

**CITY OF OWOSSO
REGULAR MEETING OF THE CITY COUNCIL
MINUTES OF NOVEMBER 6, 2023
7:30 P.M.
VIRGINIA TEICH CITY COUNCIL CHAMBERS**

PRESIDING OFFICER: MAYOR ROBERT J. TEICH, JR.

OPENING PRAYER: PASTOR KATIE WALLEN
FIRST BAPTIST CHURCH OF OWOSSO

PLEDGE OF ALLEGIANCE: REVEREND PAUL BRUNELL
CHRIST EPISCOPAL CHURCH

PRESENT: Mayor Robert J. Teich, Jr., Mayor Pro-Tem Susan J. Osika,
Councilmembers Janae L. Fear, Jerome C. Haber, Daniel A.
Law, and Nicholas L. Pidek.

ABSENT: Councilmember Emily S. Olson.

APPROVE AGENDA

Motion by Mayor Pro-Tem Osika to approve the agenda as presented.

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

APPROVAL OF THE MINUTES OF REGULAR MEETING OF OCTOBER 16, 2023

Motion by Mayor Pro-Tem Osika to approve the Minutes of the Regular Meeting of October 16, 2023 as presented.

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

APPROVAL OF THE MINUTES OF SPECIAL MEETING OF OCTOBER 30, 2023

Motion by Councilmember Pidek to approve the Minutes of the Special Meeting of October 30, 2023 as presented.

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

PROCLAMATIONS / SPECIAL PRESENTATIONS

COSSAP Grant Presentation

City Council received a presentation from Owosso Police Department Captain Eric Cherry, Community Resource Officer Ryan Jenkins, and Comprehensive Opioid Stimulant and Substance Abuse Program grant partner Amy Cherry from Shiawassee Health and Wellness regarding the new program to prevent opioid overdose deaths and help those battling opioid addiction and its success within the community.

PUBLIC HEARINGS

None.

CITIZEN COMMENTS AND QUESTIONS

Robert Doran-Brockway, 401 N. Washington Street, expressed his displeasure regarding the speculative mishandling of funds raised by the Historical millage and the sale of the Gould House. He spoke of his time as the Historical Commission Director and the efforts that he exerted in order to raise funds for the maintenance of the community's historical buildings.

Patrice Martin, 615 N. Park Street, commended members of the COSSAP Grant committee on their efforts. She also expressed her displeasure with the lack of adherence to the City's Master Plan in regard to the Gould House sale.

Tom Manke, 2910 W. M-21, congratulated Capitan Eric Cherry on his promotion and mentioned the opening of the new meat market downtown.

CONSENT AGENDA

Motion by Mayor Pro-Tem Osika to approve the Consent Agenda as follows:

First Reading and Set Public Hearing – Ordinance Amendment – Chapter 32, Taxation.

Conduct first reading and set a public hearing for Monday, November 20, 2023 at 7:30 p.m. to receive citizen comment regarding the proposed amendment to Chapter 32, Taxation, Article III, *Service Charge in Lieu of Taxes for Certain Housing Developments* of the Code of Ordinances as follows:

RESOLUTION NO. 187-2023

**AUTHORIZING FIRST READING & SETTING A PUBLIC HEARING
FOR THE PROPOSED AMENDMENT OF
DIVISION 2, VENTURE RIVERVIEW FLATS, LDHA, OF CHAPTER 32, TAXATION,
OF THE CODE OF ORDINANCES
TO AMEND THE PILOT AGREEMENT
FOR THE RIVERVIEW FLATS**

WHEREAS, the Owosso Public Schools sold the former middle school building to Venture, Inc., a Michigan domestic nonprofit corporation, located in Pontiac, Michigan; and

WHEREAS, Venture, Inc., plans to convert the building into a mixed-use development with residential spaces catering to people with low incomes funded in part by low-income housing tax credits; and

WHEREAS, the City of Owosso agrees to forego property tax payments on the property to assist in the financial feasibility of the project; and

WHEREAS, the City of Owosso previously amended this ordinance on September 19, 2022, and after working with the State of Michigan and the developers, it concurs that additional amendments are required to said ordinance.

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

SECTION 1. AMENDMENT. Division 2, Venture Riverview Flats LDHA LP, of Article III, *Service Charge in Lieu of Taxes for Certain Housing Developments*, of Chapter 32, Taxation, of the Code of Ordinances of the City of Owosso shall be amended as follows:

DIVISION 2. -VENTURE RIVERVIEW FLATS, LDHA LP

Sec. 32-50. - Preamble.

It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide housing for its citizens of low income and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the State Housing Development Authority Act of 1966 (1966 PA 346. as amended, MCL 125.1401 et seq.). The City is authorized by this Act to establish or change the service charge to be paid in lieu of taxes by any or all classes of housing exempt from taxation under this Act at any amount it chooses not to exceed the taxes that would be paid but for this Act.

It is further acknowledged that such housing for persons of low income is a public necessity, and as the City will be benefited and improved by such housing, the encouragement of the same by providing certain real estate tax exemption for such housing is a valid public purpose; further, that the continuance of the provisions of this article for tax exemption and the service charge in lieu of taxes during the periods contemplated in this article are essential to the determination of economic feasibility of housing developments which are constructed and financed in reliance on such ordinance and service charge.

The City further acknowledges that Venture, Inc., a domestic nonprofit corporation (a sponsor). has offered, subject to receipt of a mortgage loan from the authority, to erect and/or reuse an existing structure, own and operate a housing development Identified as **Venture Riverview Flats** on certain property located at 219 N. Water Street (see legal description below) in the City to serve persons of low income, and that the sponsor has offered to pay the City on account of the development an annual service charge for public services in lieu of all taxes.

The City further acknowledges that Venture, Inc., a Michigan domestic nonprofit corporation, has offered, subject to receipt of low-income housing tax credits from the authority, to erect, own and operate **a housing** the development to the required standards of SHPO, identified as the **Venture Riverview Flats** on certain property located at 219 N. Water Street in the City, hereinafter referred to as the "Site" and further described as:

COM 70' S OF NE CORNER BLK 38 TH W 143.8' TH S 62' TH W 334.7'
TH S TO SHIA RIVER TH SE'LY TO PT 6" N OF THE PT WHERE N LN
OF EXCHANGE ST IF EXT'D WL Y WOULD INTERSECT E BANK OF
SD RIVER TH ON A LN PAR'L WITH N LN OF EXCHANGE ST SO EXT
D TO A PT 126' W OF W LN OF WATER ST TH N 2' TH EI YON A LN
PAR'L WITH THE N LN OF EXCHANGEST SO EXT'D 38' TH S 2'6" TO
N LN EXCHANGE ST SO EXT'D TH E ON LINE OF EXCHANGE ST SO
EXT'D 88' TO THEW LN OF WATER ST TH N TO BEG BLK 38 ORIGINAL
PLAT;
Parcel Number: 050-470-038-002-00

to serve persons of low income, and that the sponsor has offered to pay the City on account of the development an annual service charge for public services in lieu of all taxes.

Sec. 32-51. - Definitions.

The following words, terms, and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Act means the State Housing Development Authority Act. being Public Act 346 of 1966, of the State of Michigan, as amended.

Annual ~~shelter~~ Rents means the total collections during an agreed annual period from all ~~tenants occupants of a housing development~~ representing rents or occupancy charges exclusive of charges for gas, electricity, heat, or other utilities furnished to the ~~occupants~~ tenants.

Authority means the Michigan State Housing Development Authority.

~~*Contract rents* are as defined by the U.S. Department of Housing and Urban Development in regulations promulgated pursuant to Section 8 of the U.S. Housing Act of 1937, as amended.~~

Housing development means a development which contains a significant element of housing for elderly persons of low income or persons of low income and such elements of other housing, commercial, recreational, industrial, communal, and educational facilities as the authority determines improve the quality of the development as it relates to housing for persons of low income.

HUD means the **U.S.** Department of Housing and Urban Development ~~of the United States Government.~~

Mortgage loan means a **loan that is Federally-Aided (as defined in Section 11 of the Act) or loan or grant made or to be made by the Authority, for the construction, rehabilitation, acquisition and/or permanent financing of a housing project, and secured by a mortgage on the housing project.** ~~loan to be made by the authority or Fanners Home Administration or the Department of Housing and Urban Development to a sponsor for the construction and permanent financing of a housing development or a mortgage loan insured by HUD or a federally aided mortgage as otherwise defined by the Act.~~

~~*Persons of low income*~~ ***Persons and Families*** means persons and families eligible to move into a housing development **project** ~~families and persons who cannot afford to pay the amounts at which private enterprise, without federally aided mortgages or loans from the authority, is providing a substantial supply of decent safe, and sanitary housing and~~ who fall within income limitations set in this act or by the authority in its rules. ~~Among low income or moderate income persons, preference shall be given to the elderly and those displaced by urban renewal, slum clearance, or other governmental action.~~

Sponsor means persons or entities **that receive or assume a Mortgage Loan.** ~~which have applied to either the authority for a mortgage loan to finance a housing development or to another governmental entity or is a federally aided mortgage, as otherwise defined by the Act.~~

State Historic Preservation Office means The Michigan State Historic Preservation Office (SHPO) helps property owners, developers, and local and state agencies recognize and seize opportunities to maintain and rehabilitate structures that define communities and define Michigan. The SHPO encourages the rehabilitation of historic buildings so they can continue to enrich communities where people want to live and visit. Through the protection of historic and archaeological sites and other cultural resources, preservation provides a record of Michigan's history and creates a link between Michigan's residents: past, present, and future.

Utilities means fuel, water, sanitary sewer service and/or electrical service which are paid by the housing development.

Sec. 32-52. - Class of housing developments.

It is determined that the class of housing developments to which the tax exemption shall apply and for which a service charge shall be paid in lieu of such taxes shall be multiple dwellings for persons of low income **and any social, recreational, commercial and communal facilities as may be necessary to serve residents of the housing development and the area in which it is located**, which are financed or assisted by the authority, or which have a federally aided mortgage, as defined in the Act. It is determined that **Water Street Exchange Riverview Flats** is of this class.

Sec. 32-53. • Establishment of annual service charge for **Venture Riverview Flats.**

The housing development identified as **Venture** Riverview Flats and the property on which it shall be constructed shall be exempt from all property taxes from and after the commencement of construction. The City, acknowledging that the sponsor and the authority have established the economic feasibility of the housing development in reliance upon the enactment and continuing effect of this article and the qualification of the housing development for exemption from all property taxes and a payment in lieu of taxes as established herein, and in consideration of the sponsor's offer, subject to receipt of a mortgage loan ~~from the authority~~, to construct, own and operate the housing development, hereby agrees to accept payment of an annual service charge for public services in lieu of all **ad valorem** property taxes. The annual service charges shall be equal to four **(4)** percent of the difference between ~~contract~~ **annual** rents actually collected and utilities.

Sec. 32-54. • Payment of service charge.

The service charge in lieu of taxes as determined under this article shall be payable in the same manner as general property taxes are payable to the City except that the annual payment shall be paid on or before March 31 of each year.

Notwithstanding anything contained herein to the contrary, should the Sponsor fail to pay the final adjusted service charge in lieu of taxes granted hereunder by the due date, or fail to submit along with the payment such financial information as is necessary to support the calculations used to make a payment, the City may determine that the Sponsor has violated the Ordinance and may then follow the collection procedures pursuant to the provisions of the General Property Tax Act (1893 PA 206. As amended; MCL 211.1, et seq) in order to collect the service charge.

Sec. 32-55. • Duration.

The tax exempt status of a housing development approved for such status by the City council shall remain in effect and shall not terminate so long as the mortgage loan for such housing development remains outstanding and unpaid, as long as the **housing at the** property is subject to restrictive rents in compliance with the low income housing tax credit program administered by MSHDA, or for such period as the authority or other governmental entity has any interest in the property; provided, the construction of such **housing** development commences within two (2) years from the effective date the City council approves the housing development for tax exempt status as provided in this article.

Sec. 32.56. - Contractual effect.

Notwithstanding the provisions of section 15a(5) of the Act (MCL 125.1415a(5)), to the contrary, a contract between the City and the sponsor with the authority as third part beneficiary thereunder, to provide tax exemption and accept payments In lieu thereof as previously described is effected by enactment of this article.

Sec. 32.57 – Severability

The various sections and provisions of this Ordinance shall be deemed to be severable, and should any section or provision of this Ordinance be declared by any court of competent jurisdiction to be unconstitutional or invalid the same shall not affect the validity of this Ordinance as a whole or any section or provision of this Ordinance, other than the section or provision so declared to be unconstitutional or invalid.

Sec. 32.58 – Inconsistent Ordinances

All ordinances or parts of ordinances inconsistent or in conflict with the provisions of this Ordinance are repealed to the extent of such consistency or conflict.

SECTION 2. PUBLIC HEARING. A public hearing is set for Monday, November 20, 2023 at 7:30 p.m. in the City Hall Council Chambers for the purpose of hearing citizen comment regarding the proposed amendment to the Code of Ordinances.

SECTION 3. EFFECTIVE DATE. This amendment shall become effective twenty days after passage.

SECTION 4. AVAILABILITY. 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.

Purchase Authorization – Type III Ford E-450 Ambulance. Authorize the purchase from Kodiak Emergency Equipment, Inc. d/b/a Kodiak Emergency Vehicles for the purchase of one 2026 (estimated year) Type III E-450 Ambulance and further authorize payment to the vendor upon satisfactory delivery of the vehicle as follows:

RESOLUTION NO. 188-2023

**AUTHORIZING THE EXECUTION OF A CONTRACT WITH
KODIAK EMERGENCY VEHICLES
FOR ONE 2026 FORD E-450 AMBULANCE**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, has a Fire/EMS Department requiring the use of ambulances; and

WHEREAS, the City of Owosso requested bids through MITN and it is hereby determined that Kodiak Emergency Equipment, Inc. d/b/a Kodiak Emergency Vehicles is qualified to provide such vehicle and that it has submitted a 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 heretofore determined that it is advisable, necessary and in the public interest to purchase one 2026 Osage Super Warrior Type III Ford E-450 ambulance and a Stryker Super Pro-Pro 2 Cot and a Stryker Xpedition powered stair chair from Kodiak Emergency Equipment, Inc. d/b/a Kodiak Emergency Vehicles for \$373,245.00.
- SECOND: The City Manager and City Attorney shall prepare the contract for purchase for which the mayor and city clerk are instructed to authorize and sign.
- THIRD: The accounts payable department is hereby authorized to make payment to Kodiak Emergency Vehicles in the amount of \$373,245.00 upon satisfactory receipt of the ambulance.

Fire Truck Change Orders #1 and #2 – HME Inc. Authorize Change Orders #1 and #2 with HME Inc. in the amount of \$8,214.00 and \$8,169.00 respectively for the 2023 fire truck bid, increasing the original contract price from \$789,988.00 to \$806,371.00 as follows:

RESOLUTION NO. 189-2023

**RESOLUTION AUTHORIZING CHANGE ORDERS #1 AND #2 WITH
HME, INC. FOR ONE CORE TOP-MOUNT PUMPER**

WHEREAS, the City of Owosso, Shiawassee County, Michigan, approved the purchase of a 2024 Fire Truck from HME Inc. on September 5, 2023 in the amount of \$789,988.00; and

WHEREAS, additional materials and labor were required to complete the purchase necessitating Change Orders #1 and #2, in the amounts of \$8,214.00 and \$8,169.00, increasing the purchase price to \$806,371.00.

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 amend the purchase agreement with HME, Inc. by \$18,383.00, increasing the original purchase from \$789,988.00 to \$806,371.00 for additional labor and materials necessary to complete the purchase.
- SECOND: The mayor and city clerk are instructed and authorized to sign Change Orders #1 and #2 between the City of Owosso, Michigan and HME, Inc. in the amounts of \$8,214.00 and \$8,169.00, respectively.
- THIRD: The accounts payable department is authorized to submit payment to HME, Inc up to the amount of \$806,371.00.
- FOURTH: The above expenses shall be paid from the Fire Equipment account, 101-336-978.000.

WWTP Secondary Clarifier – Addendum No. 7. Authorize the Agreement between the City of Owosso and Fishbeck of Lansing, Michigan dated September 7, 2021 in the amount of \$498,000.00 as addendum No. 7 for providing engineering design, bidding services, and construction administration services for the Secondary Clarifier project at the Wastewater Treatment Plant, with construction services being contingent upon securing CWSRF loan funding as follows:

RESOLUTION NO. 190-2023

APPROVAL OF ADDENDUM NO. 7 TO THE AGREEMENT BETWEEN THE CITY OF OWOSSO AND FISHBECK FOR ENGINEERING DESIGN AND CONSTRUCTION SERVICES FOR SECONDARY CLARIFIER AT THE WASTEWATER TREATMENT PLANT

WHEREAS, the City of Owosso, Shiawassee County, Michigan, will fund from the State of Michigan’s Clean Water State Revolving Fund (CWSRF) for Secondary Clarifier, and

WHEREAS, key components of the clarifiers have reached or are beyond the end of their useful lives, and Fishbeck of Lansing, Michigan has provided a proposal for the necessary engineering services to replace this aged equipment, and

WHEREAS, the Director of Public Services & Utilities has reviewed the proposal and verified the engineering services as necessary for the design, bid specification development, and construction administration services to replace the aged equipment, and hereby recommends authorizing Fishbeck to provide these engineering services in the amount of \$498,000.00.

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 contract with Fishbeck for design services to replace the aged equipment at the Wastewater Treatment Plant.
- SECOND: The accounts payable department is authorized to submit payment to Fishbeck in the amount of \$498,000.00 for these services.
- THIRD: Task 4 – Construction Services is contingent upon the City securing loan funding through the State’s CWSRF program.
- FOURTH: The above expenses shall be paid from the fund 599-901-977.000.

Check Register – October 2023. Affirm check disbursements totaling \$2,738,407.59 through October 31, 2023.

Warrant No. 635. Authorize Warrant No. 635 as follows:

Vendor	Description	Fund	Amount
Waste Management	Service Period October 1, 2023 – October 15, 2023	WWTP	\$10,692.28

Motion supported by Councilmember Law.

Roll Call Vote.

- AYES: Councilmembers Law, Fear, Pidek, Mayor Pro-Tem Osika, Councilmember Haber, Mayor Teich.
- NAYS: None.
- ABSENT: Councilmember Olson.

ITEMS OF BUSINESS

Lot Split Authorization – 824 South Park Street

Motion by Councilmember Pidek to approve authorization of the division of a City lot under Michigan Subdivision Control Act for platted lot at 824 South Park Street as follows:

RESOLUTION NO. 191-2023

**LOT SPLIT
824 SOUTH PARK STREET
PARCEL #78-050-652-006-011-00**

WHEREAS, the City of Owosso received a petition from Robert and Dara Siddock for a lot split for their property at 824 South Park Street, parcel number 78-050-652-006-011-00, complete with application; and

WHEREAS, Sec. 30-5. Article I, Chapter 30 of the Code of the City of Owosso requires such applications to be approved by the city council; and

WHEREAS, the city building official, assessor, treasurer, public utilities director, engineer and zoning administrator have all approved the application.

NOW THEREFORE BE IT RESOLVED that the City of Owosso City Council hereby approves the split as illustrated and described by the city assessor in the application dated October 3, 2023, resulting in the addition of 38' to the existing parcel at 830 South Park Street for a future addition to the house and the removal of 38' from the parcel at 824 South Park Street as described below:

Current Description (824 South Park Street, 050-652-006-011-00)
LOT 12 & 15 BLK 6 A L WILLIAMS 2nd ADD

New Description After Split, (824 South Park Street, 050-652-006-011-00)
LOTS 12 & 15, EXC S 38 FT OF LOT 15, BLK 6 A L WILLIAMS 2ND ADD L1/P58

Description Split Parcel (to be added to 830 South Park Street, 050-652-006-015-00)
LOTS 16, 19, & S 38 FT OF LOT 15, BLK 6 A L WILLIAMS 2ND ADD L1/P58

Motion supported by Mayor Pro-Tem Osika.

Roll Call Vote.

AYES: Councilmembers Pidek, Fear, Haber, Mayor Pro-Tem Osika, Councilmember Law, Mayor Teich.

NAYS: None.

ABSENT: Councilmember Olson.

COMMUNICATIONS

- Brad A. Barrett, Finance Director. Financial Report – October 2023.
- Historic District Commission. Minutes of September 20, 2023
- Downtown Development Authority/Main Street. Minutes of October 4, 2023.
- Downtown Development Authority/Main Street. Minutes of October 31, 2023.
- Parks & Recreation Commission. Minutes of October 25, 2023.
- Tanya S. Buckelew, Planning and Building Director. Annual Liquor License Inspections.

CITIZEN COMMENTS AND QUESTIONS

Tom Manke, 2910 W. M-21, spoke about the challenges that will be endured with the raising of water rates in the future for the projects needed to improve the water system. He strongly believes that improvements need to be made, but does not know how residents are going to be able to afford it.

NEXT MEETING

Monday, November 20, 2023, 7:30 p.m.

BOARDS AND COMMISSIONS OPENINGS

- Building Board of Appeals – Alternate - term expires June 30, 2024
- Building Board of Appeals – Alternate - term expires June 30, 2025
- Downtown Development Authority – term expires June 30, 2024
- Zoning Board of Appeals – Alternate – term expires June 30, 2024
- Zoning Board of Appeals – Alternate – term expires June 30, 2025

ADJOURNMENT

Motion by Councilmember Pidek for adjournment at 8:04 p.m.

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

Robert J. Teich, Jr., Mayor

Katie Arendt, Recording Secretary