

MINUTES OF THE SPECIAL CITY OF BURTON COUNCIL
MEETING HELD AUGUST 27, 1979 AT 4303 S. CENTER
ROAD, BURTON, GENESEE COUNTY, MICHIGAN

At 8:08 PM. this meeting was reconvened from July 23, 1979 by N. Dombrowski, Council President.

COUNCIL MEMBERS PRESENT: Dombrowski, Dallas, Mikulich, Mann, Card, Brown and Kita.

OTHERS PRESENT: Mayor Wurtz; J. Major, Assistant Director of DPW; D. Lowthian, City Assessor; Kelly O'Dea, City Attorney; A. Hesse, Deputy Clerk.

PURPOSE OF THE MEETING:

Continuation of a Public Hearing for a Downtown Development Authority . The District location is:

South Saginaw Street from Hemphill Road
to Maple Road.

PRESENTATION: Mr. Major

Mr. Major said the petitions were signed in June of 1979 for a Downtown Development District and Authority (D.D.A.). He said the notices were sent per Act 197 of the Public Acts of 1975, also this meeting was published in the Flint Journal. Mr. Major then introduced Mr. David Turner, from the Michigan Department of Commerce and Jerry Owen, from Genesee County Metropolitan Planning Commission, who explained the D.D.A. One of the biggest benefits in this Authority is being able to issue revenue bonds. The D.D.A. is used to fight deterioration and blight, and to encourage expansion of established businesses. The D.D.A. is comprised of a 9 to 12 member board that is appointed by the Mayor, with Council concurrence. It is a non-profit organization that fosters private investment and public involvement. The Authority has the power to levy two (2) mills; this is to be used as a tool and implemented only if necessary. The organization of a D.D.A. is set up so it works for the City not against it. It is meant to provide favorable financing to promote an increase in downtown business.

Julius Binder, South Saginaw Street merchant and President of the Saginaw Street Merchants Association, said that the district in question has increased their assessed value from two (2) million to seven (7) million dollars. The merchants have expended all of the capital they can afford. Mr. Binder said, "without help, what you see on South Saginaw Street now, is what you will continue to see". The merchants can not afford anymore he felt. Most cities have either established a D.D.A. or are in the process of establishing one. Mr. Binder stated that the 6½ million dollar grant Flint received for the riverfront beautification was through their D.D.A.

Mr. Robert McCullough, property owner in the proposed district introduced his Attorney, Mr. Tom Pabst.

Mr. Pabst said his client was opposing the D.D.A. and there are several names on a petition that also oppose the creation of this project. Attorney Pabst said the powers given to such a board were extremely broad and he felt Council should examine them thoroughly before reaching any decision. As an example he said the board would be permitted to hire "as needed", and to compensate such employees. The Council has no control over who is hired or how many, except for the Director. Council needs to concur on the Director's appointment. Mr. Pabst also said any of these employees will have to be covered, by the City, as far as insurances and pension programs.

Councilman Dombrowski asked if the eighty people that signed the petition against the D.D.A. were business people in the proposed area? Mr. McCullough referred to the map he had seen and said he felt anyone in the direct area or the possible expansion area would be affected. He said Mr. Binder was trying to dictate to the Council in establishing this. Anyone affected should have an opportunity to vote on this. No one is against the beautification but they do not feel it should be done with tax money.

Mr. Major put the map on the board showing the present proposal and a future expansion area.

It was felt that some of the signatures were not from the immediate area. The main concern in establishing the D.D.A. was the South Saginaw Street corridor. It was stated that people may request exclusion from the D.D.A. if their property is involved.

A petition was presented to Council on July 23, 1979 in opposition to the D.D.A. The following names were on it:

Robert McCullough - 4191 S. Saginaw Street
George Abrahams - 4307 S. Saginaw Street
Ethel Hamm - 2038 E. Webber Avenue
Raymond Evans - 4288 S. Saginaw Street
Albert Schutes - 3414 S. Saginaw Street
Beulah Johnson - 3406 S. Saginaw Street
Paul Otiepkka - 3366 S. Saginaw Street
Elsie Otiepkka - 3366 S. Saginaw Street
John Paul Badges - 4243 S. Saginaw Street
Clarence Lambert - 1442 Norton
W.S. Davidson - 4065 S. Saginaw Street
Maxine A. Bush - 4122 S. Saginaw Street

Discussion followed about who should sign petitions, tax payer owner or business man. Mr. Binder had 45 names on his petitions favoring the D.D.A. There are 120 businesses on South Saginaw Street between Hemphill and Maple Roads. He felt that 45 names represented more than $\frac{1}{2}$ of the assessed value of the area. Only one person opposed it, he said - Mr. McCullough.

Mayor Wurtz asked Mr. McCullough if his property was residential? He replied it is commercial on the front with a residence in back.

Councilman Mikulich asked if everyone had been given notification of this meeting and its purpose? Mr. Binder said the Association had sent notices. Mayor Wurtz said the City, through the DPW, had notified in excess of the special assessment method.

Mr. Binder then read through the purposes of the Downtown District and Authority.

More discussion was held on the power to levy taxes. Mr. Turner said that not one D.D.A. has levied the two (2) mills since the adoption of the Headlee Amendment. This will probably have to be tested in court, he added.

The Attorneys and Messers. Turner and Owen then deliberated the powers of the D.D.A. from a legal viewpoint.

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Mr. Binder repeated that the business people had gone as far as they could to refurbish the area. They had contributed to the new street lighting on S. Saginaw Street. Now they would appreciate the D.D.A., in hopes they could help finish the job.

The Council then discussed with the business people the percentage they would like to see on a petition and whether it should be the property owner's signature or the business owner's signature.

Mr. Scheidler asked if the Council were seeking something would they let one dissenter dissuade them ?

Mr. McCullough said he believed in the Free Enterprise System, other businesses had established themselves without using such a tool. He felt the least government involvement the better.

Councilman Mann said he was in favor of the D.D.A. but he was sure this would be considered a conflict of interest and he would not be able to vote.

Council discussed the possibility of a Mayor having a bloc of votes on any given Council, when appointing the Board, thus creating a situation that could be dominated by one individual.

Councilman Kita asked Mr. Binder if the City contributed to the new street lighting for South Saginaw Street ? Mayor Wurtz answered, that the amount of money for the incandescent light was frozen, this was captured by the City, the difference between the incandescent and the new ones was split and the City paid 50% and the merchants paid 50%.

Councilman Mikulich said he would feel much better about voting on this issue if the petitions favoring the D.D.A. reflected a majority of those within the affected area. Mr. Mikulich was asked who should sign the petitions. He replied those that pay the taxes. Mr. Binder said businesses come and go, maybe it should be a majority of the property owners, suggested Mr. Scheidler. Mr. Major said the intent of the petition was simply to advise Council of an interest in forming a Downtown District and Authority.

Discussion continued as to who should sign petitions, who paid the taxes, and the difference between real and personal property.

Mayor Wurtz left the meeting at 9:30 PM.

Councilman Dallas asked the Assessor if he could make a list of real and personal tax payers in this corridor? Mr. Lowthian said this could be done.

Councilman Dombrowski said Burton has always been unique in having more than one alleged downtown. He said he was a bit hesitant on granting the Authority and perhaps there should be more information. He also said he felt a business should be able to determine its own success or failure, they should not be dependent upon the Federal Government.

Mr. Scheidler requested a decision on who the signers of the petition should be.

Councilman Mikulich said he wanted to see the list from the Assessor's Office first.

Councilman Dombrowski said Council has directed the Assessor to prepare a roll of real property tax payers and of personal property tax payers, determining the number of each in the South Saginaw Street corridor from Hemphill to Maple Roads.

Mr. McCullough asked that his property be excluded from the D.D.A.

Councilman Card asked that any information concerning Headlee and its affect on a project like this, be compiled for Council before the next meeting.

Council agreed to recess this meeting and reconvene it on September 24, 1979 at 6:00 PM.

MEETING RECESSED:

Time 10:05 PM.

Submitted by,

Ardis L. Hesse
Deputy Clerk