and the same has been presented to the Council by the City Clerk.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Said special assessment roll is hereby accepted and shall be filed in the office of the City Clerk for public examination.
2. The Council shall meet at the Owosso City Hall, Owosso, Michigan at 7:30 o'clock p.m., on January 3, 2012 for the purpose of hearing all persons interested in said special assessment roll and reviewing the same.
3. The City Clerk is directed to publish the notice of said hearings once in *The Argus Press*, the official newspaper of the City of Owosso, not less than ten (10) days prior to said hearing and shall further cause notice of said hearing to be sent by first class mail to each owner of the property subject to assessment, as indicated by the records in the City Assessor's office as shown on the general tax rolls of the City, at least ten (10) days before the time of said hearing, said notice to be mailed to the addresses shown on said general tax rolls of the City.

The notice of said hearing to be published and mailed shall be in substantially the following form:

**NOTICE OF HEARING TO REVIEW
SPECIAL ASSESSMENT ROLL – HAZARDS AND NUISANCES
CITY OF OWOSSO
COUNTY OF SHIAWASSEE, MICHIGAN**

TO THE OWNERS OF THE OF THE FOLLOWING DESCRIBED PROPERTY:

PARCEL NUMBER	ADDRESS	BALANCE
050-700-001-013	117 S. Shiawassee	\$7,759.60

TAKE NOTICE that a Special Assessment Roll-Hazards and Nuisances has been prepared for the purpose of defraying the unpaid costs incurred in the altering, repairing, tearing down, abating or removing of hazards and nuisances of the above described property.

TAKE NOTICE THAT ANY HAZARDS/NUISANCES INVOICES OR CHARGES REMAINING UNPAID AS OF THEIR DUE DATE WILL BE INCLUDED ON THIS ROLL.

The said Special Assessment Roll-Hazards and Nuisances is on file for public examination with the City Clerk and any objections to said Special Assessment Roll-Hazards and Nuisances must be filed in writing with the City Clerk prior to the close of the hearing to review said Special Assessment Roll-Hazards and Nuisances.

TAKE FURTHER NOTICE that appearance and protest at this hearing is required in order to appeal the amount of the special assessment to the State Tax Tribunal if an appeal should be desired. A property owner or party in interest, his or her agent, may appear in person at the hearing to protest the special assessment or may file his or her appearance by letter and his or her personal appearance shall not be required. The property owner or any person having an interest in the property subject to the proposed special assessments may file a written appeal of the special assessment with the State Tax Tribunal within thirty days after confirmation of the special assessment roll if that special assessment was protested at this hearing.

TAKE FURTHER NOTICE that the City Council will meet at the Owosso City Hall, Owosso, Michigan at 7:30 p.m. on January 3, 2012 for the purpose of reviewing said Special Assessment Roll-Hazards and Nuisances and for the purpose of considering all objections to said roll submitted in writing. If you have questions regarding this notice, please contact the Public Safety Office at 725-0580.

CITY OF OWOSSO BID TABULATION SHEET

DATE 11/22/2011

DEPT. BUILDING

SUBJECT: DEMOLITION OF 117 S. SHIAWASSEE

ITEM #	DESCRIPTION	EST. QTY	UNIT	Smith Sand & Gravel Owosso		Fisher Gravel Owosso		Sumbera Excavating Owosso	
				UNIT PRICE	TOTAL	UNIT PRICE	TOTAL	UNIT PRICE	TOTAL
1	Demolition of single structure	1	EA	\$ 6,245.000	\$ 6,245.00	\$ 9,900.000	\$ 9,900.00	\$ 10,500.000	\$ 10,500.00
LOCAL PREFERENCE DOES NOT AFFECT BID OUTCOME									
TOTAL BID					\$ 6,245.00		\$ 9,900.00		\$ 10,500.00

TOTAL BID PRICING ADJUSTED FOR LOCAL PURCHASING PREFERENCE:

DEPT. HEAD: *[Signature]*

GENERAL LIABILITY INSURANCE
EXPIRATION DATE: 6/4/2012

AWARDED: _____

PURCH. AGENT: *[Signature]*

WORKERS COMPENSATION INSURANCE
EXPIRATION DATE: 5/13/2012

COUNCIL APPROVED: _____

STAFF REC.: *Smith Sand - Gravel*

SOLE PROPRIETORSHIP
EXPIRATION DATE: _____

PO NUMBER: _____

11/28/11

CITY OF OWOSSO BID TABULATION SHEET

DATE 11/22/2011
 DEPT. BUILDING

SUBJECT: DEMOLITION OF 117 S. SHIAWASSEE

ITEM #	DESCRIPTION	EST. QTY	UNIT	Rohde Bros. Excavating Saginaw		Technical Services Perry, Mi		UNIT PRICE	TOTAL
				UNIT PRICE	TOTAL	UNIT PRICE	TOTAL		
1	Demolition of single structure	1	EA	\$ 19,180.000	\$ 19,180.00	\$ 23,445.000	\$ 23,445.00		
TOTAL BID					\$ 19,180.00		\$ 23,445.00		

TOTAL BID PRICING ADJUSTED FOR LOCAL PURCHASING PREFERENCE:



301 W. MAIN • OWOSSO, MICHIGAN 48867-2958 • (989) 725-0570 • FAX (989) 723-8854

MEMORANDUM

DATE: 30 November 2011

TO: Owosso City Council

FROM: Rick Williams, Finance Director

SUBJECT: Payment Authorization – Snyder Poured Walls - \$8,165.75

The new building at the Rudy DeMuth ball fields on Oakwood Avenue is nearing completion so the concession area and indoor bathrooms will be fully operational for the new season. The budget for this project was \$30,000; \$15,000 challenge grant from the City and \$15,000 from fundraising led by the Owosso Little League. The project will come in at budget thanks to many additional donations of material and labor.

The payment authorization to Snyder Poured Walls for \$8,165.75 is based on the lowest quote obtained by the volunteers. The other two quotes were \$11,450 and \$12,210. Although the process for obtaining sealed bids was not followed we understand that all the vendors either discounted their prices or didn't charge at all. Based on past comparable unit price bids the request before you was discounted and staff offers that the best interests of the City were served.

RESOLUTION NO. ____

**AUTHORIZING PAYMENT TO
SNYDER POURED WALLS
FOR WORK PERFORMED ON THE CONCESSION STAND
AT RUDY DEMUTH FIELD**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has a ball park that is utilized each summer by the Owosso Little League; and

WHEREAS, patrons of the ball field have desired permanent bathrooms and a concession stand to make their experience at the ball field more enjoyable; and

WHEREAS, the City recognized the value in the construction of such amenities and agreed to match any funds raised by the group up to \$15,000 to fund the development and construction of permanent bathrooms and a concession stand; and

WHEREAS, the obligatory funds were raised and work commenced on the construction of the structure; and

WHEREAS, Snyder Poured Walls was contracted to perform cement work on the project and this work has been completed.

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 pay Snyder Poured Walls for their work on the Rudy Demuth Concession stand and bathrooms.
- SECOND: The accounts payable department is authorized to submit payment to Snyder Poured Walls in the amount of \$8,165.75 as detailed on the attached Payment Request as authorized by Council on December 5, 2011.
- THIRD: The above expenses shall be paid from the General Fund.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF OWOSSO, SHIAWASSEE COUNTY, MICHIGAN THIS 5th DAY OF DECEMBER, 2011.

AYES:
NAYS:
ABSTENTIONS:
ABSENT:

CITY OF OWOSSO

ATTEST:

Benjamin R. Frederick, Mayor

Amy K. Kirkland, City Clerk

Snyder Poured Walls

1231 E. Oliver
Owosso, MI 48867
Office & Fax 989-725-7922
Cell # 989-239-2799

Invoice

<i>DATE</i>	<i>INVOICE #</i>
10/30/2011	11-149

BILL TO

City Of Owosso
301 W. Main St.
Owosso, MI. 48867

TERMS

Due on receipt

PROJECT

Concession Stand

STATE LICENSE #2103123059

JOB LOCATION

Oakwood St.

<i>QTY</i>	<i>DESCRIPTION</i>	<i>AMOUNT</i>
140	Trench footing for exterior walls and for Interior footings.	2,400.00
140	Poured concrete walls with brick pattern. Walls are 9' tall x 8" thick and 3 row of #4 rebar.	5,800.00
6	Rough opening in wall with treated lumber for 4 doors and 2 coil up windows.	720.00
8	Install screened air flow vents.	520.00
1	Pump truck	600.00
900	Concrete floor with wire mesh and vapor barrier.	2,475.00
481	Form, pour and broom finish concrete sidewalk. 50' x 6' & 45'-4" x 4' Concrete to be 4000 lb. psi. with 6 x 6 x 10 gauge welded wire mesh.	1,322.75
50	Poured concrete walls with brick pattern for interior. Walls are 9' tall x 8" thick.	2,300.00
77	Concrete removed from price.	-6,000.00
	Remove labor for Interior walls & sidewalk that was NOT done. Concrete is already removed from price.	-1,972.00
<i>All work is complete! Thank You</i>		
Total		\$8,165.75



301 W. MAIN • OWOSSO, MICHIGAN 48867-2958 • (989) 725-0599 • FAX (989) 723-8854

MEMORANDUM

DATE: December 2, 2011
TO: Owosso City Council
FROM: City Manager
RE: Fee for registration of abandoned and foreclosed homes

The ordinance concerning registration of abandoned and foreclosed homes contained the provision that such homes would be registered and would be a registration fee. The fee would accompany the application and cover a calendar year or the remaining portion.

In looking at similar ordinances in other communities most registration fees fall between \$50 and \$250. It would appear that a \$100 fee would be appropriate in Owosso. The adopted ordinance also requires an inspection and issuance of a certificate of occupancy. An initial inspection will cost approximate \$150 under the current fee schedule. Follow-up inspections, if necessary, would have additional costs. Some of the communities charging a \$250 or greater fee include the certificate of occupancy in the annual fee. Since many of the properties may be vacant for more than a year the proposed fee schedule should be reasonable.

RESOLUTION ESTABLISHING FEE FOR REGISTERING AN ABANDONED/
VACANT RESIDENTIAL PROPERTY

WHEREAS, the *City of Owosso Code of Ordinances* Section 8-166 provides for the setting of a fees by resolution for registration of abandoned and/or vacant residential properties;

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

FIRST: the fee schedule for registration of abandoned and/or vacant residential properties beginning January 1, 2012 shall be:

Annual registration--\$100.00

Occupancy permit inspection--subject to adopted fee schedule

SECOND: any parts of resolutions and memoranda in conflict with this resolution are hereby repealed.

PASSED AND APPROVED BY THE CITY COUNCIL, CITY OF OWOSSO, SHIAWASSEE COUNTY, MICHIGAN THIS ___ DAY OF DECEMBER 2011.

Date: November 30, 2011
To: Owosso city council
From: Shiawassee County Economic Development Partnership
Re: I-69 International Trade Corridor Next Michigan Development Corporation

SEDP Requests Approval of an Interlocal Agreement Creating the I-69 International Trade Corridor Next Michigan Development Corporation

The Shiawassee Economic Development Partnership (SEDP) respectfully requests that your governmental unit authorize a resolution approving an Interlocal Agreement that would establish an I-69 International Trade Corridor Next Michigan Development Corporation. Below is an outline discussing program specifics; SEDP staff will be available to attend your meeting where this is discussed to answer questions.

Are there any fees to join, and what about future funding?

An annual membership fee for each of the first three years is set at \$10,000 per county. This fee will cover the county participant and each local government party signing on within the county. The SEDP Board unanimously approved funding this initiative out of its own budget for 2012, so that any Shiawassee County municipality that joins will not have to contribute any new dollars to this effort. It is anticipated that this support will continue in future years as well.

What is the I-69 International Trade Corridor?

The Corridor is a Michigan-based collaborative partnership among agencies, authorities, municipalities, and businesses along Interstate 69 from the Blue Water Bridge in Port Huron west across St. Clair, Lapeer, Genesee, and Shiawassee Counties and south into Oakland County.

What are the goals of the I-69 International Trade Corridor?

- Promote new jobs and investment
- Diversify the regional economy
- Support retention and expansion of existing firms
- Encourage new businesses to start/locate in the region
- Expand services including export/import, financing, etc.
- Undertake regional marketing to enhance brand message and increase overall opportunity
- Document and promote the region's global strengths and assets
- Increase collaboration with State of Michigan and international partners
- Collaborate on regional workforce development opportunities

What is a Next Michigan Development Corporation (NMDC)?

The I-69 International Trade Corridor effort seeks to capitalize on the many assets of the region to encourage growth of jobs and investment. Many resources and programs are being pursued. Among them is the designation as a regional Next Michigan Development Corporation (NMDC), authorized under a new state law called the Next Michigan Development Act.

Benefits derived through a NMDC designation include access to specific targeted incentives that encourage jobs and investment.

The main objectives of NMDC are:

- To create jobs
- To use proven economic development tools in a coordinated manner
- To encourage regional cooperation
- To take advantage of existing regional assets

Who will govern and administer the I-69 International Trade Corridor Next Michigan Development Corporation?

A board will govern it consisting of members from the participating governments; one member from each governmental unit. An Executive Committee may be formed later. Activities of the Development Corporation may be conducted by contract, employed, and/or in-kind administrative and marketing staff. SEDP staff members will be significantly involved in this process.

What powers does the board of the Development Corporation have?

The board will be authorized to recommend various tax incentives to induce businesses to grow or establish new locations within the Corporation territory. **The Development Corporation does not have the power to tax.** It also can recommend to the local participating units streamlined permitting processes, design standards, and other collaborative efforts that aid in the retention, expansion, and attraction of businesses.

Does a community give up local control by agreeing to participate?

No - not only will a participating community have a seat on the board of the Corporation, but the provisions of the Interlocal Agreement give each community the right of approval or disapproval over the actions described above.

Does this Development Corporation inhibit the local unit from acting in its own right, as authorized by law, with respect to business incentives, zoning ordinances, and building codes within its municipal boundaries?

No - the legislation allows for the continuation of normal statutory local control with respect to these activities.

Can a participating government withdraw from the Interlocal Agreement?

Yes - the agreement allows participating municipalities to withdraw upon six months written notice.

Can the Development Corporation issue bonds and notes?

Yes - in its own name and within the limitations set forth in the Interlocal Agreement, the Development Corporation can issue bonds and notes. **These are debts of the Corporation and not of the individual participating governments.**

What is the geographical territory of the Corporation?

The Corporation territory includes only the areas within the boundaries of the local governmental units signing the Interlocal Agreement. **It does not include the area of a county signing as a participating government.**

What other local governments in other counties are known to have approved/are considering approval of this agreement?

- Genesee County – City of Davison, City of Flint, City of Grand Blanc, Flint Township, Genesee County Board of Commissioners, Grand Blanc Township, Mt Morris Township
- Lapeer County - City of Imlay City, City of Lapeer, Lapeer County Board of Commissioners, Village of Almont, Village of North Branch
- Oakland County - Oakland County Board of Commissioners
- St. Clair County - City of Marysville, City of Port Huron, City of St. Clair, St. Clair County Board of Commissioners, St. Clair Township, Village of Capac

RESOLUTION AUTHORIZING THE EXECUTION OF AN INTERLOCAL
AGREEMENT CREATING THE I-69 INTERNATIONAL TRADE CORRIDOR NEXT
MICHIGAN DEVELOPMENT CORPORATION

Whereas, subject to the approval of the Michigan Strategic Fund (MSF) the Next Michigan Development Act, Act 275, 2010 PA 275, MCL 125.2951- 125.2159 (Act 275), allows for the creation of a Next Michigan Development Corporation (NMDC) among local governmental parties for economic development purposes; and

Whereas, Act 275 provides, in part, that there first be in place an Interlocal Agreement under the Urban Cooperation Act of 1967, Act No. 7 of the Public Acts of Michigan, 1967, (Ex Session) MCL 124.501 to 124.512 (Act 7); and

Whereas, Act 275 provides that the Act 7 interlocal agreement be approved by the governor of the state of Michigan before being submitted to the MSF; and

Whereas, this city council has been presented with the attached interlocal agreement creating the I-69 International Trade Corridor Next Michigan Development Corporation (Act 7 interlocal agreement) for economic development purposes and deems it to be in the best interest of the city of Owosso to approve the Act 7 interlocal agreement and become a voting participant in the NMDC.

NOW, THEREFORE, BE IT RESOLVED by the city council of the city of Owosso:

- FIRST: that the city of Owosso has heretofore determined that it is advisable and in the public interest to enter into an interlocal agreement with nearby counties and local units of government that will create the I-69 International Trade Corridor Next Michigan Development Corporation,
- SECOND: that the mayor and other city officials be instructed and authorized to execute for and on behalf of the city of Owosso an agreement substantially in the form attached;
- THIRD: that the mayor and other city officials are further authorized to consent to nonmaterial adjustments and corrections to the form of the attached agreement as may be required by state of Michigan officers or agencies.

Ayes: _____ Nays: _____

Resolution declared adopted this _____ day of _____ 2011.

Clerk

INTERLOCAL AGREEMENT

creating the

I-69 INTERNATIONAL TRADE CORRIDOR NEXT MICHIGAN DEVELOPMENT
CORPORATION

This is an Interlocal Agreement (“Agreement”) entered into by and among the signatory public agencies (each a “Public Agency” or collectively the “Public Agencies”) pursuant to, and as defined in, the Urban Cooperation Act of 1967, Act No. 7 of the Public Acts of Michigan, 1967 (Ex Sess), as amended, MCL 124.501 to 124.512 (“Act 7”). The Public Agencies signing this Agreement may also be referred to as “Parties”, or each a “Party”. Certain of the Parties are Counties and these Parties may be referred to as “County Parties” or each a “County Party”. “Local Government Party” shall mean any Party organized as a Michigan city, village, charter township, or township.

RECITALS

A. The Parties are cognizant of the need in this state, and within their respective jurisdictions, for programs to encourage economic development and investment, job creation and job retention, and ancillary growth.

B. Act 7 permits a Public Agency to exercise jointly with any other Public Agency any power, privilege or authority that such Public Agencies share in common and which each might exercise separately. All Parties to this Agreement are Public Agencies under Act 7.

C. As one means for addressing the above-recited need, the Parties desire to enter into this Agreement, pursuant to Act 7, to jointly create and exercise the economic development powers shared by the Parties. The County Parties and the Local Government Parties desire to create a Next Michigan Development Corporation pursuant to the Next Michigan Development Act, Public Act 275 of 2010, MCL 125.2951-125.2959, as the same may be amended from time to time, (the “Next Michigan Development Act”).

D. Each Party has the power, privilege and authority to perform various economic development activities and administrative functions supportive of economic development activities and to enter into this Agreement.

E. Each Party, pursuant to resolution of its governing body, is authorized to execute and deliver this Agreement.

IN WITNESS WHEREOF, the Parties covenant and agree as follows:

ARTICLE I DEFINITIONS

The following words and expressions, whenever initially capitalized, whether used in the singular or plural, possessive or non-possessive and/or either within or without quotation marks shall be defined and interpreted as follows:

Section 1.01 “Act 7” means the Urban Cooperation Act of 1967, Act No.7 of the Public Acts of Michigan, 1967 (Ex Sess), MCL 124.501 to 124.512.

Section 1.02 “Act 24” means 1995 PA 24, Michigan Economic Growth Authority, as amended, MCL 207.801 – 207.810.

Section 1.03 “Act 198” means Act No. 198 of the Public Acts of Michigan, 1974, as amended, MCL 207.551 to 207.572

Section 1.04 "Act 206" means the General Property Tax Act, Act No. 206 of the Public Acts of Michigan, 1893, as amended, MCL 211.1 to 211.157.

Section 1.05 "Act 275" means 2010 PA 275, the Next Michigan Development Act, MCL 125.2951 – 125. 2959.

Section 1.06 "Act 281" means the Local Development Financing Act, Act No. 281 of the Public Acts of Michigan, 1986, as amended, MCL 125.2151 to 125.2174.

Section 1.07 "Act 376" means the Renaissance Zone Act, Act No. 376 of the Public Acts of Michigan, 1996, as amended, MCL 125.2681 to 125.2696.

Section 1.08 "Act 381" means the Brownfield Redevelopment Financing Act, Act No. 381 of the Public Acts of Michigan 1996, as amended, MCL 125.2651 to 125.2672.

Section 1.09 "Agreement" means this Interlocal Agreement, dated as of the Effective Date.

Section 1.10 "Authority District" means that term as defined in Act 281 (MCL 125.2152 (f))

Section 1.11 "Budget Act" means the Uniform Budgeting and Accounting Act, Act No.2 of the Public Acts of Michigan, 1968, as amended, MCL 141.421 to 141.440a.

Section 1.12 "Corporation" means the I-69 International Trade Corridor Next Michigan Development Corporation created by this Agreement, a separate legal entity and public body corporate and politic, to administer the economic development objectives and purposes set forth herein.

Section 1.13 "Corporation Board" means the board of the Corporation created by Article VI of this Agreement.

Section 1.14 "Effective Date" means the later of the dates on which a fully executed copy of this Agreement is (1) first filed with the Michigan Department of State, Office of the Great Seal, and (2) filed with the County Clerk of each county in which a Party to this Agreement is located.

Section 1.15 "Eligible Next Michigan Business" means that term as defined in Act 24 (MCL 207.803 (h))

Section 1.16 "Executive Committee" means any executive committee of the Corporation Board created pursuant to Article VII of this Agreement.

Section 1.17 "Fiscal Year" means the fiscal year of the Corporation, which shall begin on January 1 of each year and end on December 31 of each year, or such other fiscal year as may be determined from time to time by the Corporation.

Section 1.18 "FOIA" or "Freedom of Information Act" means the Freedom of Information Act, Act No. 442 of the Public Acts of Michigan, 1976, as amended, MCL 15.231 to 15.246.

Section 1.19 "I-69 International Trade Corridor Master Design Plan" or "Master Design Plan" means an overall design plan adopted by the Corporation pursuant to Section 5.03 of this

Agreement for the coordinated and orderly development of the corridor, including the recommended designation of, and uses by, the Local Government Parties under relevant provisions of the Zoning Act. The Master Design Plan shall have no binding force or effect within or upon any portion of the territory of any Local Government Party except to the extent expressly approved by resolution of the governing body of the Local Government Party.

Section 1.20 "Local Government Party" shall mean any Party organized as a Michigan city, village, charter township, or township.

Section 1.21 "Michigan Strategic Fund" or "MSF" means the Michigan Strategic Fund created pursuant to Act No. 270 of the Public Act of Michigan, 1984, as amended, MCL 125.2001 to 125.2094.

Section 1.22 "Next Michigan Development Area" or "NMDA" means that term as defined in Act 281 (MCL 125.2152 (aa))

Section 1.23 "Next Michigan Renaissance Zone" or "Renaissance Zone" means that term as defined in Act 376 (MCL 125.2683 (l))

Section 1.24 "OMA" or "Open Meetings Act" means the Open Meetings Act, Act No. 267 of the Public Acts of Michigan, 1976, as amended, MCL 15.261 to 15.275.

Section 1.25 "Participation Agreement" means an agreement as described in Article IX of this Agreement.

Section 1.26 "Party" or "Parties" means, either individually or collectively as applicable, each County Party and Local Government Party.

Section 1.27 "Permit" shall mean a permit, license or approval required to be granted by a Local Government Party as a condition of the operation of a business.

Section 1.28 "Person" means any individual, authority, profit or non-profit corporation, partnership, limited liability company, university, joint venture, trust, association, chamber of commerce, travel and visitors center, Public Agency, or other legal entity.

Section 1.29 "Public Agency" means that term as defined in Act 7.

Section 1.30 "Site Plan" means that term as defined in the Zoning Act.

Section 1.31 "State" means the State of Michigan.

Section 1.32 "Territory of the Corporation" shall mean the area within the collective boundaries of the Local Government Parties.

Section 1.33 "Tax Increment Revenues" means that term as defined in Act 281, provided that notwithstanding other provisions of State law, for purposes of the Corporation, "Tax Increment Revenues" shall not include any of the following: The amount of ad valorem property taxes or specific taxes captured by a downtown development authority under Act No. 197, Public Acts of Michigan, 1975, as amended, MCL 125.1651 to 125.1681, a tax increment financing authority under Act No. 450, Public Acts of Michigan, 1980, as amended, MCL 125.1801 to 125.1830, a

local development finance authority under Act 281, or a brownfield redevelopment authority under Act 38 I, if those taxes were being captured by such other authorities on the Effective Date.

Section 1.34 "TIF Plan" means a Development Plan and a tax increment financing plan as those terms are defined and used in Act 281.

Section 1.35 "Zone" means a Next Michigan Renaissance Zone.

Section 1.36 "Zoning Act" means the Michigan Zoning Enabling Act, Act No. 110 of the Public Acts of Michigan, 2006, as amended, MCL 125.3101 to 125.3702.

ARTICLE II CREATION OF THE I-69 NEXT MICHIGAN DEVELOPMENT CORPORATION

Section 2.01 **Creation and Legal Status of the I-69 International Trade Corridor Next Michigan Development Corporation.** There is hereby created a separate legal entity and public body corporate and politic to be known as the "I-69 International Trade Corridor Next Michigan Development Corporation" for the purpose of administering and executing this Agreement. The Corporation shall have all of the powers granted in this Agreement.

Section 2.02 **Geographic Boundaries.** The boundaries of the Corporation within which it may exercise its powers shall be the area within the collective political boundaries of the Local Government Parties. The Corporation shall have no extraterritorial power or authority.

Section 2.03 **Principal Office.** The initial principal office of the Corporation is 519 S. Saginaw Street, Suite 200, Flint, Michigan 48502 or such other location as may be determined from time to time by the Corporation Board.

Section 2.04 **Title to Corporation Assets.** Except as otherwise provided under the terms of a transfer of programs and/or funding from a Party or Person to the Corporation, the Corporation shall have exclusive title to all its property, and no Party or Person shall have an ownership interest in Corporation property.

Section 2.05 **Tax-exempt Status.** The Parties intend and declare the activities of the Corporation to be governmental functions carried out by an instrumentality or political subdivision of government as described in Section 115 of the Internal Revenue Code of 1986, 26 USC 115, or any corresponding provisions of any future tax code. The Parties also intend and declare the activities of the Corporation to be governmental functions carried out by a political subdivision of this State, exempt to the extent provided under Michigan law from taxation by this State, including, but not limited to, the business taxes and ad valorem property taxes under Act 206, and exempt to the extent provided under Michigan law from all governmental assessments and fees otherwise applicable to private entities.

Section 2.06 **Compliance with Law.** The Corporation shall comply with all federal and state laws, rules, regulations, and orders applicable to this Agreement, including duties and obligations that may from time to time be transferred to the Corporation from each of the respective Parties or to which the Corporation shall be subject by direction of the Parties.

Section 2.07 **Independent Contractor.** The Parties agree that at all times and for all purposes under the terms of this Agreement each Party's relationship to each other shall be that of an independent contractor. Each Party will be solely responsible for the acts of its own

employees, agents, and servants. No liability, right or benefit arising out of any employer/employee relationship, either express or implied, shall arise or accrue to any Party as a result of this Agreement.

Section 2.08 No Third Party Beneficiaries. Except as expressly provided herein, this Agreement does not, and is not intended to, create, by implication or otherwise, any direct or indirect obligation, duty, promise, benefit, right to be indemnified (i.e., contractually, legally, equitably, or by implication) and/or any right to be subrogated to any Party's rights in this Agreement, and/or any other right of any kind, in favor of any Person.

Section 2.09 Ethics: Conflicts of Interest. Members of the Corporate Board and Executive Committee and the officers, appointees and employees of the Corporation shall be considered "public servants" as defined in, and shall be subject to, Act No. 317, Public Acts of Michigan, 1968, as amended, MCL 15.321 to 15.330, and shall be considered "public officers" or "employees," as applicable, as defined in, and shall be subject to, Act No. 196, Public Acts of Michigan, 1973, as amended, MCL 15.341 to 15.348.

Section 2.10 Limitation of Liability. To the extent that a Party has transferred any administrative obligation or responsibility imposed upon it by law to the Corporation, and to the extent that such Party has provided funding as may be required by agreement with the Corporation, actual and timely performance by the Corporation shall be deemed satisfaction of the Party's obligation or responsibility. In such cases, the transferring Party shall not be responsible in any way for performance of the transferred obligation or responsibility. An agreement respecting transfers of administrative obligations or responsibilities may limit the liability of a transferring Party for any actions taken by the Corporation. The Corporation may insure against any such potential loss/damage.

Section 2.11 Assumed Name. The Corporation shall have the power and authority to operate under an assumed name as determined from time to time by the Corporation Board.

ARTICLE III PURPOSE

Section 3.01 Purpose. The purpose of the Corporation shall be to take advantage of the provisions of State law, now or hereafter enacted, enabling the creation and implementation of economic development activities generally and of Next Michigan Development Corporations as defined in Act 275, in particular, and to attract Eligible Next Michigan Businesses, as that term is defined in Act 24, and shall include the exercise of power granted by State law and the joint exercise of shared powers, privileges or authority of the Parties to perform successful, effective and efficient economic development programs and functions throughout the Territory of the Corporation. Shared powers shall include the coordination of complementary local programs and functions of the Parties. The Parties desire and intend that the Corporation created hereby be fully empowered and authorized to exercise such powers as granted by Act 7 and Act 275, as the same may be amended from time to time, and any laws subsequently enacted allowing for the creation and governance of investment zones for economic development purposes, of whatsoever nature, to the fullest extent authorized by law without further amendment to this Agreement, subject only to the limitations set forth in this Agreement.

**ARTICLE IV
GENERAL POWERS OF CORPORATION**

Section 4.01 Powers Granted Under Act 7. In carrying out its purposes, the Corporation may perform, or perform with any Person, as applicable, any power, privilege, or Corporation that the Parties share in common and that each might exercise separately to the fullest extent permitted by Act 7 and in accordance with relevant law, except as expressly otherwise provided in this Agreement. The Corporation shall not have the power to bind a Party, unless otherwise agreed to by the Party. The enumeration of a power in this Agreement shall not be construed as a limitation upon the powers of the Corporation, and is in addition to any powers authorized by law. Among other things, the Corporation, in its own name, shall have the power to:

- (a) Make or enter into contracts;
- (b) Employ agencies or employees;
- (c) Acquire, construct, manage, maintain, or operate buildings, works, or improvements;
- (d) Acquire, own, hold, operate, maintain, lease, or sell real or personal property and dispose of, divide, or distribute any property.
- (e) Incur debts, liabilities, or obligations that, except as expressly authorized by the Parties, do not constitute the debts, liabilities, or obligations of any of the Parties;
- (f) Cooperate with a Public Agency, an agency or instrumentality of the Public Agency, or another legal or administrative entity created by the Public Agency under Act 7;
- (g) Make loans from the proceeds of gifts, grants, assistance funds, or bequests in order to further its purposes;
- (h) Form other entities necessary to further the purposes of the Agreement; and
- (i) Sue and be sued.

Section 4.02 Additional Powers Granted Under Act 7. The Corporation shall also have the power to:

- (a) Employ, engage, compensate, transfer, or discharge necessary personnel, subject to the provisions of applicable civil service and merit systems and Act 7;
- (b) Fix and collect charges, rates, rents, fees, loan repayments, loan interest rates, or other charges on loans;
- (c) Promulgate necessary rules and provision for their enforcement by or with the assistance of the Parties to accomplish the purposes of this Agreement;
- (d) Accept gifts, grants, assistance funds, or bequests and use the same for the purposes of this Agreement. The Corporation may apply for and accept grants, loans, or contributions from any source. The Corporation may do anything within its power to secure the grants, loans, or other contributions;

- (e) Make claims for federal or state aid payable to a Party on account of the execution of this Agreement;
- (f) Respond for any liabilities that might be incurred through performance of the Agreement and insure against any such liability;
- (g) Adjudicate disputes or disagreements, the effects of failure of the Parties to pay their shares of the costs and expenses, and the rights of the other Parties in such cases;
- (h) Engage auditors to perform independent audits of the financial statements of the Corporation;
- (i) Invest surplus funds or proceeds of grants, gifts, or bequests and adopt an investment policy in connection therewith;
- (j) Employ legal, financial and technical experts, other officers, agents, or employees, and accept voluntary provision of such services and functions from donor individuals and entities;
- (k) Study, develop, and prepare the reports or plans the Corporation considers necessary to further the purposes of this Agreement and to monitor and evaluate performance under this Agreement; and
- (l) Indemnify, as permitted by law, and procure insurance indemnifying any members of the Corporation Board or officers or employees of the Corporation from personal loss or accountability from liability asserted by any Person for any acts or omissions of the Corporation.

Section 4.03 Powers Under Other State Law. In addition to all general powers granted under Act 7, the Corporation also shall have all of the powers granted to a Next Michigan Development Corporation created under Act 275 and under other applicable State law, now existing or as hereafter amended, including specifically by way of example and not limitation, Act 376, Act 281, Act 198 and Act 206, it being the intent of the Parties that the Corporation be empowered to accomplish its purposes to the full extent authorized by law.

Furthermore, by way of example and not limitation, the Corporation shall have all the powers granted under existing law, or subsequently enacted, allowing for the establishment of investment zones for economic development purposes throughout the state. Such powers shall include, but not be limited to, powers to establish the location, administration, management, requirements, and duration of such investment zones for economic development purposes.

Section 4.04 Bonds or Notes: Limitations. The Corporation shall not issue any type of bond in its own name or in any way indebted a Party except as provided below. The Corporation may borrow money and issue bonds or notes in its name for local public improvements or for economic development purposes provided that the Corporation shall not borrow money or issue bonds or notes for a sum that, together with the total outstanding bonded indebtedness of the Corporation, exceeds 2 mills of the taxable value of the taxable property within the Parties as determined under section 27a of The General Property Tax Act, 1893 PA 206, MCL 211.27a, unless otherwise authorized by Act 7. Bonds or notes issued by the Corporation are the debt of the Corporation and not of the Parties. Bonds or notes issued by the Corporation are for an

essential public and governmental purpose. Pursuant to Section 7(7) of Act 7, bonds or notes, together with the interest on the bonds or notes and income from the bonds or notes, are exempt from all taxes. Bonds or notes issued by the Corporation are subject to Act 34 as required by Section 7(8) of Act 7.

Section 4.05 Tax Limitation. The Corporation shall not levy any type of tax within the boundaries of any Party. Nothing contained in this Agreement, however, prevents the Parties from levying taxes in their own right and assigning the revenue from such taxes to the Corporation, to the extent permitted by law.

Section 4.06 Limitation on Political Activities. The Corporation shall not spend any public funds on political activities. This section is not intended to prohibit the Corporation from engaging in activities permitted under the Michigan Campaign Finance Act, 1976 PA 388, MCL 169.201 to 169.282.

Section 4.07 No Waiver of Governmental Immunity. The Parties agree that no provision of the Agreement is intended, nor shall it be construed, as a waiver by any Party of any governmental immunity provided under Act 7 or other law.

ARTICLE V SPECIFIC POWERS OF CORPORATION; LIMITATIONS

Section 5.01 Development Criteria. The Corporation shall have the power to develop and establish development criteria and development-ready preconditions for the Parties for economic development assistance for application within the geographic territory of the Corporation.

Section 5.02 Design Standards. The Corporation shall promulgate specific design standards to be applied to property and developments which receive economic development incentives under this Agreement and relevant law. The design standards shall be submitted to the Local Government Parties for approval prior to implementation.

To the extent reasonably practicable, in the promulgation of design standards the Corporation shall take into reasonable consideration the protective covenants and zoning ordinance provisions recommended by the Michigan Economic Development Corporation and the Michigan Economic Developers Association (or any similar successor organization(s)) for “Certified Business Parks” or any similar subsequently- recognized designation by Michigan economic developer associations or groups.

Section 5.03 I-69 International Trade Corridor Master Design Plan. The Corporation, in collaboration with the Local Government Parties, shall have the power to promulgate a Master Design Plan for areas within the Territory of the Corporation. The Master Design Plan may include proposed land uses, and shall be submitted to the Local Government Parties for approval prior to implementation.

Section 5.04 Application Criteria and Review; Incentives. The Corporation shall have the power to promulgate application materials; to seek and accept applications from prospective developers and businesses; to establish criteria for Eligible Next Michigan Businesses; to establish criteria and review applications for incentives from prospective developers and businesses; to make determinations in its sole discretion in respect of the approval, in whole or in part, of such applications and of economic development incentives under

relevant law (including, by way of example and not limitation, under Act 376, Act 281, Act 198 and Act 206), except as such discretion is expressly limited by this Agreement or law; to consult with the Michigan Strategic Fund in respect of applications and approvals; to monitor the performance of applicants; and to make recommendations in respect of applications to the Michigan Strategic Fund, a Local Government Party, or any other Person having subject matter jurisdiction.

Section 5.05 Infrastructure Planning and Development. The Corporation shall have the power to work with State and local government officials in the planning and development of infrastructure within the Territory of the Corporation.

Section 5.06 Site Selection. The Corporation shall have the power to assist prospective developers and businesses with selection of development sites within the Territory of the Corporation.

Section 5.07 Marketing: Business Attraction. The Corporation shall have the power to conduct marketing and business attraction efforts.

Section 5.08 Real Estate Development. The Corporation shall have the power to assist any Person in respect of the development of real estate for use by an eligible Next Michigan Business within the Territory of the Corporation.

Section 5.09 Regulatory Assistance and Processing. The Corporation shall have the power to provide assistance to prospective developers and businesses in respect of applying for and obtaining any necessary or advisable licenses, permits or approvals from federal, State and local government entities.

Section 5.10 Streamlined Permitting Processes. The Parties recognize the need for uniform and streamlined local permitting processes, and therefore the Corporation shall have the power to promulgate and recommend for approval to the Local Government Parties streamlined permitting and approval processes for projects within the Territory of the Corporation.

Section 5.11 Local Government Assistance. The Corporation shall have the power to provide assistance to Local Government Parties with the implementation and coordination of economic development programs within the Territory of the Corporation.

Section 5.12 Designation of Next Michigan Renaissance Zones: Criteria: Local Government Party Disapproval. Subject to the provisions of Act 376 and herein, the Corporation shall have the power to designate property within the Corporation's geographic territory as a Next Michigan Renaissance Zone (Zone). Prior to any such designation, the Corporation shall receive a resolution of approval from the Local Government Party within which the Zone is proposed to be located. Within the first six months following the approval of this Corporation as a Next Michigan Development Corporation by the Michigan Strategic Fund (MSF), each initial Local Government Party shall be entitled to designate and request by resolution to the Corporation of one Zone within its territory for the Corporation's consideration provided: that such Zone shall be consistent with the I-69 International Trade Corridor Master Design Plan; shall adhere to the permitting, zoning and design standards adopted by the Corporation; and each respective Local Government Party shall assist with the preparation of the development plan in respect of such Zone within its territory. The Corporation shall consider the criteria set forth in section 7 of Act 376, MCL 125.2687, in designating a Zone. The Corporation shall provide written notice of the proposed recommendation of property as a Zone to each Local

Government Party within 10 days of such recommendation. The Corporation shall have no power to designate, and shall not designate, a Zone if the Local Government Party within which the proposed Zone is to be located delivers to the Corporation, either prior to any such recommendation by the Corporation or not later than 30 days after the Local Government Party has received written notice from the Corporation of the designation, a resolution from the Local Government Party's governing body stating its disapproval of a Zone recommendation; provided, however, that a Local Government Party may revoke or rescind its disapproval resolution at any time. If the disapproval resolution is revoked or rescinded, the Local Government Party thereafter may not disapprove of the Zone recommendation to which the original disapproval applied.

Section 5.13 Designation of Next Michigan Development Areas (“NMDA”): Criteria: Conditions: Local Government Party Disapproval. The Corporation shall establish criteria for and may establish an Authority under Act 281 and an Authority District and designate a NMDA within the Authority District. Prior to the establishment of a NMDA, the Corporation shall receive a resolution of approval from any Local Government Party within which the NMDA is proposed to be located. Except as provided below, the Corporation shall not use Tax Increment Revenues derived from ad valorem taxes levied by a Local Government Party for any project or purpose outside the territory of the Local Government Party without the Local Government Party's written consent to the use. Notwithstanding the foregoing, the Corporation may use Tax Increment Revenues for the purpose of paying the Corporation's operating expenses to the extent permitted by law. This Agreement shall be deemed to be an agreement with taxing jurisdictions to share a portion of the captured assessed value or to distribute tax increment revenues among taxing jurisdictions as contemplated by section 12(5) of Act 281. The Corporation shall provide written notice of the proposed designation of an NMDA to each Local Government Party within 10 days of such designation. The Corporation shall have no power to designate, and shall not designate, an NMDA if the Local Government Party within which the proposed NMDA is to be located delivers to the Corporation, either prior to any such designation by the Corporation or not later than 30 days after the Local Government Party has received written notice from the Corporation of the designation, a resolution from the Local Government Party's governing body stating its disapproval of NMDA designation; provided, however, that a Local Government Party may revoke or rescind its disapproval resolution at any time. If the disapproval resolution is revoked or rescinded, the Local Government Party thereafter may not disapprove of the NMDA designation to which the original disapproval applied.

Section 5.14 Designation of Eligible Next Michigan Business: Local Government Party Disapproval. Subject to the provisions of Act 376 and herein, the Corporation shall have the power to designate a business for certification as an Eligible Next Michigan Business. The Corporation shall provide written notice of the proposed designation of a business as an Eligible Next Michigan Business to each Local Government Party within 10 days of such designation. The Corporation shall have no power to designate, and shall not designate, a business as an Eligible Next Michigan Business if the Local Government Party within which the proposed Eligible Next Michigan Business proposes to locate or is located delivers to the Corporation, either prior to any such designation by the Corporation or not later than 30 days after the Local Government Party has received written notice from the Corporation of the designation, a resolution from the Local Government Party's governing body stating its disapproval of an Eligible Next Michigan Business designation; provided, however, that a Local Government Party may revoke or rescind its disapproval resolution at any time. If the disapproval resolution is revoked or rescinded, the Local Government Party thereafter may not disapprove of the Eligible Next Michigan Business designation to which the original disapproval applied. An eligible Next Michigan Business shall be designated only with respect to a particular proposed

project for which tax incentives are sought. Each separate proposal submitted by a business for consideration for tax incentives shall require that the business be separately designated as a Eligible Next Michigan Business in respect of that specific proposal, notwithstanding any prior designation as an Eligible Next Michigan Business in respect of another proposal. For purposes of the foregoing limitation, "particular proposed project" shall mean a project as described by the business applicant with reasonable specificity satisfactory to the Corporation as to location, development components, operating characteristics, site improvements, capital investment, ancillary improvements, and other relevant information. No separate Eligible Next Michigan Business designation shall be required for any expansion of an existing project which does not exceed a capital investment of 100% of the capital investment previously made by the Eligible Next Michigan Business in respect of that existing project.

Section 5.15 Approval of Act 198 Tax Abatements; Local Government Party

Disapproval. Subject to the provisions of Act 198 and herein, the Corporation shall have the power to establish plant rehabilitation districts and industrial development districts and exercise the other powers under Act 198. The Corporation shall provide written notice of the proposed approval of a plant rehabilitation district or an industrial development district to each Local Government Party within 10 days of such approval. The Corporation shall have no power to approve, and shall not approve, a plant rehabilitation district or an industrial development district if the Local Government Party within which the proposed plant rehabilitation district or industrial development district is located delivers to the Corporation, either prior to any such approval by the Corporation or not later than 30 days after the Local Government Party has received written notice from the Corporation of the approval, a resolution from the Local Government Party's governing body stating its disapproval of the establishment of the district; provided, however, that a Local Government Party may revoke or rescind its disapproval resolution at any time. If the disapproval resolution is revoked or rescinded, the Local Government Party thereafter may not disapprove of the district to which the original disapproval applied.

Section 5.16 Approval of Personal Property Tax Exemptions; Local Government Party Disapproval.

Subject to the provisions of Act 206 and herein, the Corporation shall have the power to exempt new personal property under section 9f of Act 206. The Corporation shall provide written notice of the proposed resolution exempting such property to each Local Government Party within 10 days of the approval of such resolution. The Corporation shall have no power to approve, and shall not approve, any exemption of new personal property under Act 206 if the Local Government Party within which the new personal property proposed to be exempted is located delivers to the Corporation, either prior to any such approval by the Corporation or not later than 30 days after the Local Government Party has received written notice from the Corporation of the approval, a resolution from the Local Government Party's governing body stating its disapproval of the exemption; provided, however, that a Local Government Party may revoke or rescind its disapproval resolution at any time. If the disapproval resolution is revoked or rescinded, the Local Government Party thereafter may not disapprove of the exemption to which the original disapproval applied.

**ARTICLE VI
CORPORATION BOARD**

Section 6.01 Corporation Board Composition. The appointing authority of each Party shall appoint one (1) member of the Corporation Board. Members of the Corporation Board shall serve at the pleasure of the appointing Party for terms established by each Party, but not to exceed four (4) years.

(a) Each Party entitled to membership on the Corporation Board shall have the ability to appoint one (1) alternate to serve in a permanent member's place and stead if the permanent member is absent from a Corporation Board meeting. Appointment of the alternate shall be made by the appointing authority in writing.

(b) A vacancy on the Corporation Board shall be filled in the same manner as the original appointment for the balance of the unexpired term.

(c) A Corporation Board member may be removed by the appointing authority at will.

Section 6.02 Meetings. The Corporation Board shall meet at least annually at the place, date, and time the Corporation Board shall determine. Meetings shall comply with the Open Meetings Act. To the extent permissible by Michigan law, the conduct of, and the participation in, meetings may occur through electronic or telephonic means.

Section 6.03 Quorum and Voting. A majority of the Corporation Board then in office and present in person shall be required to constitute a quorum for the transaction of business, and a majority vote at a meeting at which a quorum is present shall be necessary for the transaction of business.

Section 6.04 Corporation Board Powers and Responsibilities. The Corporation Board shall do all of the following by a majority vote:

- (1) Adopt rules of procedure governing the Corporation Board and its actions and meetings. Initial rules of procedure shall be adopted within six (6) months of the first meeting of the Corporation Board. The rules of procedure shall contain provisions for, and a process governing, dispute resolution between and among the Parties.
- (2) Exercise all powers of the Corporation granted to the Corporation by this Agreement and under law.
- (3) Elect officers of the Corporation, which shall be a Chair, Vice-Chair, Secretary and Treasurer, and such other officers or assistant officers as the Corporation Board may determine. The offices of Secretary and Treasurer may be combined.
- (4) Approve policies to govern and implement the day-to-day operations of the Corporation.
- (5) Provide a system of accounts and approve the Corporation budget.
- (6) Adopt an investment policy.
- (7) Cause to be conducted an annual independent audit of the Corporation in accordance with the Budget Act.
- (8) Take such other actions and steps as shall be necessary or advisable to accomplish the purposes of this Agreement

Section 6.05 Fiduciary Duty. The members of the Corporation Board are under a fiduciary duty to conduct the activities and affairs of the Corporation in the best interests of the Corporation, including the safekeeping and use of all Corporation monies and assets for the benefit of the Corporation. The members of the Corporation Board shall discharge this duty in good faith, with the care an ordinarily prudent individual in a like position would exercise under similar circumstances.

Section 6.06 Compensation. The members of the Corporation Board shall receive no compensation for the performance of their duties, but each member shall be reimbursed for such member's reasonable expenses in carrying out those duties. A member of the Corporation Board may engage in private or public employment, or in a profession or business.

Section 6.07 Conflicts of Interest. The Corporation Board may establish policies and procedures requiring periodic disclosure of any relationship that may give rise to a conflict of interest. The Corporation Board may require that a member who has a direct interest in any matter before the Corporation disclose the member's interest and any reasons reasonably known to the member of the Corporation Board why the transaction may not be in the best interest of the public before the Corporation Board takes any action with respect to the matter. The disclosure shall become part of the record of the Corporation's proceedings. The Corporation Board also may establish policies to preclude the opportunity for and the occurrence of transactions by the Corporation that would create a conflict of interest involving members of the Corporation Board, and employees of the Corporation. At a minimum, these policies to be established for the Corporation should include compliance by each member of the Corporation Board and employees of the Corporation who regularly exercise significant discretion over the award and management of Corporation projects with policies governing the following:

(a) Immediate disclosure of the existence and nature of any financial interest of an individual or immediate family member that would reasonably be expected to create a conflict of interest.

(b) Withdrawal by an employee or member from participation in or discussion or evaluation of any recommendation or decision involving a Corporation project that would reasonably be expected to create a conflict of interest for that employee or member.

ARTICLE VII EXECUTIVE COMMITTEE AND CHIEF EXECUTIVE OFFICER

Section 7.01 Executive Committee. By a two-thirds vote of the voting members of the Corporation Board then serving in office, the Corporation may establish an Executive Committee with such powers, duties, rules, and procedures as may be set forth in the resolution of the Board establishing the Executive Committee. Until such time as an Executive Committee is established and empowered by the Corporation Board, the Corporation Board shall be the sole governing body of the Corporation.

Section 7.02 Chief Executive Officer. The Corporation Board may select and retain a Chief Executive Officer. The Chief Executive Officer shall administer the Corporation in accordance with the direction of the Corporation Board, the operating budget, the general policy guidelines established by the Corporation Board, other applicable governmental procedures and policies, and this Agreement. The Chief Executive Officer shall be responsible for the day-to-day operation of the Corporation; the control, management and oversight of the Corporation's functions; and supervision of all Corporation employees. All terms and conditions of the Chief Executive Officer's employment, compensation, including length of service, shall be specified in a written contract between the Chief Executive Officer and the Corporation Board, provided that the Chief Executive Officer shall serve at the pleasure of the Corporation Board, and the

Corporation Board may remove or discharge the Chief Executive Officer by a vote of not less than three-fifths (3/5) of its voting members then serving in office.

ARTICLE VIII
DURATION OF, WITHDRAWAL FROM, AND TERMINATION OF INTERLOCAL AGREEMENT

Section 8.01 Duration. The Corporation commences on the Effective Date and continues for a term of twenty-five (25) years unless earlier terminated in accordance with this Article VIII.

Section 8.02 Withdrawal by a Party. Any Party may withdraw from the Agreement at any time upon notice given six (6) months in advance to Corporation, or in accordance with section 14.10 of this Agreement, and the Corporation thereafter shall exercise no power or authority within the territory of the withdrawing Party; provided that if the Corporation has incurred debts or obligations in reliance upon the payment by the Party of a share of the debt or obligation, the Party shall remain obligated for any such payment following its withdrawal from the Agreement; and provided further that the withdrawal of a Party shall not invalidate nor terminate prior to its stated termination date any Next Michigan Renaissance Zone, Next Michigan Development Area, TIF Plan or the collection of Tax Increment Revenues, or any other economic development incentive previously established or granted prior to the withdrawal of the Party, and the withdrawing Party shall be deemed to remain a Party if necessary for the limited purpose of preserving any of the foregoing incentives, and provided further, that in the event of a withdrawal by a Party, the Corporation shall not extend the effective term of any of the foregoing incentives beyond its stated termination date.

Section 8.03 Termination. This Agreement shall continue until terminated by the first to occur of the following:

- (a) When there is one (1) Party;
- (b) A three-fourths (3/4) vote of the voting members of the Corporation Board then serving in office; or
- (c) Expiration of the stated term of the Agreement.

Section 8.04 Disposition upon Termination. As soon as possible after termination of this Agreement, the Corporation shall wind up its affairs as follows:

- (a) All of the Corporation's debts, liabilities, and obligations to its creditors and all expenses incurred in connection with the termination of the Corporation and distribution of its assets shall be paid first; and
- (b) The remaining assets, if any, shall be distributed among the remaining Parties in accordance with Act 7 or other relevant law, and otherwise in proportion to their contributions to the Corporation.

ARTICLE IX FEES

Section 9.01 Initial Annual Fees. Commencing on the Effective Date, for the first three (3) term years any government which becomes a County or Local Government Party to this Agreement shall be required to pay an annual fee by itself as a County Party or through a County Party in the case of a Local Government Party. The annual County Party fee for the first three (3) term years is set forth in Exhibit A.

Section 9.02 Annual Membership Fees. Except as otherwise provided in Section 9.01, the Corporation Board shall establish and may revise biannually membership classes and a schedule of annual membership fees for the Corporation, including its membership classes. The membership fees shall include fee categories for Parties and for non-Party entities. The Corporation's operating expenses shall be paid for first from the collection of Tax Increment Revenues by the Corporation under a TIF Plan, and the amount of Tax Increment Revenues attributable to a Party's annual millage levy shall be credited against that Party's annual membership fee, provided that for the first five years from the establishment of an Next Michigan Development Area, the credit against the annual membership fee shall not exceed 1/3 of the then applicable fee. The balance of the annual membership fee shall be paid by the Party from any funds legally available for such purpose.

Section 9.03 Personal Property, Assets and Services. Any Party or entity from time to time may make contributions of personal property and assets to the Corporation. The reasonable value of any property and assets contributed may be credited against the Party's or other entity's initial annual membership fee as set forth in Section 9.02 and thereafter upon approval by the Corporation Board. Reasonable value shall be determined by the Corporation Board, in its sole discretion, by reference to a published market rate of the items in question, competitive quotes, or other objective measure approved by the Corporation Board.

Section 9.04 Employees. Any Party or entity from time to time may contribute employees to the Corporation. The reasonable value of employees contributed shall be credited against the Party's or other entity's initial annual membership fee as set forth in Section 9.02 and thereafter upon approval by the Corporation Board. Reasonable value shall be determined by the Corporation Board, in its sole discretion, based upon a proration for the time worked of the annual total compensation of the employee being loaned or other objective measure approved by the Corporation Board. The Corporation shall have full discretion to return the employee to the Party or other entity for non-performance, in which case the Party shall be subject to and shall promptly pay the Party's or other entity's remaining membership fee.

Section 9.05 Marketing Costs. The Corporation annually shall prepare a marketing budget for the Corporation for the purpose of paying for marketing efforts designed to attract businesses to, and create jobs within, the Territory of the Corporation.

Section 9.06 Acts and Omissions. The Corporation shall only be liable for its own acts or omissions which occur after the Effective Date and none of the Parties shall be liable for any acts or omissions of the Corporation.

Section 9.07 Execution of Documents. The Corporation and each Party shall cooperate in order to execute and deliver to the Corporation any and all documents including bills of sale, assignments, and certificates necessary or appropriate to effectuate each Party's contribution to the Corporation.

Section 9.08 Participation Agreement. The Corporation and a Party may enter into a Participation Agreement for the purpose of executing the purposes and activities contemplated herein.

ARTICLE X ADMISSION OF OTHER PARTIES

Section 10.01 Procedure. Following the Effective Date, a Public Agency may become a Party by submitting a written request to the Corporation Board pursuant to guidelines established by the Corporation Board, payment of the then applicable membership fees, and in accordance with law. The Corporation Board shall approve or deny the request. Approval of this Agreement shall be by resolution of the entity seeking to become a Party.

Section 10.02 Effective Date. The effective date of admission of a Party is the date on which a fully executed copy of this Agreement which contains the name and signatory of the newly admitted Party is filed with Michigan Department of State, Office of the Great Seal, and filed with the County Clerk of each county which is a Party to this Agreement pursuant to Section 10 of Act 7.

Section 10.03 Not an Amendment to Agreement. The admission of additional Parties after the initial Effective Date of this Agreement shall not constitute an amendment to or alternative form of this Agreement nor change the Effective Date. Any amendment to or alternative form of this Agreement may be made only in accordance with Section 14.10

ARTICLE XI REVENUE SHARING, JOINT PLANNING COMMISSION

Section 11.01 Revenue Sharing. The Parties conceptually agree that the Corporation's success in attracting economic development should be shared among all Parties. The Parties therefore agree to investigate a fair and equitable means of sharing all or a portion of revenue derived by and for the benefit of the Parties in accordance with the provisions of Act 7 and other relevant law.

Section 11.02 Joint Planning Commission. The Parties agree to consider the feasibility of establishing a joint planning commission under the Joint Municipal Planning Act, Act No. 226 of 2003, MCL 125.131 to 125.143.

ARTICLE XII BOOKS AND REPORTS

Section 12.01. Accrual Basis. The Corporation shall maintain its books of account on an accrual basis of accounting, except as otherwise required by law.

Section 12.02. Corporation Records. The Corporation shall keep and maintain at the principal office of the Corporation all documents and records of the Corporation. The records of the Corporation shall include a copy of this Agreement along with a listing of the names and

addresses of the Parties. Such records and documents shall be maintained until termination of this Agreement.

Section 12.03. Financial Statements and Reports. The Corporation shall cause to be prepared at least annually, at Corporation expense, audited financial statements prepared in accordance with the Budget Act and with generally accepted accounting principles and accompanied by a written opinion of an independent Certified Public Accountant. A copy of the annual financial statement and report shall be filed with the State Department of Treasury within six months after the end of the Corporation's Fiscal Year in accordance with law, with copies filed with each Party.

Section 12.04. Freedom of Information Act. The Corporation is subject to and shall comply with the Freedom of Information Act.

ARTICLE XIII FINANCES

Section 13.01 Annual Budget. The Corporation shall be subject to and comply with the Budget Act. The Corporation Board annually shall prepare and approve a budget for the Corporation for each Fiscal Year. Each budget shall be approved not less than 15 days prior to the beginning of the Fiscal Year.

Section 13.02 Deposits and Investments. The Corporation shall deposit and invest funds of the Corporation, not otherwise employed in carrying out the purposes of the Corporation, in accordance with an investment policy established by the Corporation Board consistent with State law regarding the investment of public funds.

Section 13.03 Disbursements. Disbursements of funds shall be in accordance with guidelines established by the Corporation Board and in accordance with the Budget Act and law.

ARTICLE XIV MISCELLANEOUS

Section 14.01 Notices. Notice of all meetings of any Executive Committee and of the Corporation Board shall be given in the manner required by the OMA. In addition, at least three (3) days prior to the date set for the holding of any meeting of any Executive Committee or Corporation Board, written notice of the time and place of such meeting shall be sent by email or other electronic means to each Executive Committee member and Corporation Board member, as the case may be, at the email or other appropriate address of such member appearing on the records of the Corporation. Every notice by email or other electronic means shall be deemed duly served as of 5:00 p.m., prevailing Eastern time, next following the actual time when the notice is transmitted, as recorded by the Corporation's communication system. The Chief Executive Officer, if any, or his or her designee may, but shall not be required to, cause additional written notice to be provided to a member or members by mailing such notice via regular U.S. mail not less than seven (7) days prior to the date set for the holding of the meeting to the address of such member or members appearing on the records of the Corporation. Mailed notice shall be deemed duly served on the second business day following the day when the same has been deposited in the United States mail with postage fully prepaid and addressed to the addressee as provided above. Any and all correspondence or notices required, permitted or provided for under this Agreement to be delivered to any Party shall be sent to that Party by email or other electronic means at the email or other appropriate address of such Party appearing on the records of the

Corporation, with a written copy by first class mail, provided that notices required by Sections 5.12, 5.13, 5.14, 5.15 and 5.16 and notices of withdrawal shall be sent by certified mail, return receipt requested, in lieu of first class mail. All such written notices including any notice of withdrawal as provided herein shall to be sent to each other Party's signatory to this Agreement, or that signatory's successor at the address as set forth above such Party's signature, or to such other address provided by the Party to the Corporation from time to time. All correspondence shall be considered delivered to a Party as of 5:00 p.m., prevailing Eastern Time, next following the actual time when the notice is transmitted, as recorded by the Corporation's communication system.

Section 14.02 Entire Agreement. This Agreement sets forth the entire agreement between the Parties and supersedes any and all prior agreements or understandings between them in any way related to the subject matter hereof. It is further understood and agreed that the terms and conditions herein are contractual and are not a mere recital and that there are no other agreements, understandings, contracts, or representations between the Parties in any way related to the subject matter hereof, except as expressly stated herein.

Section 14.03 No Presumption. This Agreement shall be construed without regard to any presumption or other rule requiring construction against the Party causing this Agreement to be drafted.

Section 14.04 Severability of Provisions. If any provision of this Agreement, or its application to any Person or circumstance, is invalid or unenforceable, the remainder of this Agreement and the application of that provision to other Persons or circumstances is not affected but will be enforced to the extent permitted by law.

Section 14.05 Governing Law. This Agreement is made and entered into in the State of Michigan and shall in all respects be interpreted, enforced and governed under the laws of the State of Michigan without regard to the doctrine of conflict of laws. The language of all parts of this Agreement shall in all cases be construed as a whole according to its fair meaning, and not construed strictly for or against any Party.

Section 14.06 Captions. The captions, headings, and titles in this Agreement are intended for the convenience of the reader and not intended to have any substantive meaning and are not to be interpreted as part of this Agreement. They are solely for convenience of reference and do not affect this Section.

Section 14.07 Terminology. All terms and words used in this Agreement, regardless of the number or gender in which they are used, are deemed to include any other number and any other gender as the context may require.

Section 14.08 Cross-References. References in this Agreement to any Article include all Sections, subsections, and paragraphs in the Article; references in this Agreement to any Section include all subsections and paragraphs in the Section.

Section 14.09 Jurisdiction and Venue. In the event of any disputes between the Parties over the meaning, interpretation or implementation of the terms, covenants or conditions of this Agreement, the matter under dispute, unless resolved between the parties, shall be submitted to the courts of the State of Michigan, with original jurisdiction and venue vested in a court of competent jurisdiction.

Section 14.10 Amendment. The Agreement may be amended or an alternative form of the Agreement adopted only upon written agreement of all Parties. In the event that an amendment to this Agreement or alternative form of Agreement is approved by less than all Parties, any Party which has not approved of the amendment or alternative form of Agreement may withdraw from the Corporation.

Section 14.11 Execution of Agreement; Counterparts. Each Party shall duly execute three (3) counterparts of this agreement, each of which (taken together) is an original but all of which constitute one instrument.

Section 14.12 Signatories. The signatories for the Parties each certify that he or she is authorized to enter into this Agreement and to execute and bind legally each Party to this document.

IN WITNESS WHEREOF, this Agreement is executed by each Party on the date hereafter set forth and effective as of the Effective Date.

FOR THE _____ OF _____

Witness By: _____

Witness Its: _____
Date: _____

FOR THE _____ OF _____

Witness By: _____

Witness Its: _____
Date: _____

FOR THE _____ OF _____

Witness By: _____

EXHIBIT A

(Sections 9.01 and 9.02)

Initial Annual Fee (first three term years)

1. Participating County Party Annual fee - \$10,000
2. Local Government Party Annual Fee for first three (3) term years, see Section 9.01, paid through County Party

I-69 International Trade Corridor Business Plan

September 22, 2011

1. Introduction

This is the initial business plan for the I-69 International Trade Corridor which spans a geographical area from the Canada/United States bridge-crossing in Port Huron, St. Clair County, Michigan east to the western boundary of Shiawassee County, Michigan, using Interstate 69 as its centerline. Involved in this initiative are five Michigan counties and at least ____ units of local government such as cities, townships, and villages. These communities either have I-69 crossing their borders, or are in “geographical or economic proximity” thereto.

The Corridor not only has Interstate 69, which crosses the United States linking Canadian deep-water ocean ports to Mexico, but also has the major highways of I-75, I-96, and US 23, together with major rail lines. An international airport is at the hub of the Corridor.

The counties and local governmental units involved in this initiative are parties to an inter-local agreement which creates a new public corporation known as the I-69 International Trade Corridor next Michigan Corporation. The corporation is formed under a recent statutory scheme providing a framework for regional cooperation to attract new businesses and create jobs. The corporation has broad powers to act in these areas through business services, education, unified planning, streamlined permitting, marketing, and business services/incentives.

The I-69 International Trade Corridor next Michigan Corporation has an expected start-up date of February 2012 which is the anticipated date of approval of its designation by the Michigan Strategic Fund.

Set forth below are the major components of this first business plan which include: the opportunity; strategy; business model; territory assets; marketing; competition; management team; and financials.

2. The Opportunity

A significant volume of international freight enters the State of Michigan at the Blue Water Bridge in Port Huron, Michigan and continues along the I-69 corridor. This freight, by truck and by rail, generally does not stop in Michigan for manufacturing, assembly, intermodal activities, or processing. If this situation were to be reversed, or materially impacted, significant job creation would occur.

By way of examples, the charts below depict trade by rail and truck crossing over the Blue Water Bridge in Port Huron, Michigan. According to Dan Casey, Executive Director of the St. Clair County Economic Development Alliance, 94% of this trade does not stop in Michigan. A major

goal is to provide the opportunity for this trade to stop in Michigan for assembly, fabrication, processing, and manufacturing, thus creating jobs.

Top Ports of Border Crossing/Entry (Yearly) Ranked by Trains - 2010

Rank	Port Name	Port Code	Trains	Loaded Rail Containers
1	MN:International Falls	3604	3,546	267,534
2	MI:Port Huron	3802	3,525	234,267
3	TX:Laredo	2304	3,036	165,297
4	NY:Buffalo-Niagara Falls	901	2,395	88,855
5	MI:Detroit	3801	2,378	138,004
6	MN:Warroad	3423	2,149	0
7	ND:Portal	3403	2,069	125,959
8	TX:Eagle Pass	2303	2,012	75,158
9	WA:Blaine	3004	1,715	47,519
10	ND:Pembina	3401	1,242	74,209

Source: U.S. Department of Transportation, Research and Innovative Technology Administration,
Bureau of Transportation Statistics, Customs and Border Protection, OMR Database
Border Crossing/Entry Data; based on data from U.S. Department of Homeland Security

Top Ports of Border Crossing/Entry (Yearly) Ranked by Trucks - 2010

Rank	Port Name	Port Code	Trucks	Loaded Truck Containers
1	TX:Laredo	2304	1,585,682	1,177,560
2	MI:Detroit	3801	1,452,659	1,219,356
3	NY:Buffalo-Niagara Falls	901	898,752	653,755
4	CA:Otay Mesa	2506	729,605	485,805
5	TX:El Paso	2402	710,363	365,059
6	MI:Port Huron	3802	670,769	548,408
7	TX:Hidalgo	2305	459,331	324,350
8	WA:Blaine	3004	318,059	202,869
9	AZ:Nogales	2604	307,510	254,450
10	CA:Callexico East	2507	303,552	159,260

Source: U.S. Department of Transportation, Research and Innovative Technology Administration,
Bureau of Transportation Statistics, Customs and Border Protection, OMR Database

NOTE: Zero Values (0) - When a zero value is shown in a table no vehicles or passengers may have entered the U.S. at a port of entry in a month or year where such crossings are possible for example - a lack of bus traffic at a rural port of entry. Alternatively a zero value may mean that data cannot be recorded due to a lack of facilities for example - a zero value for trains at a port of entry that does not have a rail crossing.

Top 10 Ports/Districts by Trade Value (U.S. Dollars - 000's)
 (ranked by Total Trade)
 for U.S. - CANADA Partner Trade by Rail: 2010
 (000's)

Rank	Port/District Code	Port Name	Total Trade	Exports	Imports	Percent of Total Trade	Percent of Exports	Percent of Imports
1	3802	Port Huron - Michigan	23,402,609	6,685,799	16,716,810	28.2	25.6	29.3
2	3801	Detroit - Michigan	19,083,885	7,395,538	11,688,347	23	28.3	20.5
3	901	Buffalo-Niagara Falls - New York	10,061,096	2,837,128	7,223,969	12.1	10.9	12.7
4	3604	International Falls - Minnesota	7,743,120	1,882,456	5,860,664	9.3	7.2	10.3
5	3403	Portal - North Dakota	6,872,212	3,095,719	3,776,493	8.3	11.9	6.6
6	3401	Pembina - North Dakota	3,018,330	916,558	2,101,772	3.6	3.5	3.7
7	712	Champlain-Rouses Point - New York	2,864,649	480,394	2,384,255	3.4	1.8	4.2
8	3004	Blaine - Washington	2,752,823	1,199,085	1,553,737	3.3	4.6	2.7
9	3302	Eastport - Idaho	2,237,631	313,503	1,924,128	2.7	1.2	3.4
10	3310	Sweetgrass - Montana	1,295,954	600,904	695,050	1.6	2.3	1.2
Total of Top 10 Ports	Top 10 Ports	Top 10 Ports	79,332,310	25,407,084	53,925,225	95.5	97.3	94.6
Grand Total	All	All	83,112,193	26,116,178	56,996,015	100	100	100

Further, many communities and businesses in close proximity to the Corridor are either unaware of or not taking advantage of, export/import opportunities available with the access of I-69 to the international deep water port in Halifax, Nova Scotia and the southern market of Mexico. Also, freight delays in Chicago present the opportunity to save shippers and receivers of shipments with time and cost efficiencies by utilizing the corridor.

It is evident that the I-69 Corridor has been an under-recognized asset for years. It presents itself as an attractive means for export/import trade because of its linkage with the major highway systems of I-69, I-94, and US 23 and Bishop International Airport.

Depressed employment levels in a skilled labor market and many available brownfield sites present a unique opportunity to attract multi-modal businesses to locate along the Corridor.

3. The Strategy

There are many components to a strategy to take advantage of the opportunity presented. These components include:

- a. Educating communities/businesses as to the import/export opportunities utilizing the I-69 International Trade Corridor

- b. Utilizing the resources of Michigan State University's Business School so as to assess and assist communities and businesses along the Corridor to enable them to become import/export friendly and globally attractive (establish a globally ready certification process for corridor communities).
- c. Coordinate local governing processes so as to expedite and streamline (including streamlined permitting) the entry and establishment of new multi-modal related businesses along the Corridor.
- d. Marketing of the skilled workforce present and the training being provided by the two community colleges along the Corridor as a further inducement for business attraction. Utilize accelerated training programs offered by corridor non-profits (Collaborative, Accelerated, Recruitment and Training (CART) Program).
- e. Marketing the Corridor and its assets/advantages for international trade opportunities working in collaboration with the Michigan Economic Development Corporation and the Great Lakes International Trade and Transport Hub
- f. Coordinate and regionalize the above components so that the entire Corridor is acting in a comprehensive manner with the strategies and activities of the newly formed Great Lakes International Trade and Transport Hub and other organizations with similar goals and objectives.
- g. Utilizing all Michigan and federal economic development tools and apply these tools to communities/businesses along the Corridor including tools provided by the Next Michigan Development Corporation legislation.
- h. Establishing liaisons with state/federal departments/agencies so as to focus available resources toward the infrastructure along the corridor.
- i. Establishing a relationship with the Port of Halifax and Canadian provinces to unify efforts related to the increase of trade along the Corridor.

4. Business Model

Following is a step-by-step approach to implement the above strategy:

- a. Obtain community acceptance and involvement through community presentations and meetings with local governmental officials.
- b. Approval and execution of an Act 7 Interlocal Agreement between counties and local governmental units.
- c. Obtain designation as a Next Michigan Development Corporation (NMDC) and all its corresponding tools.

- d. Create a governing board and a day-to-day management structure.
- e. Create a revenue stream model for operations through:
 - 1. Act 7 party dues
 - 2. Various membership class fees (such as those from businesses, non-party governments; economic development entities; non-profits and other interested parties).
 - 3. Miscellaneous, such as training and service fees.
 - 4. Grants from private foundations; state and federal agencies.
- f. As a non-profit tax-exempt entity, use revenue for enhancing the services of the NMDC for Corridor purposes.
- g. Employ administrative and marketing staff to implement the Business Model.
- h. Educate and solicit private businesses to the advantages of participating as a member in the NMDC.
- i. Market the Corridor internationally for attraction purposes and seek private members.
- j. Coordinate business attraction and incentive activities with all pertinent Governmental and non-governmental entities and provide focused attention and assistance to attract businesses to the Corridor.
- k. Assist businesses on an individual basis to obtain a trained workforce using all resources available such as: Michigan Works agencies; CART; universities; and community colleges.

5. Knowledge Assets

The following knowledge assets are available for application to the enhancement of the Corridor.

- a. Collective knowledge assets of research universities/supply chain schools/business schools internationally focused (Center for International Business and Education Research – CIBER), community colleges, economic development agencies, non-profit

organizations, workforce development agencies, chambers of commerce, and many governmental units acting regionally along the I-69 corridor.

- b. Pertinent state government assets through the continuation of established relationships and interest in the Business Model.
- c. The resources being made available by the Great Lakes International Trade and Transport Hub.

6. Marketing and Sales

A strong marketing strategy and program is essential. It will include the components of: targeted audiences; a budget; and the leverage/advantages set forth below.

- a. Audiences targeted by the marketing plan will include:
 - 1. Businesses which ship/receive goods internationally and are located domestically as well as abroad, including freight forwarders, manufacturers, assembly, processing and Transportation, Distribution, and Logistics (TDL) companies.
 - 2. Trade Associations and similar organizations.
 - 3. Site/business location consulting services.
 - 4. Potential funders.
 - 5. Trade/missions (foreign and domestic).
 - 6. Communities involved in I-69 Corridor activities.
- b. Marketing/Promotional Budget

It is planned that the marketing budget should be set at a minimum of twenty-five percent of anticipated revenues because of the importance of this effort as described. This percentage is attained upon the exercise of Option Three in Section 8.

- c. Leverage Points/Advantages of the Corridor

There are many advantages to use and locate along the Corridor. These include:

- 1. An outstanding infrastructure
 - a. I-69 / I-75 / US 23
- 2. Major International Airport – Bishop International Airport
- 3. Motivated I-69 Corridor communities

4. University Research Corridor relationships
5. A trained/skilled workforce
6. TDL Programs being taught at Mott and St Clair Community Colleges
 - a. RFID
7. Available low cost land for import/export related businesses
8. Streamlining of government processes
9. Halifax Deep Water Port and super freighter capability
10. High opportunity sites along the Corridor

7. Competition

- a. Global
- b. Existing domestic intermodal transportation hubs
 1. There are many domestic intermodal hubs that are competitive for a variety of reasons: close to shipping ports; close to major international airports; close to/or have large existing rail freight yards. Some specific examples would be Chicago with its large rail freight yards/terminals and Memphis with its large air cargo hub.
- c. Other states with existing manufacturing/processing of international goods.
- d. Competitive Advantages
 1. **Halifax** – please refer to the attached study (Transforming Michigan into a Global Freight Gateway: Michigan to Halifax to the World) for more information regarding Halifax as a competitive advantage for the I-69 International Corridor.
 2. **International Airport** - Bishop International Airport, one of the fastest growing regional airports in the US – offering capacity for growth in passenger and freight volumes (Bishop saw incoming and outgoing freight volume increase in 2010 by 21% and 39% respectively). Bishop offers international customs inspection services for passenger and freight; and Foreign Trade Zone sub-zone designation;
 3. **Highway Systems** – Interstate I-69 has been designated as one of Michigan’s corridors of highest (international/national significance) by the Michigan Department of Transportation. In addition I-69, I-75 and US 23 intersect within the I-69 International Corridor.

4. **Blue Water Bridge** – the Blue Water Bridge and Rail Tunnel into/out of Canada (the Blue Water Bridge is the 3rd most active crossing between Canada and the United States. It is the most active US crossing for commercial truck and rail traffic).
5. **Skilled Workforce** – Michigan has been recognized for many years as a manufacturing center. The presence of many community colleges makes manufacturing training a reality for the Corridor.
6. **Colleges & Universities** - College/University workforce, research, and planning capabilities (over 40,000 students are enrolled in higher education in this region); St. Clair Community College and Mott Community College offer curriculums in Transportation, Distribution, and Logistics within the Zone area.
7. **Economic Activities** - Key economic activities of the region include the production of motor vehicle and motor vehicle parts, industrial equipment; services including warehousing and transportation. As of June 30, 2010, the region is home to employment levels as follows in target sectors:

Manufacturing (sub-categories below)	20,825
Transportation Equipment Manufacturing	8,076
Fabricated Metal Products	2,687
Machinery Manufacturing	2,322
Wholesale Trade	6,828
Transportation and Warehousing (sub-categories below)	3,986
Truck Transportation	1,369
Support Activities for Transportation	915

The region is home to many enterprises in the target sectors, with significant production and transportation/logistics activity underway. Among these specific sectors are firms that drive a vast majority of the region's current freight transit activity, many of which are aggressively diversifying their respective market and customer base. This includes manufacturers of transportation equipment and machinery as well as wholesale and transportation.

8. Management Team

The following options for the initial management team are proposed based upon anticipated revenue.

Level 1 – Economic Development Agencies share Director, Marketing and Administrative duties.

Level 2 – Part-time Director with support services provided through in-kind services.

Level 3 - Full time Director/Marketing and an Administrative Assistant with support services provided through in-kind services.

Level 4 - Full Time Director, Full Time Marketing Director & Administrative Assistant with support services provided through in-kind services.

Ultimately there would be a stand-alone organization that would take over all day-to-day operations of the Corridor. There will be a minimal reliance on in-kind services.

9. Financials

Options for operations and related expenses

Initial Revenue Projections

	FEE
Participating County Party Annual Fee (5 counties x \$10,000 each ¹)	\$50,000
Grants etc	\$50,000
Office - In kind	\$25,000
Total	\$125,000

¹ Fee includes participating local units within each county

Initial Expense Projections

Level One

Staffing shared by EDO's	\$0
Tax, benefits	\$0
Office Expense	\$0
Marketing	\$20,000
Office Expense in-kind	\$25,000
Professional Services	\$20,000
Total	\$65,000

Level Two

Director (1/2) time	\$75,000
Tax, benefits	\$37,500
Office Expense	\$10,000
Marketing	\$15,000
Office Expense in-kind	\$25,000
Professional Services	\$15,000
Total	\$177,500

Level Three

Director	\$150,000
Admin Assistant	\$40,000
Tax, benefits	\$95,000
Office Expense	\$10,000
Marketing	\$30,000
Office Expense in-kind	\$25,000
Professional Services	\$30,000
Total	\$380,000

Level Four

Director	\$150,000
Marketing Director	\$100,000
Admin Assistant	\$40,000
Tax, benefits	\$145,000
Office Expense	\$10,000
Marketing	\$45,000
Office Expense in-kind	\$25,000
Professional Services	\$45,000
Total	\$560,000



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MEMORANDUM

DATE: 12/01/11

TO: City Council

FROM: Jessica B. Unangst, Director of H.R. & Admin. Services & Donald D. Crawford, City Manager

RE: Publicly Funded Health Insurance Contribution Act (SB 7/PA 152 of 2011)

Recommendation

After much study and contemplation we are now recommending to opt-out beginning January 1, 2012 under the Publicly Funded Health Insurance Contribution Act (PA 152 of 2011), which requires a 2/3 vote of the council each year. This would exempt Owosso from the act for the next year and Owosso would receive the Economic Vitality Incentive Program (EVIP) or revenue sharing money. The recommendation is to slowly ease employees into this change, removing the reimbursements from deductibles and co-pays in 2012 and keeping the contributions at 5%. The motion would be, "the City of Owosso will opt-out from the requirements of PA 152 of 2011, under the condition that employees contribute five percent (5%) towards their health insurance and reimbursements will be eliminated."

Owosso would move towards a higher contribution over a period of three years. This assumes the city council continues to opt-out each year. In 2013, the city would implement a 90/10 cost share. In 2014, the city would implement an 85/15 cost share. In 2015, the city would implement a 90/20 cost share.

This plan would have less immediate impact on the employees and allow them the opportunity to plan for the future.

This law does not apply to existing collective bargaining agreements until the contracts expire, are extended or renewed. This change would only immediately affect non-union

employees and firefighters that are currently in negotiations. The purpose of this recommendation is to comply with the EVIP payment requirement.

Background

To continue to contain escalating healthcare costs, Governor Snyder signed into law Michigan's Publicly Funded Health Insurance Contribution Act. Owosso has been gradually moving toward more employee contributions toward health insurance, with both General City and AFSCME groups currently contributing. Other union groups opted to change plans to reduce costs, instead of contributing toward their premiums. Presently, public safety units are not subject to this provision. The city is in negotiations with fire and will be negotiating with both police groups in the spring of 2012.

Discussion

On September 22, 2009, City Council authorized the implementation of the 97.5/2.5 cost share plan for General City employees beginning on July 1, 2010 and a 95/5 cost share plan beginning on July 1, 2011. On January 31, 2011, City Council also authorized the implementation of fixed employee contributions (roughly 95/5 cost share plan) for AFSCME employees beginning immediately. The city currently pays the full premium cost of an employee-selected health care plan for all other groups, including both police unions and the fire union. Under the new plan, the city and employees will split the cost of the annual health insurance premiums. The employees will be responsible for their five percent (5%) contribution, but will no longer receive reimbursements for health insurance deductibles, prescription drugs or co-pays. These reimbursements are being eliminated, since they are "includable" per the legislation.

The city formed a healthcare taskforce in 2008 with one representative from each bargaining unit, a representative for General City employees and the third party administrator of our insurances. The intent was to explore the various options in health, dental and vision and decide how to reduce city costs, but also provide meaningful benefits and options for covered employees. The taskforce was well received and met for close to a year. During contract negotiations the bargaining units appreciated the taskforce but did not want to ultimately leave insurance decisions up to the taskforce, they wanted to leave that for contract negotiations, not annual re-openers. At that point the taskforce was disbanded.

It is important to the city that costs are shared among all users of the benefits. Additionally, employees have more stake in containing health care costs when they share in those costs. The city acknowledges that the challenge of rising healthcare costs will require other changes in the future and remains open to exploring alternative cost sharing options with all employee groups.

The first attachment "City of Owosso Health Insurance Info for General City and Fire" is a breakdown of the various options available. The "Current Annual Costs" lists the total amounts paid per year based on coverage. "Employee Contributions" are the amounts General City employees pay per year, again based on coverage. "Total City Cost" is the amount the City pays for each enrollee based on their coverage. It also lists the current PHP health insurance information including the deductible, co-pays and reimbursement information for both General City and Fire. The third column lists the re-sloped rates, based on the hard cap numbers for the same coverage. The "2012 Hard Caps" column lists the actual hard caps and calculates what the employee's contributions would be and what the total cost to the city would be for the year. Since this is the same plan, the only

thing that will change is elimination of future reimbursement of deductibles or co-pays. The final column shows what happens if the city adopts 80/20. "Re-sloped rates" were used to figure the 80/20 amounts and have listed the contributions and cost to the city. Again, since this is not a change in plan, the only change is there will be no reimbursement on deductibles or co-pays.

General City employees currently contribute five percent (5%) towards their insurance, regardless of what plan they are on. AFSCME employees contribute a fixed dollar amount that changes every July 1 (fiscal year) per their union contract. The other bargaining units do not contribute at this time. Currently, we are in contract negotiations with IAFF (firefighters). Our POLC contracts both expire next year.

The second attachment "City of Owosso Comparables" lists various municipalities and area school districts that were polled back in October and their current cost share arrangements.

Resource Impact

Eliminating reimbursements saves the city over \$12,000 which is taken from the General City and Fire employee groups. When eliminating the reimbursements for all groups and adding the five percent (5%) employee contributions for all groups toward medical premiums, it is expected to save the city over \$76,000 when implemented for all groups, based on today's policy and rates. Keep in mind the city receives insurance premium changes (historically increases) every April 1, this unknown increase will also affect employees' contributions beginning April 1.

These changes impact how the city's insurance policies are structured and future contracts with the provider on deductibles, co-pays, prescriptions, etc. Plan changes will need to be evaluated over the next several years.

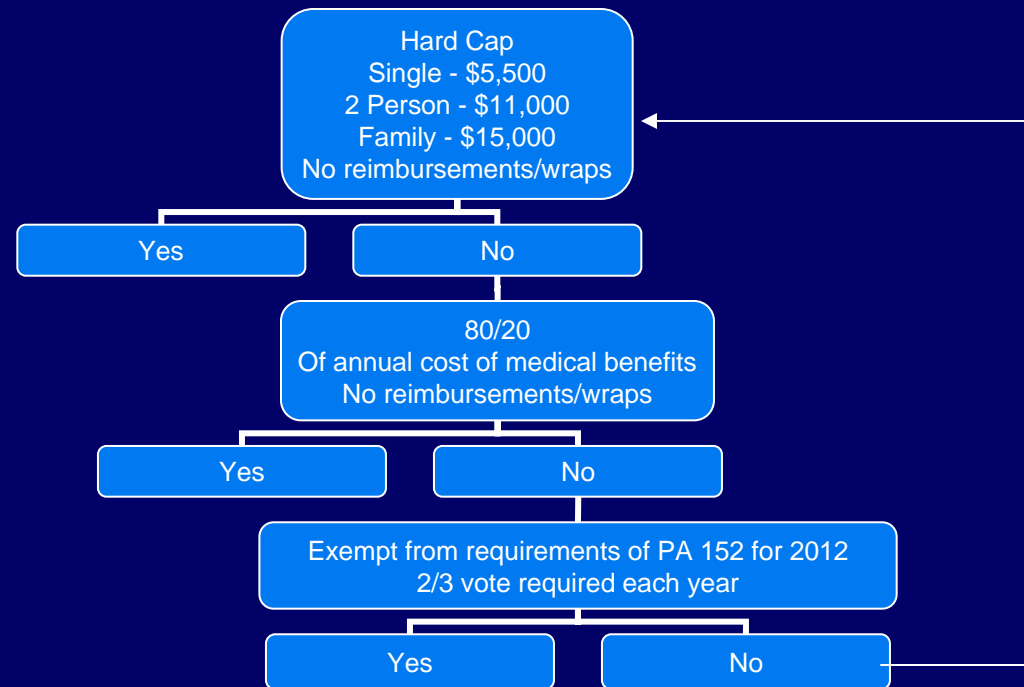
Implications

This recommendation, to opt-out, would implement the provisions of PA 152, keeping Owosso in compliance for the EVIP program. This also supports the recommendations from staff to give employees a stake in containing healthcare costs. Staff also plans to continue pursuing healthcare benefit changes in negotiations with other employee units.

ATTACHMENTS:

- City of Owosso Health Insurance Info for General City and Fire (PDF)
- City of Owosso Comparables (PDF)

PA 152 Decision Tree



**City of Owosso
Health Insurance Info
for General City and Fire**

	Current Annual Cost	Re-sloped Rates	2012 Hard Caps	80/20
Single	\$ 5,440.56	\$ 6,087.48	\$ 5,500.00	\$ 1,217.50
2 Person	\$ 13,057.20	\$ 12,175.08	\$ 11,000.00	\$ 2,435.02
Family	\$ 16,321.80	\$ 16,603.80	\$ 15,000.00	\$ 3,320.76
Employee Contributions	Single - \$271.96/year 2 Person - \$652.86/year Family - \$816.14/year		Single - \$587.48/year 2 Person - \$1,175.08/year Family - \$1,603.80/year	Single - \$1,217.50/year 2 Person - \$2,435.02/year Family - \$3,320.76/year
Total City Cost	Single - \$5,168.60/year 2 Person - \$12,404.34/year Family - \$15,505.66/year		Single - \$5,500.00/year 2 Person - \$11,000.00/year Family - \$15,000.00/year	Single - \$4,869.98/year 2 Person - \$9,740.06/year Family - \$13,283.04/year
Savings	\$76,829/year (when all bargaining units included)		\$104,503/year	\$162,845/year
Deductible	\$1000/\$2000		\$1000/\$2000	\$1000/\$2000
Co-pays	Rx \$10/\$25/\$40 Office \$30 Urgent \$30 ER \$50		Rx \$10/\$25/\$40 Office \$30 Urgent \$30 ER \$50	Rx \$10/\$25/\$40 Office \$30 Urgent \$30 ER \$50
General City Reimbursement Info	Single - ee pays \$150/yr & city reimburses \$850/yr 2 Person/Family - ee pays \$250/yr & city reimburses \$1,750		None	None
Fire Reimbursement Info	Single - ee pays \$250/yr & city reimburses \$750/yr 2 Person/Family - ee pays \$500/yr & city reimburses \$1,500 City reimburses up to \$20 for office & urgent care visits.		None	None

**City of Owosso Comparables
Health Insurance Cost Sharing**

PA 152	Municipality/ Location	Cost Share	Notes
80/20	Benton Harbor	80/20	General City, others vary based on contract
80/20	Escanaba	Employer pays full premium	On 1/1/12 may be going to 80/20
80/20	Fenton	80/20	Some contracts not settled yet, but all moving to 80/20
80/20	Flushing	80/20	
80/20	Muskegon Heights	90/10	On 1/1/12 going to 80/20
80/20	Owosso Public Schools	80/20	
80/20	Plainwell	80/20	
80/20	Spring Lake	80/20	
80/20	Springfield, MI	Nothing	Ees already pay an average of 28.26% of city's cost for health, dental & vision.
80/20	Ypsilanti	80/20	
Hard Cap	Adrian	Hard cap per SB 7	Determined actual costs and deducted what ees will be paying (mostly 20% of premiums) & appear to meet the cap numbers.
Hard Cap	Bangor	Likely using hard cap	May opt-out and go with 20% and less of a plan, but not sure yet. No additional wage increases, ees are still scheduled for a 2% wage increase this year.
Hard Cap	Birch Run	Hard cap per SB 7	Current plan renewed 6/1/11 and they are under the hard cap
Hard Cap	Cascade	Hard cap per SB 7	2012 premiums expected to be below the hard caps
Hard Cap	Cedar Springs	Hard cap per SB 7	Priority Health is policy renewed under the hard cap.
Hard Cap	Coopersville	No action planned at this time	Union contract expires 2013, currently fall under the hard cap.
Hard Cap	Grand Blanc	No decision yet	Labor agreements expire mid-2013 & will likely look to 80/20. Will default to hard cap since they are slightly below those figures.
Hard Cap	Hudsonville	Hard cap per SB 7	Recommending that employee contributions increase.
Hard Cap	Meridian Township	Hard cap per SB 7	Voted last week.
Hard Cap	Quincy	Switching plans in January, will put them under the hard cap	Council will not do a wage offset, but if far enough under the hard cap, may contribute to ee HSA.
Hard Cap	Traverse City	Set caps per month and if insurance cost goes above the cap, then it's split 50/50 between the employee and employer. Caps: Single \$295/month 2 Person \$520/month Family \$550/month	Meet hard caps under SB 7, so not changing, will be negotiating into the other 3 contracts that do not have the stipulation as of yet.
Opt-out	Bronson	Opt-out for 2012	In the future ramping up ee contributions up to the 20% level.
Opt-out	Brown City	Council opted out for 2012	
Opt-out	Cadillac	Single: \$60/month 2 Person: \$115/month Family: \$135/month	All but fire have the same contributions. They may opt-out of SB 7.

**City of Owosso Comparables
Health Insurance Cost Sharing**

PA 152	Municipality/ Location	Cost Share	Notes
Opt-out	Decatur, MI	Likely opting out	Ees contribute 17% of premiums now and given that they are well below industry standards for the total comp package.
Opt-out	Dundee	Likely opting out	
Opt-out	Grant	Board opted out	They are just under hard caps and already increased single ees contributions to 20% of premiums and double & family to 25% of premiums.
Opt-out	Hartland Township	Probably opting out	Already have 20% ee contributions.
Opt-out	Montague	Opt-out	Shared sacrifices already imposed on non-union ees include: no automatic COLA on 7/1/11; 1 year suspension of City's 2% match on ICMA DC plan; increase in health insurance premium contribution from 7% to 10%.
Opt-out	Mt. Pleasant	Single: \$33-43/month 2 Person/Family: \$72/month	Depends on the group. Opted out based on vagueness of the law as it relates to self-insured plans
Opt-out	Portland	Council opted out for 2012	Ees currently pay 10%, Council felt it was inequitable to require non-union to contribute 20% when union will continue to pay 10% until expiration in 2013.
Opt-out	Saugatuck	Probably opting out	Trying to stay competitive with pay ranges to attract and retain ees. Every year asked ees to take cuts to health insurance (higher deductibles, higher Rx copays, no ER visits, etc).
Opt-out	Zeeland	Opt-out	Recommending an increase to 10% of the premium to be paid by ees. Gets them very close to the hard cap.
	Alpena	Single: \$60-75/month 2 Person/Family: \$100-150/mo.	Depends on the group, contracts expire 2013.
	Big Rapids	Single: \$30-90/month Family: \$60-200/month	3 phases for family coverage: Current: \$150/person/month contribution 2012: \$175/person/month 2013: \$200/person/month
	Coldwater	95/5	
	Corunna	85/15	1/1/12 going to 82.5/17.5 1/1/13 going to 80/20
	Corunna Public Schools	Employer pays full premium	Contract expires 7/1/12
	East Grand Rapids	Employer pays full premium	
	Garden City	Undecided	80/20 or hard cap, will not be opting out. Will not offset wages, they have lost 13% of taxable value in 2011 (about \$80 million) and cut GF budget by \$3 million.
	Grand Haven	Core BCBS Plan: 95/5 Buy-up Plan: 84/16	

**City of Owosso Comparables
Health Insurance Cost Sharing**

PA 152	Municipality/ Location	Cost Share	Notes
	Ionia	Single: \$55/month 2 Person: \$110/month Family: \$130/month	
	Lake Isabella	Nothing	No EVIP payments, under no obligation to do anything.
	Perry	Employer pays full premium	
	Perry Public Schools	85/15 or 90/10	Depends on the group
	Reed City	Considering 2 options	Separate plan & 80/20 for non-union staff or opt-out and wait until labor contracts expire.
	RESD	Employer pays full premium 2012 - 90/10 or 85/15	In 2013, when contract expires board will have to decide on either the 80/20 or hard cap
	Sault Ste. Marie	3 plans for ee's to choose, contributions based on plan chosen	

CAPS ON PUBLIC EMPLOYER CONTRIBUTIONS
TO MEDICAL BENEFIT PLANS
“Hard Cap” or “80/20” Rule

[Senate Bill 7](#) (SB 7), the “Publicly Funded Health Insurance Contribution Act,” was approved by both the House and Senate on August 24, 2011. The law takes effect January 1, 2012 and applies to all public employers. However, any collective bargaining agreement or other contract executed on or after September 15, 2011 must comply.

SB 7 creates a “hard cap” on the amount a public employer may contribute to a medical benefit plan, which includes but is not limited to hospital and physician services, prescription drugs and related benefits. SB 7 provides an option to elect an 80% contribution cap rather than the hard cap, and it contains a provision to allow a local unit to opt-out entirely.

As of August 29, 2011, it is unclear how the penalties for non-compliance with this act will intersect with the requirements created by [EVIP](#) related to health care, and the penalties therein.

“Hard Cap”

For the medical benefit plan coverage year beginning on or after January 1, 2012, a public employer may not pay more of the annual costs for medical benefit plans than a total amount equal to:

- \$5,500 times the number of employees with single person coverage
- \$11,000 times the number of employees with individual and spouse coverage
- \$15,000 times the number of employees with family coverage

A public employer may allocate its payments among its employees and elected officials as it sees fit. These caps will be adjusted by October 1 each year, to apply to following calendar year, based on the change in the medical care component of the United States consumer price index (CPI) for the most recent 12-month period available from the United States Department of Labor, Bureau of Labor Statistics.

“80/20”

By a majority vote of its governing body, a public employer may opt-out of the hard cap and into an 80% cap option wherein the public employer may not pay more than 80% of the total annual costs of all the medical benefit plans it offers or contributes to for its employees and elected officials. See the next page for details on the option to opt-out entirely from these requirements.

The public employer may allocate employees’ share of total annual costs of medical benefit plan as the employer sees fit. However, *elected* public officials must pay 20% or more of the total annual costs of the medical benefit plan.

Complete Opt-Out

By a 2/3 vote of its governing body each year, a local unit of government may exempt itself from the requirements of this act for the next year. An exemption is not effective for a city with a mayor who is both the chief executive and chief administrator, unless the mayor also approves the exemption.

Total Annual Costs

Both the hard cap and the 80% cap pertain to total annual costs of the medical benefit plan. These include the premium and all employer reimbursement of co-pays, deductibles, and payments into health savings accounts, flexible spending accounts or related accounts.

Collective Bargaining Agreements or Other Contracts

This law does not apply to existing collective bargaining agreements or other contracts until the agreements or contracts expire, are extended, or renewed. However, any collective bargaining agreement executed after September 15, 2011, must comply.

A public employer's expenditures for medical benefit plans under a collective bargaining agreement or other contract are to be excluded from the maximum payment formula under the hard cap provision.

Deductions

A public employer may deduct an employee's or elected official's portion of the costs of medical benefit plans from compensation due, and the employer may condition eligibility for the plan on the employee/elected official providing authorization to make such a deduction.

Penalties

Failure to comply with this act will result in the State Treasurer reducing each Economic Vitality Incentive Program payment by 10% ([EVIP](#), PA 63 of 2011) for the period of non-compliance. This penalty is separate and distinct from the health care component of the EVIP certification process. Action under this act does not certify or disqualify you for regular EVIP payments.



City of Owosso

Parks & Recreation Commission 2011 Report & 2012 Action Plan

2011 REPORT

Background

The City of Owosso Parks & Recreation Commission (OPRC) was formally reestablished by the Owosso City Council in 2008. Its purpose is to provide quality park and recreation opportunities based upon cost, efficiency and community need by functioning as a recommendation and planning body for the City Council. To do so, the commission meets monthly, on the fourth Monday, at 6:00PM in the City Council Chambers.

The commission oversees the physical planning of the city's comprehensive park system. The commission also makes recommendations to the City Council and city staff concerning the operation, maintenance, and programming of the city's parks and recreational system. The OPRC makes its recommendations and designs plans based upon the guidance provided in the 2006 and the updated 2011 Owosso Parks and Recreation Plan.

The commission's current membership is as follows:

- Jerry Hebekeuser, Chairperson – Term through June 30, 2012
- Marsha Ladd, Vice-Chairperson – Term through June 30, 2013
- Mike Espich – Term through June 30, 2012
- Sherri Chavora – Term through June 30, 2013
- Jeff Selbig – Term through June 30, 2012
- Adam Zettel, Ex Officio Member & Recording Secretary

The City of Owosso park system consists of over 250 acres spread throughout the following thirteen parks:

	<i>Park Name</i>	<i>Acreage</i>
1.	Collamer Park	164
2.	High Parker Field	15
3.	James Miner River Walkway	13
4.	Rudy DeMuth Field	10.2
5.	Bennett Field	10
6.	Bentley Park	8.2

7.	Rosevear Park	7.8
8.	Curwood Castle Park	7
9.	Grove Holman Park	6
10.	Harmon Patridge Park	5.2
11	Memorial Park	1.3
12.	Grand Avenue Park	1.3
13.	Fayette Square	1.1

2011 Activities

- Playscape design
 - Status: Complete
 - This project consisted planning a scale and design for the playscape at Bentley Park. Originally, a three phase approach was chosen. This consisted of a tower structure, swings and similar apparatus, and a future phase three to be determined. The design was refined to combine the tower and other apparatus with a phase two, in the form of a rock feature or splash pad.
- Community garden
 - Status: Complete
 - This project was brought to the commission by citizens that desired to donate materials and labor to Collamer park to construct raised planting beds and other landscaping features. The planters are built and are operated by a non-profit that has an operating agreement with the city.
- Collamer Park trail petition from Kiwanis
 - Status: Complete
 - Local Kiwanians present to the commission on the topic of the trails in Collamer Park. They also sought approval to donate their efforts towards maintain some of these trails. The city granted such and work has been ongoing.
- Rudy DeMuth concession stand
 - Status: Under construction
 - This project was approved in a prior year, but was commenced only this fall after much volunteer support, financial and otherwise was obtained.
- Recreation Passport Grant
 - Status: Awarded
 - The city applied for \$29,300 to match other funds that were earmarked for Bentley Park renovations in accordance with a park audit that was completed in the fall of 2010. The city plans to bid this work in the winter or spring.
- Holman pool demolition
 - Status: Underway
 - The Holman pool was declared unsalvageable this past year. Efforts are underway to clear the site, but the reinforcing material of the pool is making this take longer than anticipated. The future of the site is unclear, but opportunity exists for a splash park water feature and/or winter skating.
- Planned ice skating

- Status: Planned
City staff, at the recommendation of citizens and the OPRC, is going to attempt to create areas for ice skating in the city by freezing water in traditional low spots. Future plans may include a liner and/or rink if these features show a strong demand.
- Disk golf
 - Status: Idle
Residents from the community presented to the OPRC and demonstrated their interest in developing a disk golf course on city land. After walking sites, Rosevear (including cemetery land to the west) was a highly preferred option. This group is working on securing access rights to non-public property to further this endeavor.
- Park plan
 - Status: Approved
The 2006 Parks and Recreation Plan was approved by the city council on November 21, 2011. This plan will be valid for another five years.
- Splash park investigation
 - Status: Idle
A resident group was very interested in establishing a splash park feature in the city. They held numerous meetings concerning the scale and location of such a feature, leaning towards a 100' x 150' splash pad in Bentley Park. This group has not been active in recent weeks.

2012 ACTION PLAN

Per the bylaws of the Owosso Parks and Recreation Commission, the commission is to adopt an action plan each year to focus planning efforts and objectives for the next calendar year. These objectives represent a focused effort to deliver recommendations and actions in accordance with the intent and word of Owosso Parks and Recreation Plan.

The following represents the OPRC's 2012 project list:

- Bentley Park maintenance improvement
 - Execute the Recreation Passport Grant rehabilitation plan
- Bentley Park playscape
 - Complete fundraising
 - Devise and implement the community build program
- Trails
 - Work on wayfinding and signage for the James Minor trail
 - Support maintenance on the existing trail system
 - Create a trail/bike route map and plan for the city to integrate with rail trail and consider connections between Rosevear and Collamer Park/Baker
- Consider improvements to the amphitheater
 - Façade and roof

- Collamer Park
 - Remove old access drive curbing and replant
- Bennet Field gate
 - Add new gate in right field
- Disc Golf (pending community interest/effort)
 - Work with community on location and layout
 - Secure private funding
- Accessibility
 - Continue accessibility work on the entire park system
- Splash Park (pending community interest/effort)
 - Work with community on location and layout
 - Secure private funding
- Opportunistic Improvements
 - Add low-cost, low-maintenance equipment (such as small hills, large drain pipe, or used equipment) to neighborhood parks if such equipment becomes available

The above projects are anticipated to be completed or otherwise worked on as outlined during the 2012 calendar year. Additional projects may be introduced by the council or OPRC as necessary.

Respectfully submitted to the Owosso City Council by the Parks and Recreation Commission on November 28, 2011.

Jerry Hebekeuser, Chairperson

**REGULAR MEETING MINUTES
OWOSSO DDA / MAIN STREET
Council Chambers, City Hall
November 2, 2011 – 7:30 am.**

Meeting was called to order at 7:31 a.m. by Chairperson John Hankerd.

Roll Call was taken by Recording Secretary Marty Stinson.

MEMBERS PRESENT: Chairperson John Hankerd, Treasurer James Demis; Secretary Alaina Kraus; Authority Members Dave Acton, Ben Frederick (left 8:15), Bill Gilbert, Deb Johnson, Lance Omer (arrived 7:35).

MEMBERS ABSENT: Vice-chairperson Barb Bucsi (excused).

OTHERS PRESENT: Adam Zettel, Assistant City Manager and Director of Community Development; Terri Brown, Memorial Healthcare Silver Stars; Heather Rivard and Ayca Guralp from the Owosso / Corunna Common Place.

AGENDA:

**MOTION BY AUTHORITY MEMBER KRAUS SUPPORTED BY AUTHORITY MEMBER GILBERT TO APPROVE THE AGENDA FOR NOVEMBER 2, 2011.
YEAS ALL. MOTION CARRIED.**

MINUTES:

**MOTION BY AUTHORITY MEMBER GILBERT, SUPPORTED BY AUTHORITY MEMBER ACTON TO APPROVE THE MINUTES OF THE REGULAR MEETING OF OCTOBER 5, 2011 WITH THE CORRECTION ON THE LAST PAGE UNDER COMMITTEE UPDATES, ORGANIZATION; THE WEBSITE ENDS IN .NET RATHER THAN .COM.
YEAS ALL. MOTION CARRIED.**

COMMUNICATIONS:

- 1) Staff memorandum
- 2) Meeting minutes of October 5, 2011
- 3) October check register – forthcoming
- 4) October budget report – forthcoming
- 5) MMS training handout – forthcoming

7:35 AM. COMMISSIONER OMER ARRIVED.

PUBLIC COMMENTS:

Chairman Hankerd introduced Terri Brown, Memorial Healthcare, Silver Stars. This program has been active with the DDA for the last three years. Last year the sponsored trees were installed in the front lawn of City Hall. Each tree sponsorship is \$30 with \$10 going to the Silver Stars. This money goes for cancer screening for under insured or for people with no insurance. The next screening will be November 12. The Foundation web site has more information. Mike Bruff will be chairing the Christmas tree event this year. Last year the event raised \$300 for the Silver Stars. Chairman Hankerd presented them with a \$300 check today.

Heather Rivard and Ayca Guralp presented information about the Owosso / Corunna Common Place which is an online bulletin board so the communities can share events and announcements. Ms. Rivard and Ms. Guralp plan to attend the next Main Street Promotions Committee on November 15 at 10:30 am. to exchange further information. This website is searchable and has a daily bulletin. They also promoted the Civic Art 2011 website which is high school art displayed in local businesses.

COMMITTEE UPDATES:

1. ORGANIZATION

Board Member Kraus stated the website needs more content. She would like to add a column called "The Face of Owosso". She would conduct short interviews for this column. She also wants to do some advertising. Ms. Kraus has also set up an online drop-box for storage. The board members can add pictures and other items to this online file and it will be accessible for anyone with permission to access.

2. PROMOTIONS

Chairman Hankerd reported that this committee is working on holiday items. They are working on the Glow Parade which will be the day after Thanksgiving. It will start at Fayette Square; have about 30 floats and be larger this year than last year. There will be carriages in the parade and they will give rides for two hours after the parade.

This Saturday from 10 a.m. to 2 p.m. the decorating work on the plaza will begin. November 11 is the Holiday Open House. Businesses will be open late that evening. They will have a warming tent.

3. ECONOMIC RESTRUCTURING

Authority Member Acton stated that work plans were revised and will be sent out by Renita. The downtown Diva had about 200 businesses already entered on it. It is not user friendly. We may have a software improvement coming from a friend of Mr. Acton.

Theresa Trecha is working on the Block Captain program. There will be training at the chamber on November 16 at 5:30 p.m.

4. DESIGN

Authority Member Acton reported that this committee is refining the work plans in time for the budget cycle. Several projects were mentioned that are not in the budget. One project was the bike racks. Twelve are planned at \$230 each.

The committee also discussed the International Baccalaureate students cleaning the streets; the picnic area at the Eat-In-Alley between Sobaks and the dentist office. He also mentioned the display windows in vacant businesses. They are also looking to include the city gateways into the budget.

ITEMS OF BUSINESS:

1. MMS Review

Chairman Hankerd reported that they met on Thursday. They were impressed with the people attending and saw that Owosso is doing well. We will get a report in about two weeks. Authority Member Gilbert thanked Hankerd and the leaders for their good work while the DDA is without a manager.

2. MMS Training

Chairman Hankerd noted that Board Training was supposed to be on the 17th, but that date is to be deleted from the calendars because no trainer is available for that date. It will be rescheduled when a trainer is available.

3. Lebowsky Donation

Treasurer Demis discussed the request made last month for a donation requested for the Lebowsky Theater. Mr. Demis sent a letter to City Attorney Bill Brown asking for an opinion about the DDA / OMS making that donation. He has not heard back from Mr. Brown yet.

4. Bylaws and Rules

Treasurer Demis stated there are conflicts between the bylaws and the rules. He suggested that the rules be disregarded and the DDA should follow the bylaws.

He also met with Tracy and Aubrey from the Farmers Market, and Adam Zettel in reference to prompt payments. They are going to follow city procedures. The board can move funds.

8:15 am. – Authority Member Frederick left meeting.

Authority Member Acton asked about more detail on the DDA check register. Mr. Demis said each invoice has documentation that leaves no doubt that they are DDA invoices. Mr. Acton asked about two season tickets. Mr. Zettel replied they were Art Walk prizes. It was suggested to bring invoices to the meeting. Mr. Demis noted that by the time they are paid the invoices have already been reviewed by three sets of eyes.

MOTION BY AUTHORITY MEMBER GILBERT, SUPPORTED BY AUTHORITY MEMBER KRAUS TO APPROVE THE CHECK REGISTER AND THE \$300 SILVER STARS DONATION FROM 2010. YEAS ALL. MOTION CARRIED.

5. OMS Manager Position

Mr. Zettel commented they will soon be meeting for the next phase of interviewing. They are down to 12 – 14 people who have had phone interviews. They hope to narrow it down to face interviews within the next couple weeks.

6. MMS Reports, Newsletter, Markets, Etc.

Chairman Hankerd stated he will be working on the newsletter and the month-end-report. The Halloween event last Saturday brought in 800 children downtown. Nicki had comments about how nice this event was. There were blow up toys on Exchange Street.

PUBLIC / BOARD COMMENTS:

Next month the Farmers Market managers will give a report.

ADJOURNMENT:

MOTION BY AUTHORITY MEMBER GILBERT, SUPPORTED BY AUTHORITY MEMBER ACTON TO ADJOURN THE MEETING AT 8:34 A.M. YEAS ALL. MOTION CARRIED

Alaina Kraus, Secretary

m.m.s.

MINUTES FOR THE REGULAR MEETING
OWOSSO HISTORIC DISTRICT COMMISSION
NOVEMBER 16, 2011 at 6:00 p.m.
COUNCIL CHAMBERS / CITY HALL

MEETING WAS CALLED TO ORDER at 6:03 p.m. by Chairman Scott Newman.

ROLL CALL was taken by Recording Secretary Marty Stinson.

MEMBERS PRESENT: Chairman Scott Newman, Secretary Phil Hathaway, Commissioners James Eaton, and Gary Wilson.

MEMBERS ABSENT: Vice-Chairman Vincent Gonyou, Commissioners Lance Omer and Matthew Van Epps.

OTHERS PRESENT: Sarah Warren-Riley, Housing Program Manager.

AGENDA APPROVAL: Motion by Commissioner Hathaway, supported by Commissioner Eaton to approve the agenda for November 16, 2011 with the change of item # 4 moved to item # 1, as none of the applicants were yet in attendance.

Yeas: All. Motion was passed.

MINUTES APPROVAL: Motion by Commissioner Wilson and supported by Commissioner Eaton to approve the minutes of the meeting for October 19, 2011,

Yeas: All. Motion was passed.

COMMUNICATIONS:

- 1) Staff memorandum
- 2) Meeting minutes of October 19, 2011

PUBLIC COMMENTS: None.

COMMITTEE REPORTS: None.

PUBLIC HEARINGS: None.

ITEMS OF BUSINESS:

1) National Register

Chairman Newman opened the discussion by stating that if we go with the National Register now and if the state becomes available in say four years from now, we won't be able to use it.

Commissioner Hathaway said that the federal program could be used with the Armory. It should happen in the next two years. Chairman Newman also brought up the Matthews Building.

6:13 p.m. City Manager Don Crawford arrived.

Commissioner Hathaway said that the Lebowsky Theater and the Wesener Building are both on the books too.

Chairman Newman said a year or two ago, when we had the state credits, the national was not an issue. Now we don't have any other choice.

Commissioner Hathaway asked Ms. Stinson to read the proposed affirmative motion which she did.

Motion by Commissioner Hathaway, supported by Commissioner Eaton, that the Owosso Downtown Historic District Commission, finding that the pursuit of a designation for the district on the National Register of Historic Places (NRHP) is in the best interest of the city, hereby recommends the city council endorse an application to the NRHP for the current and/or amended downtown historic district and further recommends the city council pursue a grant by the State Historic Preservation Office (SHPO) to conduct such a study.

Furthermore, the commission recommends the city council resolve to support the nomination by showing a willingness to educate the community on the NRHP, and to provide local assistance to the consultant via access to historic information, local education activities, and by taking part in the research and public participation process.

Furthermore, the commission hereby directs staff to engage other community and private interests to secure letters of support, resolutions, and correspondence as necessary to fulfill the needs of SHPO and the grant process timeline.

Yeas: All. Motion was passed.

Discussion continued and a map of the current historic district was distributed and studied. Commissioner Hathaway discussed the railroad institute site, and said it would be a pretty big leap from the current district to add it on. He suggested the commissioners add a second national register district for the railroad property.

Chairman Newman suggested adding the depot across the street and making a transportation district. Commissioner Eaton said his recollection was that they were to draw lines along natural lines. There was not any particular reason to include the triangle down to the railroad. We need to be careful about adding something quickly. We put in a lot of time on the current boundaries.

Motion by Commissioner Hathaway, supported by Commissioner Wilson to request that the City of Owosso pursue with the Michigan State Historic Preservation Office (SHPO) the individual listing of the Steam Railroad Institute parcel on the National Register of Historic Places as an added component of the forthcoming downtown district nomination project funded by SHPO.

Yeas: All. Motion was passed.

2) 206 W. Main Street – Sign Application

No one was present from the dance studio. Chairman Newman stated this case was a request to place the sign above the awning.

Ms. Sarah Warren-Riley, Housing Program Manager, stated that the property owner was working with Agnew Graphics. The owner has put a lot of money into the brick, but doesn't want to move the sign. Chairman Newman noted that the owner thinks there would be confusion about entering the martial arts business instead of going to the rear of the building for the dance studio entrance. There was general agreement that Ashleigh's Dance Shack sign needs to be on the awning.

Motion by Commissioner Wilson, supported by Commissioner Eaton to deny the application as presented.

Yeas all. Motion was passed.

**Motion by Commissioner Eaton, supported by Commissioner Hathaway to suggest that they work with staff on alternative acceptable approaches.
Yeas all. Motion was passed.**

Commissioner Wilson asked if the sign could be attached on the building perpendicular. Commissioner Hathaway said yes. It would need to be reviewed for compliance with the Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings.

3) 111 E. Main Street – Window Replacement Application

Applicant James Civile was not present. Commissioner Hathaway was not in favor of dealing with this case without the applicant in attendance. Discussion followed about wood windows and Michigan contractors who can possibly replace windows at a lower cost. It was suggested that the Masonic Temple be looked at with the white window frames.

Chairman Newman stated that vinyl windows would negate the National Register.

Commissioner Hathaway mentioned if it comes down to economic hardship there may be other pathways.

**Motion by Commissioner Hathaway, supported by Commissioner Wilson that applicant was not present and economic hardship request was not detailed and rationalized.
Yeas all. Motion was passed.**

4. 122 N. Washington Street – Window Replacement Application

**Motion by Commissioner Hathaway, supported by Commissioner Wilson that applicant was not present and economic hardship request was not detailed and rationalized.
Yeas all. Motion was passed.**

PUBLIC COMMENTS: None

COMMISSIONER COMMENTS: None

ADJOURNMENT:

Chairman Newman adjourned the meeting at 7:05 p.m.

Phil Hathaway, Secretary