

Minutes of the regular meeting of the City Commission held Monday, July 25, 2011, at 7:03 p.m., in the City Commission Room.

Mayor Kilmer called the meeting to order and the Pledge of Allegiance was recited.

Commissioners Present: Mayor Kilmer and Vice Mayor Ling; Commissioners Joslin and Robinette

Commissioners Absent: Commissioners English, Holton and Tilmann (all excused)

Others Present: City Manager Grinzinger and City Clerk Howard

Received the following petitions and communications:

1. Second Quarter Investment Report
2. Component Unit Financial Report

Moved by Vice Mayor Ling and supported by Commissioner Joslin to approve the following items on the Consent Calendar:

1. Minutes of the regular meeting of the City Commission held July 11, 2011.
  2. Payrolls dated 7/22/11 and warrants dated 7/21/11 all totaling \$313,841.06.
- Motion unanimously adopted.

The following Resolution No. 1 was offered by Vice Mayor Ling and supported by Commissioner Robinette:

WHEREAS, pursuant to provisions of the City Charter of the City of Mt. Pleasant; Chapter 33: TAXATION, Section 33.17 "Authority to Assess", of the Code of Ordinances, and Public Act 120 of 1961 "Redevelopment of Shopping Areas", the City Commission of the City of Mt. Pleasant may commence proceedings to provide funding for the operations of the Principal Shopping District within the City and determine the tentative necessity thereof,

AND, WHEREAS, the City Commission has tentatively deemed it to be in the public's interest, health and welfare to provide funding for the operations of the Principal Shopping District in the City, Special Assessment District No. 1-12

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. The City Manager is directed to cause to be prepared a report which shall include all analysis and information required by Section 33.20 "Survey and Report", of the Code of Ordinances,
2. When the aforesaid report is completed, the City Manager shall file the same with the City Clerk for presentation to the Commission.
3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are and the same hereby are rescinded.

Resolution unanimously adopted.

The following Resolution No. 2 was offered by Vice Mayor Ling and supported by Commissioner Robinette:

WHEREAS, the City Manager has prepared a report concerning funding for the Principal Shopping District in Special Assessment District No. 1-12, which includes all of the information to be included by Section 33.20 "Survey and Report" of the City's Code of Ordinances;

AND, WHEREAS, the City Commission has reviewed said report;

AND, WHEREAS, the City Commission of the City of Mt. Pleasant determines that it is tentatively necessary to provide funding for the Principal Shopping District in the City of Mt. Pleasant more particularly hereinafter described in this resolution;

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. The City Commission hereby tentatively determines that providing funding for the Principal Shopping District described more particularly hereinafter provided for are necessary.

2. The total funding for the Principal Shopping District for the next three years (2012, 2013 and 2014) is estimated to be \$186,300. \$85,000 shall be spread over the special assessment district as hereinafter described as a result of benefits to be received by the affected properties in the special assessment district. \$101,300 shall be paid by the City-at-large.

3. Said special assessment district shall consist of all the lots and parcels of land as follows: all lots in the Principal Shopping District as established by the City Commission at the February 24, 2003 meeting and amended at the November 14, 2005 meeting.

4. The duration of the special assessment shall be three years.

5. The affected properties in the special assessment district shall be assessed in accordance with the relative portion of the sum to be levied in the district, as the benefit to the parcel of land bears to the total benefit to all parcels.

6. The aforesaid report shall be placed on file in the office of the City Clerk where the same shall be available for public examination.

7. The City Commission shall meet on August 8, 2011, at 7:00 p.m., Daylight Savings Time, in the City Commission Room, City Hall, 320 W. Broadway Street, for the purpose of hearing objections to providing funding to the "Principal Shopping District".

8. The City Clerk is hereby directed to cause notice of said hearing to be published and mailed in accordance with applicable statutory and ordinance provisions.

9. All resolutions and parts of resolutions conflicting with the provisions of this resolution are hereby rescinded.

Resolution unanimously adopted.

Moved by Commissioner Robinette and supported by Commissioner Joslin to set a public hearing for Monday, August 22, 2011 at 7:00 p.m. to consider conditionally rezoning a portion of the property located at 560-614 W. Pickard to C-3 Zoning with a certain number of restrictions on the uses currently allowed in the C3 Zoning. Motion unanimously adopted.

Moved by Commissioner Joslin and supported by Vice Mayor Ling to set a public hearing for Monday, August 22, 2011 at 7:00 p.m. to consider the conditional rezoning of the property located at 210 W. Pickard from I-1 to C-3, with self-imposed conditions. Motion unanimously adopted.

Moved by Vice Mayor Ling and supported by Commissioner Joslin to approve the following Resolution Opposing the Transfer of Funds to the Strategic Loan Fund.

WHEREAS, in 1987, the City was awarded a United States Department of Housing and Urban Development ("HUD") Community Development Block Grant in the amount of \$225,000 (the "CDBG") pursuant to an agreement with the Michigan Department of Commerce (the "Grant Agreement") to be used for the economic development purposes of creating and retaining employment primarily benefiting low and moderate income persons; and

WHEREAS, pursuant to the Grant Agreement, the City loaned those funds to Independent Papercraft, Inc. and, when Independent Papercraft, Inc. repaid that loan, the City established a revolving loan fund and used those "recaptured funds" to make other loans in accordance with the terms of the Grant Agreement, applicable federal laws and regulations, and after approvals by the applicable state agency (originally, the Department of Commerce and currently the Michigan Economic Development Corporation/MEDC); and

WHEREAS, the City, in the spirit of community stewardship, has never taken the allowable portions of those funds to cover its expenses related to administering the grant or the subsequent loans and still has managed to successfully administer those funds so they now total in excess of \$450,000; and

WHEREAS, the MEDC now proposes that the CDBG funds the City has so successfully administered to benefit a number of businesses providing numerous employment opportunities for low and moderate income persons be transferred to the control of "Saginaw Futures," an economic development agency formed to address economic development challenges in the City of Saginaw and Saginaw County; and

WHEREAS, the City is concerned that after years of careful stewardship of one Small Cities CDBG grant and continuous compliance with applicable contractual and regulatory requirements, it is now being penalized as the MEDC seeks to commandeer and redistribute these funds for use in areas which regularly received federal entitlement funds never available to communities like Mt. Pleasant; and

WHEREAS, the City is concerned its carefully stewarded funds will no longer be available to use in furtherance of economic development in the City or Isabella County as expressly dictated by the CDBG grant of 1987; and

WHEREAS, the MEDC also proposes that, despite the City's 30 year history in working cooperatively with the Middle Michigan Development Corporation ("MMDC") which serves Isabella and Clare Counties, and which has, in turn, worked with Gratiot County and other contiguous counties, to address their unique economic development challenges of Mid-Michigan, all state assistance to Isabella County economic development be regionalized in the "Great Lakes Bay Region" comprised of Isabella, Saginaw, Midland and Bay Counties; and

WHEREAS, the MEDC's proposal seems contrary to the philosophy of voluntary allegiances based on common interest; home rule and local control; in opposition to the governor's creation of incentives for careful fund management, and more consistent with a concept of centralized government control.

NOW, THEREFORE, IT IS RESOLVED AS FOLLOWS:

1. The City of Mount Pleasant hereby urges the officials of the Michigan Economic Development Corporation, the Office of the Governor and other state bodies and officials to delay any further verdicts to artificially create regional alliances involving the City without first soliciting input from the City and inviting its economic development officials and partners into the decision-making process.

2. The City of Mt. Pleasant and its elected officials strongly urge State Officials to reconsider the planned seizure of the City's CDBG funds and to ensure the City maintains local control of those funds so the funds continue to be available to address the unique economic development challenges in the City.

3. The City Commission authorizes and directs City officers to convey this resolution to appropriate state and federal officials and engage them in discussions directed toward an outcome consistent with this resolution.

4. All resolutions and parts of resolutions are, to the extent of any conflict with this resolution, rescinded.

Resolution unanimously adopted.

Moved by Commissioner Joslin and supported by Commissioner Robinette to set a public hearing for August 8, 2011 at 7:00 p.m. on Application for Redevelopment Liquor License for Gingko Tree Inn at 309 N. Main Street. Motion unanimously adopted.

Richard F. Jakubiec, Isabella County Drain Commissioner, gave a presentation on the request to upgrade and enlarge the Upton Drain.

Moved by Commissioner Joslin and supported by Vice Mayor Ling to adopt the following resolution to authorize the Isabella County Drain Commissioner to upgrade and enlarge the Upton Drain.

WHEREAS, Richard Jakubiec, County Drain Commissioner of the County of Isabella, has made an inspection of the Upton #617 drain, and has determined that it is necessary to repair and maintain said drain to keep the drain in working order,

AND, WHEREAS, The cost of the work required in repairing and maintaining the said drain may cost in excess of \$5,000.00 per mile,

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. The City Commission of the City of Mt. Pleasant does hereby approve the expenditure of more than \$5,000.00 per mile by the Drain Commissioner.

Resolution unanimously adopted.

#### Announcements on City-Related Issues and Concerns

Commissioner Joslin announced that Mardi Gras is scheduled for September 30. The Mardi Gras Committee has been discussing the possibility of requesting Commission approval to allow applications for patio extensions that would allow bars to rope off to the center of the streets in front of their businesses. He would also like to look at the possibility of getting public hearings added to the agenda sooner to help businesses on tight timelines.

Vice Mayor Ling complimented the Treasurer on accurate interest projections. She also stated that she liked receiving tax capture information and asked for an update on the study proposed to look at the impact of tax capture districts on job creation.

Mayor Kilmer adjourned the meeting at 7:34 p.m. without objection.

Bruce Kilmer, Mayor

Jeremy Howard, City Clerk