

MINUTES OF THE EAST JORDAN CITY COMMISSION REGULAR MEETING HELD TUESDAY, MARCH 2, 2004 AT 7:30 P.M. IN CITY HALL

Present: Mayor Postma, Commissioners Klooster, Timmons, Bennett, McNitt and Symonds

Absent: Commissioner Vollbach

Mayor Postma called the meeting to order at 7:30 p.m. and led the pledge of allegiance.

ITEM #3 Conflicts of Interest

No conflicts of interest were voiced.

CONSENT AGENDA

Motion offered by Symonds, supported by McNitt, to approve the minutes of the regular Commission meeting dated February 3, 2004, as submitted.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Symonds, supported by McNitt, to acknowledge receipt of the Paid Bill List dated February 12, 2004 totaling \$1,001,181.86.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Symonds, supported by McNitt, to acknowledge receipt of the Paid Bill List dated February 25, 2004 totaling \$372,365.53.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Symonds, supported by McNitt, to acknowledge receipt of the Funds on Hand report, January 2004.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Symonds, supported by McNitt, to acknowledge receipt of the Police Department Monthly report, January 2004.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

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Motion offered by Symonds, supported by McNitt, to acknowledge receipt of an Introduction to Ordinance #189B, Fiscal Year 2003/2004 Budget Amendment.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Symonds, supported by McNitt, to acknowledge receipt of an Introduction to Ordinance #191, an Ordinance to Amend Section 26.66 Water bills (b) When due.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Motion offered by Symonds, supported by McNitt, to approve James Bowerman's Civic Center rental request for June 5, 2004.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

Mayor Postma introduced Gary Walker, Speaker Request #1.

Gary Walker updated the Commission on Library Board issues. He stated he had just attended a Library Board meeting at which the Board President informed the visitors of a new policy that allowed visitors to speak for two minutes and that the Board would not respond to any questions or comments. He noted that the Board President stated that if he wanted answers to his questions he would have to make an appointment with her. He also noted that the Board did not approve the new policy at the meeting and that several of the members were surprised by the policy.

Mr. Walker also reviewed with the Commission his Freedom of Information Act request and the letter stating the items that were denied and their reasons. (copy attached and made a part of these original minutes)

REGULAR AGENDA

ITEM #12 Acknowledge Receipt of Annual Report of Delinquent Bills and Schedule a Public Hearing for Delinquent Bills to be placed on the 2004 Tax Roll

Motion offered by Symonds, supported by Bennett, to acknowledge receipt of the Annual Report of Delinquent Bills and to set a public hearing on April 6, 2004 at 7:30 p.m. to hear comments regarding the delinquent bills.

MOTION CARRIED ALL AYES

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BY ROLL CALL VOTE

ITEM #13 Schedule Public Hearing for Tuesday, April 6, 2004 at 7:30 p.m., RE:
FY 2004/2005 Budget

Motion offered by Symonds, supported by Klooster, to schedule a public hearing on April 6, 2004 at 7:30 p.m. to hear comments on the proposed FY 2004/2005 budget.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

ITEM #14 Ordinance #190, An Ordinance to Amend Chapter 18 Parks and Recreation, Section 18.10 Loitering, Remaining in Park Overnight, of the City of East Jordan Code of Ordinances

The following Ordinance was offered for adoption by Symonds, supported by McNitt:

ORDINANCE #190

AN ORDINANCE TO AMEND CHAPTER 18 PARKS AND RECREATION, SECTION 18.10 LOITERING, REMAINING IN PARK OVERNIGHT, OF THE CITY OF EAST JORDAN CODE OF ORDINANCES.

THE CITY OF EAST JORDAN ORDAINS:

Sec. 18.10. The following provisions of Chapter 18 *Parks and Recreation*, Section 18.10 *Loitering, remaining in park overnight*, of the Code of Ordinances for the City of East Jordan is amended as follows:

Sec. 18.10. *Loitering, remaining in park overnight*

No person shall loiter or remain upon any public park between 11:00 p.m. and 7:00 a.m. This shall not apply to persons in the act of docking boats or removing their boats from the docks or fishing from the boat launching facilities or the municipal fishing pier of the city; ***or persons in the act of loading or unloading their snowmobile(s) from their vehicle or trailer. Vehicles and trailers for snowmobiling purposes shall be allowed to remain only for parking purposes in Sportsman's Park for a maximum of 48 hours.***

Roll Call Vote:

Ayes: Klooster, Timmons, Bennett, McNitt, Symonds and Postma

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Nays: None

Absent: Vollbach

Adopted: March 2, 2004

Published: March 10, 2004

Effective: March 17, 2004

ITEM #15 Resolution #103/2004, Urge Michigan Legislature to Correct Assessment Equity

The following resolution was offered for adoption by McNitt, supported by Symonds:

RESOLUTION # 103/2004
URGE MICHIGAN LEGISLATURE TO CORRECT ASSESSMENT INEQUITY

WHEREAS THE Michigan Supreme Court issued a decision in the *WPW Acquisitions v City of Troy* case concerning the assessment of property taxes on commercial properties; and

WHEREAS the Supreme Court's decision has resulted in inequities as it relates to property assessments whose value is based on occupancy rates; and

WHEREAS the WPW decision declared the "additions" language for increase in occupancy is unconstitutional but did not address the offsetting "loss" language, which has a large impact on many properties in the State; and

WHEREAS prior to this decision a commercial/industrial property owner could work with their local assessor for assessment relief if the property's occupancy rate dropped (loss), and subsequently, when the occupancy rate improved the assessment would return to a stabilized level when the occupancy recovered (addition); and

WHEREAS this was a fair and reasonable way to help property owners who were struggling with a particular property, and the "addition" and "loss" sections of the statute worked in harmony, providing temporary relief for decrease in occupancy; and

WHEREAS since the "addition" section of the statute has been ruled unconstitutional, commercial property owners can now manipulate the system by

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decreasing their occupancy level to achieve a permanent reduction in their Taxable Value and then lock in non-market property taxes at a reduced level; and

WHEREAS the decision unintentionally rewards those commercial property owners who operate inefficiently and maintain high vacancy rates while penalizing those property managers who offer competitive lease rates; and

WHEREAS the decision is unfair to residential taxpayers as the resulting effect will shift the property tax burden to residential taxpayers over time since, theoretically, property taxes collected from commercial properties as a percentage of total tax revenues will decrease; and

WHEREAS the potential loss in property tax revenue within the City of East Jordan as a result of the Supreme Court decision is significant. Such potential revenue loss will not only impact the City of East Jordan, but also the County of Charlevoix, East Jordan School District, the State of Michigan Education Tax, Char-Em Intermediate School District, and the Jordan Valley District Library.

NOW THEREFORE BE IT RESOLVED that the City of East Jordan strongly urges its State Legislators to re-establish tax equity and correct the impact of the WPW Acquisitions v City of Troy decision by supporting legislation to remove both the additions and losses sections of the General Property Tax Act (MCL 211.34d(1)(b)(vii) and 211.34d(1)(h)(iii)).

BE IT FURTHER RESOLVED that copies of this resolution be sent to every State Legislator representing the City of East Jordan.

ROLL CALL VOTE:

AYES: Symonds, McNitt, Bennett, Timmons, Klooster and Postma

NAYS: None

ABSENT: Vollbach

RESOLUTION DECLARED ADOPTED MARCH 2, 2004.

Mayor Postma introduced Donna Bennett, Speaker Request #2.

Donna Bennett informed the Commission that Mr. Robert Heft, Designer of Americas Current National Flag, will be in East Jordan on March 9 and 10, 2004.

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His presentation will be Tuesday, March 9 at the American Legion Hall at 7:00 p.m.

ITEM #16 Lady Biker Day request

Commissioner Bennett suggested, with regard to the proposed budget amendment, that the City require non profit organizations to pay a security deposit for use of a City facility even when the rental fee is waived to ensure that the cleaning is done and the facility is not damaged.

Motion offered by Bennett, supported by Symonds, to table the Lady Biker Day requests until after the ordinance that addresses fee waivers is amended.

MOTION CARRIED ALL AYES
BY ROLL CALL VOTE

ITEM #17 Budget Discussion

Commission discussed various areas of the budget and asked for clarification on those items.

Mayor Postma scheduled a budget work session for Wednesday, March 10, 2004 at 7:00 p.m.

Postma also asked the Commissioners to review the budget prior to the work session.

ITEM #18 DDA Update

No items to report.

ITEM #19 Administrator's Report

ADMINISTRATOR'S REPORT
MARCH 2, 2004

1. These past few weeks Fred Murray, Parks Director and I have begun reviewing grant possibilities for engineering and construction for proposed Harbor upgrades to the docks, electrical system and dredging. Fred and I are also looking at funding sources for the Tourist Park small craft dockage as concept plans are finalized by Capital Consultants.
2. In the area of Economic Development I am happy to report that a new business will be locating in the little log cabin near the Lumberjack

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Restaurant across from Main Street Center. The business will offer, Home Accents, coffee, some baked goods and interior design service and a consignment Art Gallery featuring local artists.

3. Tom Johnson of the Northern Lakes Economic Alliance has informed me he has two clients who have expressed an interest in looking at the DURA facility. Each business would only need a portion of the building. I will keep the Commission up to date.
4. I am happy to report the East Jordan Harbor is now a part of the Statewide reservation system. Boaters interested in visiting our Harbor can now go online 24/7 year around and reserve times. They can also call a toll free number or the Harbor direct. Reservations made by internet or toll free number cost the boater an extra \$2.00 to pay for the system. Every Harbor who we talked to that had the system reported increased usage.

ITEM #20 Mayor's Report

Announced that the Main Street Center received the Renaissance Award at the Chamber of Commerce Annual Dinner.

ITEM #21 Attorney's Report

Attorney Beatty stated that there were many kind words for the City and David White at the Annual Chamber Dinner.

ITEM #22 Commissioners

Commissioner Bennett informed the Commission that the Southside Grocery had closed as of February 29, 2004. He also inquired on the status of 415 South Lake Street.

Attorney Beatty informed Commission that he has ordered a title search to proceed with filing the suit.

Commissioner Klooster questioned if there were any frozen water mains this winter and asked if a let run order is anticipated for this winter.

ITEM #23 Speaker Requests

No additional speaker requests were received.

Mayor Postma adjourned the meeting at 8:31 p.m.

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Respectfully,

Mark Postma, Mayor

Lori M. Campbell, City Clerk