

REGULAR MINUTES
PERE MARQUETTE DEPOT
Tuesday, November 4, 2008

A meeting of the City Council of the City of Belding, Michigan was convened in open and public session at 7:00 p.m. on Tuesday, November 4, 2008.

The Acting City Clerk took the roll call:

Members Present: Council Members Bunce, Stout, Wills and Husted.
Members Absent: Council Member Satterlee.

The Mayor asked for a motion to excuse Council Member Satterlee per section 4.5f of the City Charter.

Council Member Wills made a motion to excuse Council Member Satterlee per Section 4.5(f) of the City Charter, supported by Council Member Stout.

Ayes: Council Members Stout, Wills, Husted and Bunce.
Nays: None.

Mayor Husted delivered the invocation.

The Mayor led the audience in the Pledge of Allegiance.

The Mayor called for the City Manager's Report – noted and filed.

The Mayor called for the Consent Agenda.

- A. Approval of Minutes 10-21-08
- B. MDOT Project Authorization

Council Member Wills made a motion to approve the consent agenda, supported by Council Member Bunce.

The question on the motion was called and the result of the voting is as follows:

Ayes: Council Members Bunce, Stout, Wills and Husted.
Nays: None.

Following are the resolutions contained in the Consent Agenda.

B – MDOT PROJECT AUTHORIZATION

RESOLUTION NO. 2008-11-67

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELDING, MICHIGAN APPROVING THE REVISED PROJECT AUTHORIZATION 2002-0016/Z8/R2 BETWEEN THE CITY OF BELDING, AND THE MICHIGAN DEPARTMENT OF TRANSPORTATION.

WHEREAS, the Michigan Department of Transportation has submitted revised project authorization 2002-0016/Z8/R2 for approval; and,

WHEREAS, the revision extends the contract until March of 2010, for the purpose of allowing sufficient time to complete the project; and,

WHEREAS, the City of Belding has to adhere to the conditions stated in the contract.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Belding, Michigan that project authorization 2002-0016/Z8/R2 between the City of Belding, and the Michigan Department of Transportation, is hereby approved.

BE IT FURTHER RESOLVED that the Mayor is hereby authorized to sign project authorization 2002-0016/Z8/R2 between the City of Belding, and the Michigan Department of Transportation.

The Mayor called for Business Agenda Item **A – RENAISSANCE RECOVERY ZONE – DS MOLDS**

The Acting City Clerk read the preamble to the resolution.

Council Member Bunce moved the passage of the resolution and the motion was supported by Council Member Wills.

RESOLUTION NO. 2008-10-63

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELDING, MICHIGAN REQUESTING THE STATE OF MICHIGAN TO DESIGNATE A TOOL AND DIE RENAISSANCE RECOVERY ZONE FOR DS MOLD.

WHEREAS, the City of Belding (the "City") desires to promote economic activity and

maintain/increase the number of jobs available to residents of the area; and

WHEREAS, certain industries in the state are facing difficult times and the tool and die industry, in particular, has sustained losses due to foreign competition and increased productivity; and

WHEREAS, DS Mold (the "Company"), a tool and die business, has requested the City to designate the portion of the property on which it is located which is used primarily for tool and die operations as a Tool and Die Renaissance Recovery Zone (the "Recovery Zone"); and

WHEREAS, the City and the Company have agreed that 30% of the property on which the Company is located is used primarily for tool and die operations, and it is the intent of the City and the Company to only designate that portion of the property shown on Exhibit A attached hereto as a Recovery Zone; and

WHEREAS, the designation of a Recovery Zone will temporarily reduce the tax burden paid by the Company, thus enabling it to reposition itself to compete globally; and

WHEREAS, the Company has entered into a collaborative agreement with other business entities (the "Collaborative") having the appropriate North American Industrial Classification System codes required under Section 8d of the Michigan Renaissance Zone Act, 1996 PA 376, as amended (the "Act"); and

WHEREAS, the qualified tool and die business property is property leased or owned by the Company and is used primarily for tool and die operations; and

WHEREAS, should the area be designated a Recovery Zone, property within that zone will be exempt from taxes levied by the City, county, and other units of government as provided under the Act; and

WHEREAS, the City estimates that the tax revenue lost would be a small fraction of the benefits the designation of a Recovery Zone will bring to the community.

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Belding, Michigan hereby requests that the State of Michigan designate the portion of the property shown on Exhibit A attached hereto that is used by DS Mold primarily for tool and die operations as a Renaissance Recovery Zone under the Act for a duration of up to 15 years or the remainder of the term of the Recovery Zone for the Collaborative, whichever is less.

A map was given to each council member to go along with Exhibit A, which followed this resolution.

City Manager DeBruine stated that the Renaissance Zone would be 30% of the value.

Mayor Husted stated that the city is not handcuffing them at 30%. They could come back at a later time and request more.

The question on the resolution was called and the result of the voting is as follows:

Ayes: Council Members Wills, Husted, Bunce, and Stout.

Nays: None.

The Mayor called for Business Agenda Item **B – BUDGET AMENDMENTS – FY 2008/09**

The Acting City Clerk read the preamble to the resolution.

Council Member Stout moved the passage of the resolution and the motion was supported by Council Member Wills.

RESOLUTION NO. 2008-11-64

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELDING, MICHIGAN
AMENDING THE FISCAL YEAR 2008/09 BUDGET.

WHEREAS, on the 15th day of May, 2008, the Council of the City of Belding, Michigan adopted its 2008/09 Fiscal Year Budget for the administration of all funds and activities; and,

WHEREAS, unanticipated revenues and expenditures are projected which may exceed budget appropriations listed in said budget; and,

WHEREAS, the Fiscal Year 2008/09 Budget must be changed to reflect these adjustments;

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Belding, Michigan that the Fiscal Year 2008/09 Budget be amended pursuant to the attached worksheet.

Finance Director Andres stated that \$75,000 from Fund 606 would be moved over to the Motor Pool to help cover the deficit.

The question on the resolution was called and the result of the voting is as follows:

Ayes: Council Members Husted, Bunce, Stout, and Wills.
Nays: None.

The Mayor called for Business Agenda Item **C – DEFICIT ELIMINATION PLAN**

The Acting City Clerk read the preamble to the resolution.

Council Member Bunce moved the passage of the resolution and the motion was supported by Council Member Wills.

CITY OF BELDING
RESOLUTION NO. 2008-11-65

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELDING, MICHIGAN REGARDING THE FILING WITH THE DEPARTMENT OF TREASURY A DEFICIT ELIMINATION PLAN TO REDUCE THE DEFICITS IN VARIOUS FUNDS.

WHEREAS, Various City funds had deficits at the end of the City of Belding's June 30, 2008 fiscal year; and

WHEREAS, Michigan Compiled Law 141.921 requires a local unit to file with the Department of Treasury a deficit elimination plan if a fund has a deficit at the end of the fiscal year;

NOW, THEREFORE, BE IT RESOLVED that the City Council hereby approves the attached worksheet outlining the plan to eliminate the deficits in the above named funds.

The question on the resolution was called and the result of the voting is as follows:

Ayes: Council Members Bunce, Stout, Wills, and Husted.
Nays: None.

The Mayor called for Business Agenda Item **D – MDOT ENHANCEMENT GRANT – RAILS TO TRAILS**

The Acting City Clerk read the preamble to the resolution.

Council Member Stout moved the passage of the resolution and the motion was supported by Council Member Wills.

CITY OF BELDING
RESOLUTION NO. 2008-11-66

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELDING, MICHIGAN AUTHORIZING THE SUBMISSION OF AN MDOT TEA-21 ENHANCEMENT GRANT APPLICATION TO FACILITATE THE ACQUISITION OF THE GREENVILLE TO LOWELL RAILROAD CORRIDOR.

WHEREAS, the Michigan Department of Transportation through the TEA-21 Enhancement Grant Program will consider applications for railroad corridor acquisition and,

WHEREAS, the Rails-to-Trails group is acquiring the Greenville to Lowell railroad corridor and,

WHEREAS, the group has requested the City of Belding to submit an application to MDOT for \$550,000 to complete the funding gap for acquisition.

NOW, THEREFORE, BE IT RESOLVED, that the City Council authorizes the submission of a Transportation Enhancement Fund Application and,

BE IT FURTHER RESOLVED, that the City Manager shall have the authority to execute any documents necessary to facilitate the submission of the application authorized by this Resolution.

City Manager DeBruine stated that the City of Belding would not be the owners of the corridor, but would be a pass through. He has volunteered Julianne Burns to do the grant application. The approval will probably be within the next few months, but the money will probably not be received until next fall. The city is looking at an interlocal agreement. It would outline the funding mechanism for future funding and maintenance.

Council Member Stout stated that it would be five to seven years before anything would happen.

Mayor Husted stated that it was encouraging that the DNR would be interested in this project.

The question on the resolution was called and the result of the voting is as follows:

Ayes: Council Members Stout, Wills, Husted, and Bunce.
Nays: None.

The Mayor called for Citizen Comments.

There were no citizen comments.

The Mayor called for Council Comments.

Council Member Bunce asked if there was any word back on getting the windows boarded up on the Tol building?

City Manager DeBruine stated that he had been in contact with the bank. They are going over a few things presently. They will try to get the brick work done immediately. It has taken a high priority. The other items may be postponed for awhile. He is reviewing options to contain the cost. There are two options. The first option would be to put this out to bid tomorrow and the city would pay the initial cost. If not paid, it would go on the taxes. The other option is to let the Bank do it and they would have the initial cost. Either way the brickwork needs to be done immediately.

Mayor Husted stated that the city had to be very careful. There comes a point where the city could become the heavy hand and say they are going to do all of this or it would be put on their taxes. The city could be stuck with a million dollar cleanup. It took twenty years to get this way so it is going to take quite awhile for the cleanup. It's a fine line they have to walk. If the city dumps a million dollars into the building, all of the city's unessential services could be lost. The city is seeing now that the bank is walking away from the property. If Randy can keep the bank dealing with this while dealing with the safety issues he would have him do that all day long. It won't be cleaned up overnight.

Council Member Wills stated that he finally had a thirty-minute lunch. It was nice to go to the Belding Brothers Café and see the traffic and people lined up. It seems to be going well with them and it is nice to see.

Mayor Husted stated that he was impressed to see middle school kids there getting hot chocolate in the morning before school. He stated that he was there Saturday at 7:00 a.m. and there were six people that walked in after him.

The Mayor called for a motion to adjourn the meeting.

ADJOURNMENT

Council Member Wills moved to adjourn the meeting, supported by Council Member Bunce.

Ayes: Council Members Bunce, Stout, Wills and Husted.
Nays: None.

Mayor Husted adjourned the meeting at 7:53 p.m.

Shane T. Husted, Mayor

Elizabeth A. Wilson, Acting City Clerk