

**CITY OF MT. MORRIS
CITY COUNCIL – REGULAR MEETING
February 24, 2014**

At **6:30 p.m.**, Mayor Dan Lavelle called the Regular Council Meeting to order.

PRESENT: Dan Lavelle
Randy Michaels
Tonya Davis
Mark Middleton
Ed Sullivan
Judd Judkins
Dennis Heidenfeldt

ABSENT: None.

OTHERS: City Manager Tom Darnell, City Attorney Charles Forrest, Police Chief Keith Becker, Fire Chief Damon Tobias, and City Clerk Tema J. Lucero.

The Pledge of Allegiance.

MINUTES:

A motion was made by Council member Middleton and seconded by Council member Michaels to approve the regular meeting minutes held on February 10, 2014.

All Ayes
Motion carried.

COMMUNICATIONS:

None.

APPROVAL OF WARRANT:

A motion was made by Council member Middleton and seconded by Council member Heidenfeldt to approve Warrant #14-05 in the amount of \$81,615.02.

Roll Call: ___7___Ayes ___0___Nay ___0___Absent
Motion carried.

PUBLIC COMMENT:

Marty Leach – 341 W. Mt. Morris – Said he had hoped for more people in attendance. He stated if the notice had gone out saying your taxes will increase more residents would have shown up. He's not sure how the DDA came up with the proposal, he knows it was a lot of work but there are some people that should have been included and weren't. There are no council or DDA members included. Homeowners should not be included. Mayor Dan Lavelle told him this is just public comment; he should wait until the public hearing starts to make his DDA comments.

Ron Hinman – 413 W. Mt. Morris – would like to have a stop sign put between Rite Aid and the back entrance to Dollar General.

PUBLIC HEARING: Expansion of Downtown Development Authority boundaries.

At 6:37 p.m. a motion was made by Council member Heidenfeldt and seconded by Council member Middleton to open the Public Hearing.

Roll Call
All Ayes
Motion carried.

Mayor Dan Lavelle asked the DDA to take a few minutes and explain the new boundaries and what they are looking at.

Chairman of the DDA Don Lemmon introduced himself. He said he was part of the DDA when it was established in 1988, when it was set up they proceeded to quick and didn't capture the whole district they should have. He hoped to convince the audience that the DDA is here to do good for the city; they want to see the city rebound from where it's at. The DDA has done good things, they own three parking lots that are open for the public to use to allow the public to shop downtown Mt. Morris. Their annual budget right now only allows for them to pay for maintenance. They would like to give a big shopping list of things they'd like to accomplish, a few projects being putting the Christmas lights back from city limit to city limit and the entrance signs to the city. He invited anyone to come to a meeting and present them with ideas, they would love to have the input.

Tim Elder – 567 Wilson – Stated the Mt. Morris DDA was the third highest tax district in Genesee County, and we have several empty buildings. Several other communities with DDA's do not levy as much as Mt. Morris. Only way to get money is to go through the DDA or a police and fire millage. He said the DDA is not working, the places it is working do not have a DDA or are not levying taxes or they are very little. He believes Mt Morris is dying; we have no vision or master plan. Raising taxes drives people away.

Charles Ferguson – 11935 Walter – Asked if all the property owners received a copy of the ordinance. He believes it's a money grab by the DDA, he would have gone along with it if it was along Saginaw St and Mt Morris road, but doesn't believe it should have gone into the residential area. People don't shop here because they can't buy anything here. He went through the map and detailed which were residential and which weren't. He does not believe that residential property should be included, they are going to pay the taxes and the existing area will get the benefit.

Ron Hinman – 413 W. Mt. Morris – If there was a shopping list they would be more at ease, it's not going to be that much more a year and he's not opposed to paying it but he'd like to know what it's going for. If everyone is going to benefit from it than why not charge everyone. His SEV dropped but they want to charge more taxes. He asked what the city has done to attract new businesses; he tried and was told he couldn't open a business.

Jake LaFurgey – 12025 Parklane – He understands where the comments are coming from. If the plan was approved, what would you do with the money?

Don Lemmon answered they haven't had a lot of time to work on a list; every penny would be spent on projects to make the city better. For example, getting the Christmas lights back and updating the entrances to the city. They've also talked about setting aside money for business to repaint their store fronts. Their budget is consumed with upkeep, especially with this winter their budget is gone. Those in the existing DDA have paid it since 1987 without complaint, they are just asking to get more businesses involved that have gone all these years not paying for it but they've enjoyed the benefits. He believes they can turn the tide and improve the city.

Jake LaFurgey said if the council approved the whole city they still wouldn't have enough money for the master plan. He said they need to prepare a plan first and then go after the funds. He said the 100 acre property is not with the Land Bank, it should not be in the DDA because it would discourage any developer looking to purchase it.

Don Lemmon said they put that and the park that is owned by the schools in case they were ever to sell and a big box store came in to build. If they are not in there we'd have to go through this again before capturing any money. They don't pay the taxes now, so there is no harm in including them. It's done for future consideration.

Jake Lafurgey said the school properties deed says it can't be sold for any reason other than educational or recreational. The 100 acre property is not going to be built for anything other than residential, the big stores do a good job evaluating the market and this property wouldn't qualify. It will discourage future home buyers. He asked if a planner had been in to review proposals. Don Lemmon answered no. Jake LaFurgery said they don't have the money to do so; they need a planner first and then ask for the money. He said there will never be enough money to cover the plan and the city would be further ahead if they rescinded the DDA.

Charles Ferguson – 11935 Walter – said the big box stores do a lot of studying they are not going to build in Mt. Morris. He said a strip mall was turned down when he was mayor in 1990 because residents outside the city protested it. A lot of ideas have already been turned down.

Tim Elder – 567 Wilson – If the expansion goes through the money would go to the DPW because there is more of an area to take care of. It's a money grab, it's not going to gain anything. He would like to see them turn it down and dissolve the DDA. It would lower the taxes and maybe we could sell some of the buildings. He runs a business and he won't open a studio here and open a business.

Dan Davis – 1009 E. Mt. Morris – He's not for or against the expansion, but the town needs a strong business community. The council is all residents but no business people, the DDA is all business people but they are outsiders but bringing business into our town. He is for a strong DDA; tax incentives will attract new businesses. He said we do need a DDA because the government here has a very anti-business attitude. He hopes they stay and wishes them luck.

Marty Leach – 341 W. Mt. Morris – Has owned Gothards for 25 years and seen a lot of change since then. He's one of the people that always stands up for Mt. Morris but Christmas lights are not the answer. The answer is not to tax just a few people, tax everyone. He's never seen any of the benefits from the DDA. He asked if the DDA takes care of the sidewalks, and said they aren't so what are they doing for the town. He said better communication is needed, no one asked him what his thoughts were. He feels they picked on his side of the street, they left out the opposite side and added vacant land, and they left out the east side of Mt. Morris. Too many people are struggling and you want a select few to pay more in taxes.

Ron Hinman – 413 W. Mt. Morris – asked the council if this went through if anyone in the DDA could operate a business. If they have to pay the taxes why can't they open a business? He's watched everything leave; he asked what the city has done to bring in money. He says our budget is \$400k less than 2007 where was the money lost?

Mayor Dan Lavelle answered money is being lost by property value going down.

Ron Hinman said he agrees that the DDA shouldn't be dissolved, but this town is the ghetto. The DDA needs to outline a plan and tax everyone and he wouldn't be opposed to paying it. He again asked if he could operate his business if the plan goes through.

Mayor Dan Lavelle said it would depend on what the zoning is. Ron Hinman asked if the city would allow zoning changes. Mayor Dan Lavelle answered we aren't that far yet. The council is just learning about the expansion too; a decision will not be made until March so that everyone has the time to research it.

Charles Ferguson – 11935 Walter – asked that everyone that is going to be added receive a letter that they can read before the March meeting.

Marty Leach – 341 W. Mt. Morris – said he received his notice, and he was told everyone got a copy of the notice.

Rebecca Leach – 421 W. Mt. Morris – is a long time resident and is concerned that she doesn't see anything good happening in the city. She does not understand why she is in the proposed area but the other side of the road wasn't, and why the other side of Mt. Morris Rd that has businesses on it were not included. She has no benefit of being in the DDA. She will donate Christmas lights if that's what they need, raising taxes drives people away.

John Fejedelem – 604 Walnut – he agrees that they shouldn't pick and choose who to tax; everyone should be taxed to make it fair.

Tim Elder – 567 Wilson – they can't tax us anymore, we are at the max. He said his concern is there's no vision for the city. We have good groups and no one is working together. There are intelligent people on the DDA and we need to tap their minds to attract business. The spending needs to be controlled and no more taxing. 60% rental homes are not attracting anything.

Lillian Bigelow – 381 Oak – said she didn't understand if they are taxed at the max rate how the DDA can tax more. Mayor Dan Lavelle said the DDA has a special tax they are allowed to accrue. She said her opinion is it's not fair to tax a few, everyone needs to be taxed. She asked what the incentive was to keep their house up if it's not going to be worth anything and asked who lowered taxes. Mayor Dan Lavelle asked her to ask that question in public comment since it has nothing to do with the DDA.

Marty Leach – 341 W. Mt. Morris – said he knows the DDA doesn't only deal with money and asked if they have any different rules and regulations for the district. Mayor Dan Lavelle answered they have by-laws. Marty asked if it changed what he can do with his property, Mayor Dan Lavelle answered no it does not. Marty asked if they can spend the money anyway they choose, Mayor Dan Lavelle answered they have to submit a budget. Marty asked if they've ever put money into the general fund and if they have what is to prevent them from doing it again. If they are just going to turn around and bail the city out it makes no sense for him to pay more taxes. He still has not been told of any benefit he will receive that everyone in the city won't also get.

Ron Hinman – 413 W. Mt. Morris – would like to give Don Lemmon his card after the meeting, one of his business partners does woodworking and he would like to donate the new signs. The town has no sense of community; he remembers when there were fairs and now they no longer exist and he doesn't know his neighbors. How will the expansion help bring the community back.

Dan Davis – 1009 E. Mt. Morris – he thinks the existing businesses that are not in the district now should at the very least be incorporated.

Mark Whalen – 624 Wilson – hates the thought of extra expenses, the showing tonight was smaller than expected because the map wasn't sent out with the description. He wonders what is the benefit of living in the city, maybe the answer is to par down the services of police and fire to save money.

Charles Ferguson – 11935 Walter – Nothing that was mailed out said the taxes were going up, if that was in there more people would've been here.

Chairman of the DDA Don Lemmon – wanted the audience to understand the last thing they wanted to do was to tax owner occupied homes, it took them over 26 months to get this plan ready. Somewhere along the line they received wrong information, their objective was to exclude them from the very beginning. He's paid those DDA taxes since '88 and not complained about it, but as a business man when things aren't going well you look for a new way to bring in money. All of the DDA money is being spent; actually they are in a deficit, so it was time to find a way to bring in more money. They were told by legal counsel that the State statute says you need to go in straight lines, and unfortunately to pick up a business you have to also include the owner occupied. The DDA wants most of the businesses that are not in it to be included. If the proposal is voted down its done, but the council can remove property so he encouraged anyone with concerns to talk to council and maybe redefine the boundaries.

Marty Leach – 341 W. Mt. Morris – said if they went by straight lines there is a huge gap between the southwest property and Mt. Morris road. Don Lemmon responded on Mt. Morris that is the school and cemetery. Marty Leach said the new homes near the southwest property were not included; none of the south side of the road was included. He asked why only one side of Walter, why not the other side of Mt. Morris, there's a business parking lot on the east side of town that wasn't entered. What they are doing to the residents is wrong. He will pay as a business owner but the residents shouldn't have to.

Mayor Dan Lavelle thanked everyone for their comments, and let them know it will not be a rushed decision. It will be on the agenda for the second meeting in March.

At 6:48 p.m. a motion was made by Council member Heidenfeldt and seconded by Council member Middleton to close the Public Hearing.

Roll Call
All Ayes
Motion carried.

UNFINISHED BUSINESS:

No unfinished business.

NEW BUSINESS:

a. RESOLUTION 14-11: Bikin For Burns.

Council member Judkins asked if anything changed from last year.

Mayor Dan Lavelle answered no.

A motion was made by Council member Heidenfeldt and seconded by Council member Middleton to **approve RESOLUTION 14-11: Bikin For Burns.**

Roll Call: ___7___Ayes ___0___Nay ___0___Absent
Motion carried.

b. RESOLUTION 14-12: Confirmation of Mayor Lavelle's appointment of Brian Shank, term ending December 2014, to the Board of Review

Mayor Dan Lavelle explained there was a vacancy left by Tim Elder who was just appointed, he has to go to Florida and will not be back in time for the meeting.

A motion was made by Council member Middleton and seconded by Council member Michaels to **approve RESOLUTION 14-12: Confirmation of Mayor Lavelle's appointment of Brian Shank, term ending December 2014, to the Board of Review.**

Roll Call: ___7___Ayes ___0___Nay ___0___Absent
Motion carried.

PUBLIC COMMENT:

Lillian Bigelow – 381 Oak – asked who determines the value of her house. Mayor Dan Lavelle said the assessor determines that, he is unsure of how it works also. City Manager Tom Darnell answered its mainly based on sales of houses near your house. To be an assessor you need to have certification from the state where they teach how to value property. Lillian Bigelow said when the values drop like that it makes the homeowner not want to keep their house up. City Manager Tom Darnell said the state also sends a total valuation of the city and the assessor needs to make those numbers work. Lillian Bigelow then asked if they are lowering the taxes how are we supposed to afford to run the city.

Ron Hinman – 413 W. Mt. Morris – is the council going to make the DDA provide a list or plan of what they want to do with the money before they vote. Mayor Dan Lavelle said they have not discussed that.

Sandy Fejedelem – 604 Walnut – asked about the bins at the church across from the bank if they belonged to the church or someone else. Mayor Dan Lavelle answered they are the church's. She asked why they get services if they don't pay taxes, Mayor Dan Lavelle answered the garbage pickup is not on the taxes its part of the water bill that they pay for.

She then asked when Conventional Construction was going to replace their window that's been covered with plywood for a couple months. Mayor Dan Lavelle asked the owner Jay Lanphear when it would be replaced, he said it's been ordered they had to wait for the insurance claim to be finalized.

Mark Brigolin – 716 E. Mt. Morris – has owned two buildings downtown for over 5 years, they've reopened both of the buildings and put their heart and soul into this town. When they found Mt. Morris they fell in love with it and he's heard such negativity tonight that he should probably move. He heard about the empty buildings, but didn't hear about the businesses that are in town and thriving. Whether your for the increase or not, don't knock the city it just encourages people to talk bad about it. The town is teetering and could go either way, let's make it go forward not backwards.

Brenda Brigolin – 716 E. Mt. Morris – it broke her heart to hear that there is nothing in Mt. Morris; they searched for years for a place to put their quaint store. Most towns welcomed them with open arms, but they chose Mt. Morris and they are thriving. Mark Brigolin said there's a lot going for the city, the renters are paying rent and the owners are paying taxes, that is not a negative. There are empty buildings but there are full ones too that need the communities support. Brenda urged everyone to attend the DDA meetings and contribute to working together and bringing their ideas. They meet every third Tuesday at 2:00. She said dissolving the DDA is not the answer, they are not trying to take from you they are trying to keep it going.

John Fejedelem – 604 Walnut – said he's asked before, but wants to know again when the ordinances will be gone through and remove the old ones. Mayor Dan Lavelle said the Planning Commission is getting ready to.

Dan Davis – 1009 E. Mt. Morris – he would like to see the DDA come back to the council with a vision statement of what they would like to do so people can better appreciate what they are trying to do.

Marty Leach – 341 W. Mt. Morris – said Brenda Brigolin made him feel bad, he does understand what she's saying. He just can't figure out why everyone is moving out of town, for example the Secretary of State moving will be a lot of missed traffic. Same goes for Charlie Calkins moving to Clio, something is causing them to move. He thinks it's going to take more than the DDA to fix it. There has to be a purpose to get people to spend money, the DDA does not have that right now. He apologized that the evening disappointed them, he knows there are great people in this town and has great respect for the DDA board. He is disappointed in how things went down; the residents don't know and understand what is going on. There are businesses that are unhappy also.

Ron Hinman – 413 W. Mt. Morris – asked if council had a long term plan to get us out of tapping into the general fund. Mayor Dan Lavelle responded that we aren't, it has been building over the last 8 years. Ron Hinman asked if for the current fiscal year we aren't expected to lose \$10,060. City Manager Tom Darnell answered the budget does read that way, it was the same last year and we actually wound up putting money into the general fund at the end of the year.

Tim Elder – 567 Wilson – said he's lived here for 3 years but been coming here for 55, his concern is all the empty buildings and there is no vision. We are dying because of rentals; they have no interest in this town, we need home owners. The next thing to happen is vandalism just like down the road. There is no money to do grand things, but taxing residents is not the answer. Nothing promotes this town we are just surviving. People need to get involved on all the committees that are available and come to meetings.

John Fejedelem – 604 Walnut – asked what the city can do to reduce the amount of rentals. Mayor Dan Lavelle answered there is nothing they can do.

Jack Arnold – 626 Monroe – said he’s listened all night, he’s probably been in this town longer than anyone and the negative needs to stop and start being positive. He told Ron Hinman if he wants to be a business owner get a piece of property that allows it and do it. He told Tim Elder to get his studio going, be a business owner. Everyone needs to get together and get something going, we’ve done it before we can do it again.

COUNCIL MEMBER AND STAFF COMMENTS:

Council member Judkins – Thanked everyone for being there tonight. He has talked to several business owners and residents, and not many of them are here tonight. He still would like to talk to more people, he’s a fair person. He said the DDA has him confused; he needs to be educated more before he can vote on it in March. He understands that his vote might cause someone to pay more in taxes. He’s trying to get a good feel of what is best for the residents of the city; he would love to talk to more people.

Council member Heidenfeldt – said the Genesee County Metropolitan Planning Commission has published their annual report he will leave it at city hall if anyone is interested.

Council member Michaels – encouraged everyone on council to do their due diligence, this is a big deal. They need to talk to all the businesses and residents. He congratulated the Mt. Morris quiz bowl team.

Council member Middleton – thanked everyone for coming tonight, it was a lot of information and they have a lot of work to do. He thanked Mark Brigolin for his positive comments, it’s nice to hear. Mt. Morris has a lot of great people and businesses in the city, we have top notch police, fire and DPW departments that you wouldn’t find anywhere else. It would be nice to have a vision from the DDA in order to move forward we need to know where we want to go.

City Manager Tom Darnell – thought it was an interesting meeting, everyone received a lot of input from the citizens. The Beautification committee asked if they could put flyers in city hall, if anyone is interested in being part of it they should have those flyers in shortly.

Mayor Dan Lavelle – Thanked everyone for coming out and the DDA for being there to field questions. He explained the email that was in the packet about the next small cities meeting where the speaker is talking about DDA’s and TIF.

ADJOURNMENT:

With no further business, the Council Meeting was adjourned at **8:23 p.m.**