

## DOWAGIAC CITY COUNCIL MEETING

Tuesday, May 27, 2014

A regular meeting of the Dowagiac City Council was called to order by Mayor Donald D. Lyons at 7:00 p.m.

Mayor Lyons led the Pledge of Allegiance to the flag.

PRESENT: Mayor Donald D. Lyons; Mayor Pro-Tem Leon D. Laylin; Councilmembers Bob B. Schuur, Charles K. Burling, James B. Dodd, and Randall G. Gross, Sr.

ABSENT: Lori A. Hunt.

STAFF: City Manager Kevin P. Anderson and Assistant City Manager Rozanne H. Scherr.

Councilmember Laylin moved and Councilmember Dodd seconded that the minutes of the May 12, 2014 meeting be approved.

Approved unanimously.

### PUBLIC HEARING

1. Public Hearing to consider an application for an Industrial Facilities Tax (IFT) Exemption Certificate for Creative Foam Corporation.

Mayor Lyons opened the public hearing at 7:07 pm.

Audience speaking: None

Mayor closed the public hearing at 7:07 pm.

2. Public Hearing to receive comment on the proposed Fiscal Year 2014-15 City Budget.

Mayor Lyons opened the public hearing at 7:09 pm.

Audience speaking: None

Mayor closed the public hearing at 7:09 pm.

### RESOLUTIONS

1. Resolution to approve the Industrial Facilities Tax (IFT) application for Creative Foam Corporation.

Councilmember Laylin offered and moved the adoption of the following resolution; seconded by Councilmember Gross.

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**WHEREAS**, pursuant to P.A. 198 of 1974, M.C.L. 207.551 et seq., after a duly noticed public hearing held on May 27, 2014, by the Dowagiac City Council, a resolution established an Industrial Development District, as requested by Creative Form; and

**WHEREAS**, Creative Foam has filed an application for an Industrial Facilities Exemption Certificate with respect to personal property improvements; and

**WHEREAS**, before acting on said application, the Dowagiac City Council held a hearing on Tuesday, May 27, 2014 at the City Hall, 241 S. Front Street, Dowagiac at 7:00 PM. 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**, installation of new machinery and equipment had not begun earlier than six (6) months before the date of the acceptance of the application for the Industrial Facilities Exemption Certificate; and

**WHEREAS**, completion of the installation of equipment will at the time of issuance of the certificate have the reasonable likelihood to retain, create or prevent the loss of employment in the City of Dowagiac; and

**WHEREAS**, the aggregate SEV of real and personal property exempt from ad valorem taxes within the City of Dowagiac, 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 personal and real property thus exempted.

**NOW, THEREFORE, BE IT RESOLVED BY** the Dowagiac City Council that:

1. The City of Dowagiac 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 Act No. 198 of the Public Acts of 1974 and Act No. 255 of the Public Acts of 1978, shall not have the effect of substantially impeding the operation of the City of Dowagiac, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in the City of Dowagiac.
2. The application of Creative Foam for an Industrial Facilities Exemption Certificate with respect to new machinery and equipment on the following described parcel of real property situated within the Industrial Development District is hereby approved.
3. The Industrial Facilities Exemption Certificate when issued shall be and remain in force and effect for a period of 12 years after completion.

ADOPTED unanimously.

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2. Resolution to authorize the purchase of property located at 307 Pennsylvania Avenue.

Councilmember Schuur offered and moved the adoption of the following resolution; seconded by Councilmember Dodd.

**WHEREAS**, the City has actively pursued the ongoing redevelopment and economic vitality of downtown; and

**WHEREAS**, it is in the long-term best interest of the City and the downtown to acquire properties for future development as they become available and as the City has resources available; and

**WHEREAS**, the City owns the adjacent property currently under development for a professional office/retail building on Front and Main Street that is being developed in conjunction with the health department; and

**WHEREAS**, the City Manager has negotiated the purchase price of \$70,000 with the Snow Family Trust; and

**NOW, THEREFORE, BE IT RESOLVED** that the City of Dowagiac, by the affirmative vote of its City Council, does hereby authorize the City Manager to execute all documents necessary to complete the purchase of property of 307 Pennsylvania Avenue.

ADOPTED unanimously.

3. Resolution to authorize the acquisition of 101 Cass Avenue via the tax reversion process.

Councilmember Burling offered and moved the adoption of the following resolution; seconded by Councilmember Dodd.

**WHEREAS**, the City Manager recommends that certain real property being offered for Tax Reverted Property Sale located at 101 Cassopolis Avenue in the City of Dowagiac, which is depicted on Exhibit "A" attached hereto, is suitable for public purposes to be utilized as a green space; and

**WHEREAS**, the City Council has reviewed the purchase price of the subject property valued at \$17,613.57; and

**NOW, THEREFORE, BE IT RESOLVED** that the Dowagiac City Council authorizes the purchase of the property described herein for the public purposes of a green space.

**BE IT FURTHER RESOLVED** that the City of Dowagiac, by the affirmative vote of its City Council, does hereby authorize its City Manager to make application to the

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Cassopolis County Treasurer, for the conveyance of tax-reverted lands as described on "Exhibit A" attached hereto, for the amount indicated.

**BE IT FURTHER RESOLVED** that the City Manager is authorized to represent the City of Dowagiac at the closing for the purchase of said real property and shall execute the documents necessary to effectuate the transfer of the property to the City of Dowagiac.

4. Resolution to approve the Fiscal Year 2014-15 City Budget.

Councilmember Dodd offered and moved the adoption of the following resolution; seconded by Councilmember Schuur.

**WHEREAS**, the City Council of the City of Dowagiac has received a proposed budget from the City Administration for the fiscal year beginning October 1, 2014 and ending September 30, 2015; and

**WHEREAS**, in accordance with Public Act 42 of 1995 and Section 8.4 of the City Charter, the City of Dowagiac on May 27, 2014 held a public budget hearing concerning all City funds. During said hearing the property tax millage rates and proposed uses of the same were presented; and

**WHEREAS**, the City of Dowagiac is required to adopt a General Appropriations Act for the following funds in conformance with the Michigan Uniform Accounting and Budgeting Act (No. 621) of 1978:

- General
- Major Streets
- Local Streets
- Parks
- Sidewalk Replacement Program
- Solid Waste
- Industrial/Economic Development
- LDFA Project
- DDA TIF Project
- Streetscape Maintenance
- Rehabilitation Loan Payments
- MSHDA Rental Rehab
- Municipal Facilities/Improvements
- City Drug Forfeiture
- Depot
- M-51 South Commercial Development
- Capital Projects Fund
- Electric Utility

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- Dial-A Ride Transportation (DART)
- Sewer Utility
- Water Utility
- Motor Pool/Equipment
- Computer Replacement
- Health/Drug Self Insurance
- Self Insurance - Liability
- Cemetery Trust
- Retiree Health Insurance
- Fire Insurance Escrow

**NOW, THEREFORE, BE IT RESOLVED** that the City of Dowagiac, by the affirmative vote of its City Council, does hereby adopt the aforementioned budgets, which are contained in the budget document submitted to the City Council and placed on file with the City Clerk, for the year beginning October 1, 2014 and ending September 30, 2015.

**BE IT FURTHER RESOLVED** that there is hereby levied an Ad Valorem Property Tax as indicated below, based upon the Taxable Valuation of the City in conformance with the General Property Tax Act:

14.1521 Mills - General Fund Operations	
.5500 Mills - Dial-A-Ride (DART) Fund Operations	
<u>1.9750 Mills - Solid Waste Fund Operations</u>	
16.6771	TOTAL MILLAGE

**BE IT FURTHER RESOLVED** that the City Manager is hereby given the authority to make transfers between departments or funds of amounts up to \$15,000 without prior approval of the City Council to maintain a balanced budget in conformance with the Michigan Uniform Accounting and Budgeting Act.

**BE IT FURTHER RESOLVED** that the City Treasurer's office is authorized to assess a 1% property tax administration fee to offset the costs incurred by the City for assessing property values and for the collecting and accounting of property taxes.

**BE IT FURTHER RESOLVED** that a late penalty fee of 4% of the City tax levy shall be added to those delinquent City taxes, which remain unpaid as of September 16, 2014.

**BE IT FURTHER RESOLVED** that all delinquent property taxes collected on or after September 16, 2014 shall have an additional 1% added per each month thereafter to the outstanding balance due.

ADOPTED on a roll call vote.

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Ayes: Five (5) Burling, Dodd, Gross, Laylin and Schuur

Nays: None (0)

Absent: One (1) Hunt

Abstain: None (0)

5. Resolution to authorize budget amendments for Fiscal year 2013-14 through the period May 30, 2014.

Councilmember Laylin offered and moved the adoption of the following resolution; seconded by Councilmember Gross.

**WHEREAS**, the City administration has reviewed the attached budgets for the 2013-14 fiscal year and the actual revenues and expenditures through May 30, 2014; and

**WHEREAS**, the City administration recommends revision of the attached budgets in accordance with the latest projections available; and

**WHEREAS**, the attached report for these funds indicates the current budget and the recommended budget revisions.

**NOW, THEREFORE, BE IT RESOLVED** that the City of Dowagiac, by the affirmative vote of its City Council, does hereby adopt the attached, recommended revised budgets.

ADOPTED unanimously.

6. Resolution to authorize and direct the City Treasurer to pay the following bills and payroll due:

Councilmember Schuur offered and moved the adoption of the following resolution; seconded by Councilmember Burling.

**WHEREAS**, the following information has been reviewed by the City Manager and City Treasurer and is being presented to City Council with a recommendation to approve invoices and payroll #17 for the period ending 5/22/14:

Invoices:	102,435.55
Payroll:	<u>117,502.56</u>
Total:	\$219,938.11

**BE IT RESOLVED** that the City Manager and City Treasurer are hereby authorized and directed to pay the following bills and payroll due:

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Invoices	Payroll	Total
\$102,435.55	\$117,502.56	\$219,938.11

ADOPTED on a Roll Call vote.

Ayes: Five (5) Burling, Dodd, Gross, Laylin and Schuur

Nays: None (0)

Absent: One (1) Hunt

Abstain: None (0)

Upon motion by Councilmember Dodd and seconded by Councilmember Schuur, the Dowagiac City Council adjourned at 7:30 p.m.

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Donald D. Lyons, Mayor

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Kevin P. Anderson, City Manager