

**CITY OF OWOSSO
SPECIAL MEETING OF THE CITY COUNCIL
MONDAY, AUGUST 30, 2021
7:30 P.M.**

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

AGENDA

**PLEDGE OF ALLEGIANCE:
ROLL CALL:**

ADDRESSING THE CITY COUNCIL

1. Your comments shall be made during time 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 five (5) minutes duration during citizen comments and questions.
5. In addition to the opportunity 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.

CITIZEN COMMENTS AND QUESTIONS

ITEMS OF BUSINESS

1. ARPA Funding Discussion. Consider creating a select list of possible projects to be targeted for ARPA funding.

NEXT MEETING

Tuesday, September 07, 2021

BOARDS AND COMMISSIONS OPENINGS

Brownfield Redevelopment Authority – term expires June 30, 2022
Building Board of Appeals – Alternate - term expires June 30, 2022
Building Board of Appeals – Alternate - term expires June 30, 2024
Owosso Historical Commission – 2 terms expire December 31, 2021
Owosso Historical Commission – term expires December 31, 2022
Owosso Historical Commission – term expires December 31, 2023
Parks & Recreation Commission-term expires June 30, 2022
Parks & Recreation Commission-term expires June 30, 2023
Zoning Board of Appeals – Alternate – term expires June 30, 2024
Zoning Board of Appeals – term expires June 30, 2023

ADJOURNMENT

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



*Shiawassee Arts Center
206 Curwood Castle Drive
Owosso, Michigan 48867
(989) 723.8354*

August 24, 2021

RE: Request Using ARPA Funds for Improving Parking Lot in Curwood Castle Park

Dear Owosso City Manager Nathan Henne,

The Shiawassee Arts Center is excited to be making plans to celebrate SAC's 50th Anniversary next year. We will be presenting a special 14-week exhibit on the History of Owosso, May 6 - August 14, 2022. This free exhibit will be a major event in our community and we plan to offer guided tours to school children who will be bussed in from the elementary and middle schools. Many additional events will take place at the Arts Center during this exhibition including two opening receptions, a Plein Aire event in the park, an Antiques Roadshow Appraisal event, and a series of talks on Owosso's history, plus a number of lunches and receptions recognizing SAC's many volunteers and supporters over the past 50 years.

In addition to SAC's current and upcoming events and activities, many other events take place in and around Curwood Castle Park. The Curwood Festival, Amphitheater concerts, Historic Home Tour, Moonlight Market, motorcoach tours and the Labor Day Walk draw hundreds of residents and visitors to the park. Also, the Miner Walkway and the planned kayak launch just across the river, will draw even more people to this premier park in downtown Owosso. And, of course, Curwood Castle is a major draw for visitors from outside the area (the Detroit Free Press once wrote that it is the 7th most visited historic site in the state of Michigan).

A paved and lit parking lot would truly benefit both local residents and the increasing number of visitors. It would also benefit the city in terms of liability. Several visitors to the park have fallen on the gravel parking lot. One woman broke her glasses and her nose. Another time a historical commission member, attending an evening meeting, had his windshield broken.

The Parks & Recreation Commission included paving the parking lot in its Master Plan for 2020 (please see attached 5-year capital improvement plan re Curwood Castle Park and map of the parking lot). Also attached is an August 5, 2021 estimate to pave the entire 12,500sq.ft. parking lot for \$55,995. The bid is considerably less than the city's estimated cost of \$200,000 (note: this is the same company that paved the parking spaces in front of the Castle two years ago.)

The SAC Board of Directors respectfully requests that the parking lot be paved and lighted using funds from the American Rescue Plan Act. Thank you very much for your consideration.

With best regards,

Piper Brewer
Executive Director



American Rescue Plan Act

American Rescue Plan Act (ARPA)

Broad relief plan with many programs and initiatives

- Signed by President Biden – March 11, 2021

Objectives

- Support urgent COVID-19 response efforts to continue to decrease the spread of the virus
- Replace lost revenue for eligible state, local, territorial, and Tribal governments to strengthen support for vital public services and help retain jobs
- Support immediate economic stabilization for households and businesses
- Address public health and economic challenges that have contributed to the inequal impact of the pandemic

American Rescue Plan Act (ARPA)

Established the Coronavirus Local Fiscal Recovery Fund (CLFRF)

- Provides substantial funding to local governments by either:
 - Federal direct payments to Counties
 - Federal direct payments to Entitlement Metropolitan Cities (includes some Townships)
 - State payments to Non-Entitlement Units of Local Government (NEUs)

3

American Rescue Plan Act (ARPA)

Counties

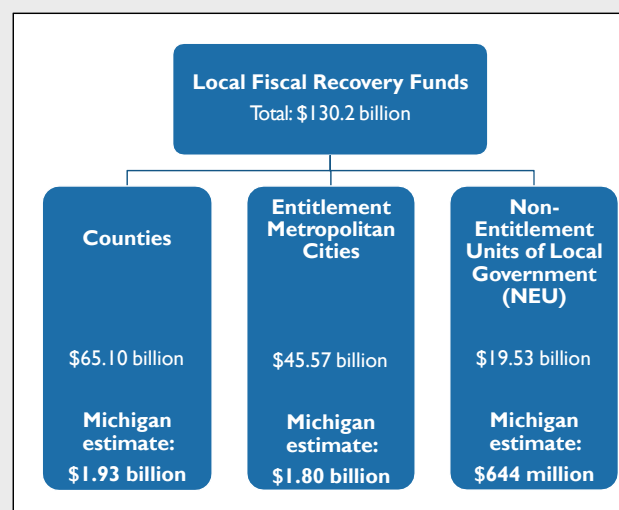
- Payments based on the county's relative population
- Direct payment from U.S. Treasury

Entitlement Metropolitan Cities

- Payments based on Community Development Block Grant (CDBG) Entitlement and a statutory formula
- Direct payments from U.S. Treasury

Non-Entitlement Units of Local Government (NEUs)

- Payments based on population
- Funding distributed to States which distributes to local governments



4

Payments and Related Expenditures

Two payments will be issued

- 50% in 2021 and 50% in 2022

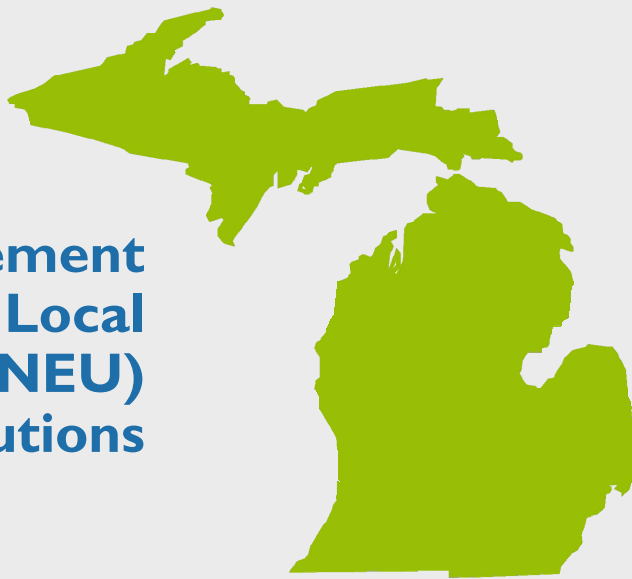
Cover expenditures beginning March 3, 2021

Must be obligated by December 31, 2024

- Under the interim rule, obligated is incurred
- Period of performance extends to December 31, 2026

5

Non-Entitlement Units of Local Government (NEU) Distributions



6

Timeline on NEU Information

- U.S.Treasury released Interim Rule – May 10th
- [City, village and township population data released by U.S.Treasury – May 10th](#)
- U.S.Treasury released NEU Guidance – May 24th
- U.S.Treasury issued NEU payment to Michigan – May 28th
- U.S.Treasury released FAQ – last update June 10th
- Deadline for NEUs to apply – July 27th

7

Non-Entitlement Units of Local Government (NEU)

Non-Entitlement Units of Local Government

- Local governments typically serving populations of less than 50,000
- Includes cities, villages, and townships as determined by U.S.Treasury

8

NEU Payment Options

- Option One: NEU Requests Funding
 - NEU Requests Payment from State of Michigan
- OptionTwo:FundsTransferred to State
 - NEU Request transfer to State of Michigan
 - Required to submit signed federal form
 - Form forthcoming from U.S.Treasury
- OptionThree:FundsTransferred to other NEUs
 - NEUs that decline the funds by neither selecting Options One or Two are treated as unresponsive

The selected option applies to both tranches and cannot be changed for the 2022 payment

9

NEU Resources

Treasury website: [Michigan.gov/ARPA](https://michigan.gov/ARPA)

- Many required documents available
- Additional forms and documents coming soon

Updated NEU Estimates

- ResolvesTownship and Village Calculation Issue

10



ARPA ALLOWABLE USES

11

Disclaimer

The U.S. Department of Treasury has issued interim rules for the American Rescue Plan Act.

These rules are subject to change.

The information provided during this webinar is solely intended for general reference and is not comprehensive or final information.

All units that accept Local Fiscal Recovery Funds are responsible for being audited by U.S. Treasury.

It is recommended that local governments review all guidance from federal Treasury and contact their legal counsel and auditor for your specific situation.

21

Allowable Uses and Prohibitions

Allowable uses include the following:

1. Response to public health emergency or its negative economic impacts
2. Provide premium pay for essential workers, within caps
3. Provide government services to the extent of revenue lost
4. Make necessary investments in water, sewer, or broadband infrastructure

Prohibited from using funds:

- Pension contributions*
- Replenishing budget stabilization fund, rainy day fund, or similar reserve account
- Legal settlements
- Outstanding debt

* Does not include portion part of "covered benefits"

22

Allowable Use #1: Public Health and Economic Impacts

Assessing whether a program or service "responds to" the COVID-19 public health emergency requires the recipient to:

1. Identify a need or negative impact of the COVID-19 public health emergency and,
2. Identify how the program, service, or other intervention addresses the identified need or impact.

23

Allowable Use #1:

COVID-19 Eligible Expenditures

| Eligible Uses | Details (IFR p. 11-21) |
|---|---|
| Containing/Mitigating Covid-19 | <ul style="list-style-type: none"> •Vaccine programs, PPE, medical expenses •Enhancing public health data systems •Capital investments in public facilities to meet pandemic operational needs etc. |
| Behavioral Healthcare Needs | <ul style="list-style-type: none"> •Mental health/substance abuse treatment •Crisis intervention/hotlines •Services to promote access to social services |
| Payroll/Benefits: Public health/safety Human services Similar employees | <ul style="list-style-type: none"> •Eligible to the extent that the work completed was for COVID-19 response/mitigation. •For administrative convenience, public health/safety workers, recipients can use funds to cover the full payroll and covered benefits costs for employees or operating units or divisions primarily dedicated to the COVID-19 response. •Payroll and covered benefits can also be used for an employee's pension benefits as part of their payroll contribution to their pensions . |

Sources:GFOA

24

Allowable Use #1:

Negative Economic Impact

| Eligible Uses | Details (p. 21-38) |
|---|---|
| Impacted Industries (Tourism/Travel/Hospitality etc.) | <ul style="list-style-type: none"> •Implement COVID-19 mitigation/prevention measures to enable safe resumption of tourism, travel, and hospitality services e.g., improvements to ventilation, physical barriers or partitions, signage to facilitate social distancing, provision of masks or personal protective equipment, or consultation with infection prevention professionals to develop safe reopening plans |
| Rebuilding Public Sector Capacity to Pre-Pandemic Levels | <ul style="list-style-type: none"> •Payroll Benefits •Rehiring public-sector staff •Replenishing UI trust funds |
| Small Business Support | <ul style="list-style-type: none"> •Loans, grants, in-kind assistance for operation continuity, mitigation/prevention, and counseling programs to rebound from the downturn |
| Hardest-Hit Communities | <ul style="list-style-type: none"> •Investing in socioeconomic disparities, housing/communities •Addressing disparities in education |

Sources:GFOA

25

Allowable Use #2: Premium Payments

Workers Performing Essential Work During COVID

Eligible workers are those: "...needed to maintain continuity of operations of essential critical infrastructure..."

Examples include:

- Staff at nursing homes, hospitals, and home care settings
- Workers at farms, food production facilities, grocery stores, and restaurants
- **Janitors and sanitation workers**
- Truck drivers, transit staff, and warehouse workers
- **Public health and safety staff**
- Childcare workers, educators, and other school staff
- Social service and human services staff
- **Other sectors can be added as long as they are deemed critical to protect the health and well-being of residents**

17

Allowable Use #2: Premium Payments

Allowable Payment:

- Additional pay up to \$13/hour for all work.
- Can not reduce or substitute normal earnings
- May not exceed \$25,000/person
- Justification required if workers pay will be above 150% state or county average annual wage (\$28,437 per person – 2019)
- Retroactive pay allowed

18

Allowable Use #3: Revenue Loss

How can you use these funds?

“Government Services”

- Maintenance or new infrastructure, such as roads
- Health services
- Environmental remediation
- Police, fire, and other public safety services

Excludes

- Issuance of new debt or payment of outstanding debt
- Reserves
- Paying settlements/judgements

19

Allowable Use #3: Revenue Loss “General Revenue”

•What is Revenue?

•Includes

- Taxes, current charges, rentals, miscellaneous revenues
- All revenue streams (i.e. entity-wide)
- Other Government Transfers (i.e., revenue sharing)

•Excludes

- Federal Transfers
- Utilities (water supply, electric power, gas supply, and public mass transit systems)
- Refunds
- Correcting transactions,
- Proceeds from issuance of debt
- Sale of investments

20

Allowable Use #4: Investment in Infrastructure

Water and Sewer (FAQ 6.1 to 6.4)

Clean Water State Revolving Fund (CWSRF)

- “construct, improve, and repair wastewater treatment plants, control non-point sources of pollution, improve resilience of infrastructure to severe weather events, create green infrastructure, and protect waterbodies from pollution”
- Includes Stormwater, cybersecurity, green infrastructure and climate change

Drinking Water State Revolving Fund (DWSRF)

- “building or upgrading facilities and transmission, distribution, and storage systems, including replacement of lead service lines”
- Includes consolidation, cybersecurity, and climate change

Additional Reporting (additional guidance at later date)

- “workforce plans and practices related to water, sewer, and broadband projects undertaken with Fiscal Recovery Funds”

38

Allowable Use #4: Investment in Infrastructure

Broadband

Unserved or Underserved

- Less than - download 25 Mbps and upload 3 Mbps

Required level

- 100 Mbps symmetrical upload/download
- Exception for lower speed due to geography, or excessive costs

39

Examples of Possible Projects/Uses

1. **Public Health Impact Uses**

- Additional months of public safety payroll not covered from the Coronavirus Relief Fund grants during 2020.
- Needed improvements to city hall during pandemic (i.e. engineering office, building department, front desk improvements.)

2. **Premium Payments**

- All city employees have already received premium payments through CRF grant and the federal workshare program. I do not recommend further premium payments using ARPA funding.

3. **Revenue Loss = up to \$765,850 eligible for this item**

- Downtown sidewalk repair and beautification project to coincide with downtown lead service line replacement.
 - LSR replacement could be funded with CRF as well – or with city water funds. However, both LSR and sidewalk repair would have to be completed together.
- Reconstruction of Jerome St along river. This would be a transformational project that would greatly enhance the city's recreational opportunities along the national water trail.
- Curwood Castle gift shop and admittance revenue lost as a result of COVID shutdown.
- Pavilion and park rental revenue not received due to COVID shut down

4. **Infrastructure**

- Sewer and Water system improvements
 - Wastewater Plant
 - LSR replacements (until Dec 2026)
 - Water main replacement
 - Sewer interceptor cleaning (could alleviate SSO problem in collection system)

List of Possible Project Ideas

- **Revenue Loss (up to \$765,850)**
 - Library maintenance
 - Pave SAC parking lot
 - Downtown sidewalk repair
 - Jerome Street reconstruction and river trail improvement
 - Splash Pad expansion
 - City Hall efficiency
 - Public safety building efficiency
 - Ambulance purchase
 - RLF fund emergency COVID loan refund
 - OHC revenue loss due to COVID shutdown
 - SCBA's for Fire Department - URGENT
 - Anything not water/sewer related in 6-year CIP.
 - Anything in Parks Plan.
- **Water and Sewer Infrastructure**
 - Lead service line replacements
 - Sewer main reconstruction near M-52 bridge (regular sanitary sewer overflow site)
 - Planned projects at water and sewer plants
 - Anything in 6-year CIP for water/sewer