CITY OF BURTON
LEGISLATIVE COMMITTEE MEETING MINUTES
DECEMBER 1, 2008, 6:30 P.M., COUNCIL CHAMBERS
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The Meeting is called to order by Chairwoman Laurie Tinnin at 6:30 p.m.

MEMBERS PRESENT: Tinnin, Ellenburg and Conley.
MEMBERS ABSENT: None.
OTHERS PRESENT: Mayor C. Smiley, Attorney R. Austin, G. Kray, DPW Director and J. Adams, Deputy City Clerk.

PURPOSE OF THE MEETING: Discussion and possible recommendations concerning the following:

1. **Ordinance 2008-2, 156.24 (D), (3), (b), an ordinance establishing a dollar value for required assurances given by developers in lieu of completion of construction of utilities and other site improvements prior to final plat approval, and to provide penalties for the violation thereof.**
2. **Ordinance that covers the special assessment petition process.**

PRESENTATION:
Ordinance 2008-2, 156.24 (D), (3), (b)

Mrs. Tinnin stated the Legislative Committee requested at their previous meeting that Mr. Austin come up with language establishing assurances that the completion of the unfinished public improvements are made and if not, to provide penalties of the violation thereof.

This would vest our DPW with the authority to recommend additional assurances from the developer due to additional unforeseen costs that may be incurred. This would also be contingent upon approval of the City Council, and the developer would be given 30 days to comply. If he does not comply with those assurances he needs to put up front, then the City would be able to default that developer and the City would move forward with the completion. The actual cost would be incurred by the City and borne with the responsibility of the developer.

AUDIENCE PARTICIPATION: None.

COMMITTEE DISCUSSION:

Mrs. Tinnin asked if this would help DPW move forward in a more orderly fashion with the developers to provide authority to recommend that additional assurances be put up front.

Mr. Kray responded there has not been any new subdivisions since he started working for the City of Burton. Hopefully, we will not get caught again with a dramatic increase in the cost of asphalt. He thinks a lot of things just came together at once to cause a bad situation. He does not believe there will be another increase like what we saw occur and hopefully, we won't have to go back for increased bonds. This should assist in less default like we have in the past few years with the dramatic increase in price.

Mrs. Tinnin stated there were written facts lacking as far as what the procedure would be if the cost had escalated due to rising costs of gas and oil. This is a means to re-coup those costs that we really didn't have in concrete language. I think we need to establish good public policies and move forward in an orderly fashion. It lifts some of the burden off of the administration, DPW and City Council.

Mrs. Ellenburg stated she likes the fact it didn't have a percent. You could put whatever percent on and it still might not be enough. We can deal with it on a one-to-one basis for whatever price it is at the time.

Mrs. Tinnin asked the Mayor if there is anything he felt they were lacking to still incorporate.

Mayor Smiley said he is just now reviewing the ordinance. He does not have questions at this time.

Mrs. Tinnin said she would like to see this moved to the next Council's agenda.

COMMITTEE RECOMMENDATIONS:

Consensus of the Legislative Committee to recommend that City Council place Ordinance 156.24 (D) (3) (b) on the next Regular Council Meeting agenda for December 15, 2008 at 7:00 p.m.

PRESENTATION:
Ordinance 150.03 (A)

Mrs. Tinnin stated this ordinance covers the special assessment petition. It seeks 50% of the land already developed. No open private undeveloped land would be approved for funding of a general operating bond creating the special assessment district without a 2/3 vote of the Council. Under these 2 proposals at least the land being 50% improved, more than 1 person or entity that owns at least 50% or more of the land would be needed to apply for a petition for a special assessment district. These are the two specifications in the amendment of this ordinance. This proposal would require a supermajority vote, being 5 votes of the Council. She does not believe this is in conflict of the Charter. Her objective is to tell the public we need some good public policy in place so that we protect our taxpayers in the case a development goes bankrupt, as in the case of Pebble Creek or any development that goes into bankruptcy. We are not left to pay for that development because we have not, by 2/3 of the Council's approval, gone forward and issued a general obligation bond backed by the full faith and credit of the City of Burton.

Mrs. Tinnin stated further, this is giving us protection and saying if you want to come to Burton and development, you need to secure your own financing. This doesn't eliminate the fact that we can't go forward and put a water line down Belsay Road, because that is not private land. Or a subdivision needs a water line and they want a petition and ask for a special assessment district. This is only saying that you have to have 50% of the land already improved, open private land cannot be petitioned by one person to come forward and ask the City Council to approve a general obligation bond for the benefit of that private developer. It protects the City of Burton.

Mrs. Ellenburg said she does not want to tie our hands with developers for the fact they might not want to come here because we are not putting these things in like we have done prior. Even though these developers do come in and want to set up a subdivision, they still have to come before Council to get that final permission. If we set something in ordinance, I am afraid it will steer people out of our area to even build. It is so hard to amend these ordinances in a timely fashion.

Mrs. Tinnin said she wants it in ordinance form and a vote of the City Council because we have had public policy in place that does not protect our taxpayers.

Mrs. Ellenburg expressed we protect our taxpayers because it still has to come before us. I wasn't here during Pebble Creek but someone voted that to happen. It wasn't because we had an ordinance in place. The Council at the time decided it was a good idea. I just don't want to tie our hands if it does start to pick up again.

Mrs. Tinnin said she doesn't want to see us take on a risk like we already took on and it backfired.

Mrs. Ellenburg feels it is something you have to do to develop.

Mrs. Tinnin said people can come to the City of Burton and develop and secure their own financing. We don't have to finance their projects, other cities are not doing this.

Mrs. Ellenburg said other cities do not have an ordinance in play because she checked on it at conferences. Development is part of protecting our taxpayers.

Mrs. Tinnin said this does not stifle development. All this is saying is if you want to develop in Burton then you need to go to a financial institution to secure your own financing. That way, if you go bankrupt, that financial institution deals with you. It isn't the taxpayers of Burton that are going to end up paying for their defaults.

Mrs. Conley stated she thinks as City officials, we are here to do what is best for our residents and not what is best for the developers. There are a lot of subdivisions in Burton that is not finished and I feel people have to look at all these empty lots and trash that is still there.

Concerns continued to be discussed.

COMMITTEE RECOMMENDATIONS:
Tinnin moved and Conley seconded the following motion:

1. The Legislative Committee's recommendation to City Council to place the Ordinance amendment for 150.03 (A) on the next Regular Council Meeting agenda for December 15, 2008 at 7:00 p.m.

Motion carried 2-1, with Ellenburg voting no.

Meeting adjourned at 6:56 p.m.

jra