

CITY COUNCIL

MEETING AGENDA

March 16, 2023

Mark Ammel, Mayor Karen Moore, Mayor Pro Tem Ronald J. Beauchamp, Council Member Tyler DuBord, Council Member Todd Flath, Council Member James R. McNeil, City Manager Phil DeMay, City Clerk Laura J. Genovich, City Attorney

City Council Chambers located at: City Hall - 410 Ludington Street - Room C101 - Escanaba, MI 49829

The Council has adopted a policy to use a Consent Agenda, when appropriate. All items with an asterisk (*) are considered routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member or citizen so requests, in which event, the item will be removed from the General Order of Business and considered in its normal sequence on the Agenda.

Regular Meeting

Thursday, March 16, 2023, at 7:00 p.m.

CALL TO ORDER

ROLL CALL

INVOCATION/PLEDGE OF ALLEGIANCE

APPROVAL/CORRECTION(S) TO MINUTES – Regular Meeting – March 2, 2023

APPROVAL/ADJUSTMENTS TO THE AGENDA

CONFLICT OF INTEREST DECLARATION(S)

BRIEF PUBLIC COMMENT(S)

PUBLIC HEARINGS

1. Public Hearing – Citizen Participation – 2023/2024 Fiscal Year Budget Preparation.

Explanation: A public hearing will be conducted to facilitate input from citizens for the City's next fiscal year budget. This is the third of five (5) scheduled public hearings.

UNFINISHED BUSINESS – None NEW BUSINESS

1. Approval – Authorizing Resolution – Recreation.

Explanation: The Recreation Department is seeking City Council approval and authorization to apply for Public Gathering Spaces (PGS) Competitive Funding Round. The City of Escanaba is requesting \$800,000 in CDBG Funds to construct eight dedicated pickleball courts, demolition and construction of basketball court, resurfacing of two tennis courts and removal and upgrade of playground equipment at Royce Park. There will be a \$100,000 committed match from the City of Escanaba.

2. Approval – Request to Purchase City Property – 8th Avenue South - Manager.

Explanation: Administration is requesting City Council approval of the sale of City land for consideration equal to the appraised value of \$10,100. The request includes 20 acres of landlocked area north of 8th Ave S.

3. Approval – Request to Purchase City Property – 12th Road - Manager.

Explanation: Administration is requesting City Council approval of the sale of City land for consideration equal to the appraised value of \$15,000. The request includes 40 acres of landlocked area southwest of the airport, outside the City limits.

4. Approval – Letter of Support – Wells Water-Sewer Project - Manager.

Explanation: Administration is requesting City Council approval for administration to draft and submit a letter of support for the Wells Water-Sewer Project.

APPOINTMENTS
BOARD, COMMISSION, AND COMMITTEE REPORTS

Agenda – March 16, 2023

GENERAL PUBLIC COMMENT ANNOUNCEMENTS ADJOURNMENT

Respectfully Submitted,

James R. McNeil City Manager

OFFICIAL PROCEEDINGS CITY COUNCIL CITY OF ESCANABA, MICHIGAN Regular Council Meeting Thursday, March 2, 2023

The meeting was called to order by the Honorable Mayor Mark Ammel at 7:00 p.m. in the Council Chambers of City Hall located at 410 Ludington Street.

Present: Mayor Mark Ammel, Council Members, Ronald J. Beauchamp, Tyler

DuBord, and Karen Moore

Absent: Council Member Todd Flath

Also Present: City Manager James R. McNeil, City Clerk Phil DeMay, Department Heads, media, and members of the public.

City Clerk DeMay led Council in the Pledge of Allegiance.

DuBord moved, Moore seconded, **CARRIED UNANIMOUSLY**, to excuse Council Member Todd Flath from the meeting.

DuBord moved, Moore seconded, **CARRIED UNANIMOUSLY**, to approve Regular Meeting minutes from February 16, 2023, as submitted.

ADJUSTMENTS TO THE AGENDA

DuBord moved, Moore seconded, **CARRIED UNANIMOUSLY**, to move **NB-4** Closed Session after announcements and before adjournment and approve the City Council Agenda as amended.

CONFLICT OF INTEREST DECLARATION – None

BRIEF PUBLIC COMMENT

• Bonnie Hakkola – discussed **NB-2** a resolution supporting Senate Bill No. 19.

PUBLIC HEARINGS – None

UNFINISHED BUSINESS – None

NEW BUSINESS

NB-1 Approval – Purchase a New Brush Chipper – Engineering/Public Works.

City Administration sought City Council approval to purchase a new Bandit 15XP chipper for the estimated cost of \$50,420.00.

NB-1 DuBord moved, Beauchamp seconded, to approve to purchase a new Bandit 15XP chipper for the estimated cost of \$50,420.00.

Upon a call of the roll, the vote was as follows:

Ayes: DuBord, Beauchamp, Moore, Mayor Ammel

Nays: None Absent: Flath

MOTION CARRIED.

NB-2 Approval – Resolution Supporting Senate Bill No. 19 – City Manager.

Administration requested City Council consideration of a resolution supporting Senate Bill 19.

NB-2 By Council Member DuBord, seconded by Council Member Moore:

CITY OF ESCANABA

RESOLUTION NO. 23-03

RESOLUTION TO SUPPORT LEGISLATION

WHEREAS, Representative of Michigan's 38th Senate District, Senator Ed McBroom, seeks to introduce two bills, Senate Bill Nos. _____ and ____, intended to address the method by which the Michigan Tax Tribunal values certain properties, including big box and junior box stores, commonly referred to as the "Dark Store" theory of value;

WHEREAS, the Tax Tribunal, on numerous occasions, has valued such properties through comparisons to sales of other big box or junior box stores that have "gone dark," i.e., have failed to produce retail sales due to their location in the market;

WHEREAS, the Tax Tribunal has also valued box stores by comparisons to sales of other box stores that were sold with a private deed restriction in place, which precluded the use of the sold box store for use as a box store;

WHEREAS, these Tax Tribunal decisions across the state have resulted in artificially reduced values for thriving box stores due to comparisons to stores that either failed or were sold for some other secondary purpose, such as redevelopment for some other commercial use;

WHEREAS, the City of Escanaba has lost revenue and incurred legal expenses as a result of "Dark Store" property tax appeals, which has impaired the ability to provide services to its residents;

WHEREAS, the legislation seeks to remedy these issues by requiring the Tax Tribunal to assure that box stores are valued according to their "highest and best use" by excluding the use of sale comparables sold with private restrictions in place if those restrictions substantially impair the comparable's highest and best use as compared to the property being valued; and

WHEREAS, the legislation seeks to require the use of sale comparables that are adequately comparable to the property being valued.

NOW, THEREFORE, the City of Escanaba, Delta County, Michigan, resolves as follows:

- 1. The City Council hereby supports the legislation introduced by Sen. McBroom, Senate Bill Nos. _____ and ____.
- 2. Any resolutions that are inconsistent with this Resolution are hereby repealed to the extent necessary to give this Resolution full force and effect.

Upon a call of the roll, the vote was as follows:

Ayes: DuBord, Moore, Beauchamp, Mayor Ammel

Nays: None Absent: Flath

RESOLUTION DECLARED ADOPTED.

NB-3 Approval – Resolution Supporting Senate Bill No. 20 – City Manager.

Administration requested City Council consideration of a resolution supporting Senate Bill 20.

NB-3 By Council Member DuBord, seconded by Council Member Beauchamp:

CITY OF ESCANABA

RESOLUTION NO. 23-04

RESOLUTION TO SUPPORT LEGISLATION

WHEREAS, Representative of Michigan's 38th Senate District, Senator Ed McBroom, seeks to introduce two bills, Senate Bill Nos. _____, and _____, intended to respond to criticisms of the Michigan Tax Tribunal and to create County Boards of Revision with jurisdiction over certain property tax disputes;

WHEREAS, the Tax Tribunal is comprised of a chairperson and four members. The members include an appraiser member, an assessor member, an attorney member and an at-large member. The purpose of these different members was to

ensure that appropriate expertise (in the fields of assessing, appraising, and the law) was applied to all Tribunal cases and proceedings. Each member is appointed by the Governor;

WHEREAS, due to an increase in the Tribunal's case load, a single member now presides over a case instead of a panel of all members;

WHEREAS, the Tribunal's current operations have resulted in criticisms, not limited to delays in case processing, a growing backlog of cases, a lack of transparency in decision-making, and members presiding over complex cases without any legal training or experience in property tax matters;

WHEREAS, Senate Bill Nos. ____ and ____ provide for the creation of County Boards of Revision, which would obtain jurisdiction over larger, more complex property tax matters that involve over \$1.2 million in dispute;

WHEREAS, Senate Bill Nos. ___ and ___ are intended to provide a neutral and competent adjudicatory process that is driven by standard legal processes, overseen by experienced legal professionals and tax professionals certified by the Michigan State Tax Commission;

WHEREAS, County Boards of Revision provide for greater input from local units on property tax matters and the ultimate review of County Board of Revision decisions by judges in local County Circuit Courts.

NOW, THEREFORE, the City of Escanaba, Delta County, Michigan, resolves as follows:

- 1. The City Council hereby supports the legislation introduced by Sen. McBroom, Senate Bill Nos. _____ and ____.
- 2. Any resolutions that are inconsistent with this Resolution are hereby repealed to the extent necessary to give this Resolution full force and effect.

Upon a call of the roll, the vote was as follows:

Ayes: DuBord, Beauchamp, Moore, Mayor Ammel

Nays: None Absent: Flath

RESOLUTION DECLARED ADOPTED.

<u>APPOINTMENT(S) TO CITY BOARDS, COMMISSIONS, AND COMMITTEES</u> – None <u>BOARD, COMMISSION, AND COMMITTEE REPORTS</u>

Council Members reviewed City Board and Commission meetings each attended

since the last City Council Meeting.

GENERAL PUBLIC COMMENT

- Kelli Van Ginhoven discussed Governor Whitmer announcement of Community of Revitalization Projects across Michigan.
- Craig Woerpel discussed "Restaurant Week" promotion in Escanaba's downtown district.

ANNOUNCEMENTS

- Restaurant Week February 27th March 3rd.
- Special Thank you to Officer Dag (K9 unit) is retiring from Escanaba Public Safety.

DuBord moved, Moore seconded, to go into recess, CARRIED UNANIMOUSLY.

The time was 7:15 p.m.

DuBord moved, Moore seconded, to come back in session, CARRIED UNANIMOUSLY.

The time was 7:19 p.m.

NB-4 Closed Session – Legal Opinion – Foreclosure Property – HR Director/Treasurer.

Administration requested Council go into a closed session to consider material exempt from discussion or disclosure by statute under MCL 15.268(h), identified as an attorney-client privileged written legal opinion.

DuBord moved, Moore seconded, to go into Closed Session.

Upon a call of the roll, the vote was as follows:

Ayes: DuBord, Moore, Beauchamp, Mayor Ammel

Nays: None Absent: Flath

MOTION CARRIED.

The time was 7:20 p.m.

DuBord moved, Moore seconded, to come back into Open Session.

Upon a call of the roll, the vote was as follows:

Ayes: DuBord, Moore, Beauchamp, Mayor Ammel

Nays: None Absent: Flath

MOTION CARRIED.

The time was 7:42 p.m.

No Council actions were taken during closed session.

NB-4 DuBord moved, Moore seconded, to allow City Administration to continue to work with the City Attorney pertaining to the closed session discussion of foreclosure of property.

Upon a call of the roll, the vote was as follows:

Ayes: DuBord, Moore, Beauchamp, Mayor Ammel

Nays: None Absent: Flath

MOTION CARRIED.

Hearing no further public comment DuBord moved, the Council adjourned at 7:43 p.m.

Respectfully submitted,

Phil DeMay	Approved:
City Clerk	Mark Ammel, Mayor

Agenda Item: NS-1
Date: 03-16-20-3

City Council Agenda Item Request

Date: 03/02/23

Name: Kim Peterson

Department: Recreation

Item: Authorizing Resolution

Meeting date requested: 03/16/23

Explanation for request:

The Recreation Department is seeking City Council approval and authorization to apply for Public Gathering Spaces (PGS) Competitive Funding Round. The City of Escanaba is requesting \$800,000 in CDBG Funds to construct eight dedicated pickleball courts, demolition and construction of a basketball court, resurfacing of two tennis courts and removal and upgrade of playground equipment at Royce Park. There will be a \$100,000 committed match from the City of Escanaba.

RESOLUTION NO. 23-05

CITY OF ESCANABA AUTHORIZING RESOLUTION

WHEREAS, the Michigan Strategic Fund has invited Units of General Local Government to apply for its Public Gathering Spaces (PGS) Competitive Funding Round; and

WHEREAS, the City of Escanaba desires to request \$800,000 in CDBG funds to construct eight dedicated pickleball courts, demolition and construction of a basketball court, resurfacing of two tennis courts and removal and upgrade of playground equipment; and

WHEREAS, the City of Escanaba commits local funds from the UDAG Fund in the amount of \$100,000 of committed match; and

WHEREAS, the proposed project is consistent with local Community Development Plan and the Five-Year Recreation Plan as described in the Application; and

WHEREAS, the proposed project will benefit all residents of the project area and the low/moderate percentage of the City of Escanaba residents are low and moderate income persons as determined by the census data provided by the U.S. Department of Housing and Urban Development.

WHEREAS, local funds and any other funds to be invested in the project have not been obligated/incurred and will not be obligated/incurred prior to a formal grant award, completion of he environmental review procedures and a formal written authorization to obligate/incur costs from the Michigan Economic Development Corporation.

NOW, THEREFORE, BE IT RESOLVED, that the City of Escanaba hereby designates the City of Escanaba Recreation Director as the Environmental Review Certifying Officer, the person authorized to certify the Michigan CDBG Application, the person authorized to sign the Grant Agreement and payment requests, and the person authorized to execute any additional documents required to carry out and complete the grant.

Upon a call of the roll, the vote was as follows:

Ayes:

Nays: None

RESOLUTION DECLARED ADOPTED."

Agenda Item: <u>NB-2</u>
Date: <u>03-10-2023</u>

City Council Agenda Item Request

Date: 3/9/2023

Name: James McNeil

Department: Manager

Item: Request to Purchase City Property - 8th Ave S

Meeting date requested: 3/16/2023

Explanation for request:

Administration is requesting City Council approval of the sale of City land for consideration equal to the appraised value of \$10,100. The request includes 20 acres of landlocked area north of 8th Ave S.



Agenda Item: <u>NB-3</u>
Date: <u>O3-1(0-2023</u>

City Council Agenda Item Request

Date: 3/9/2023

Name: James McNeil

Department: Manager

Item: Request to Purchase City Property - 12th Road

Meeting date requested: 3/16/2023

Explanation for request:

Explanation for request.
Administration is requesting City Council approval of the sale of City land for consideration equal to the appraised value of \$15,000. The request includes 40 acres of landlocked area southwest of the airport, outside the City limits.
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12/19/2022, 10:20 AM EST

Agenda Item: NB-4
Date: 03-10-2023

City Council Agenda Item Request

Date: 3/9/2023
Name: James McNeil
Department: Manager
Item: Letter of Support - Wells Water-Sewer Project
Meeting date requested: 3/16/2023
Explanation for request:
Administration is requesting City Council approval for administration to draft and submit a letter of support for the Wells Water-Sewer Project.



