

A regular meeting of the Bad Axe City Council was called to order at 7:30 p.m. on Monday April 4, 2011 by Mayor Jim Hicks.

### **ROLL CALL**

Present: Mayor Jim Hicks, Council members: Hall, Particka, Peterson, Rapson and Rochefort. Other Officers present: City Manager VanDeVusse, Clerk Goebel.

Absent: Cleland.

### **APPROVAL OF MINUTES**

Clerk Goebel read the minutes from the March 21, 2011 regular meeting. Motion by Rapson, second by Peterson to approve the minutes as read. Voice vote: all voting aye, motion carried.

### **PUBLIC COMMENTS**

Huron County Commissioner John Bodis addressed council and stated that the commissioners are trying to schedule a meeting with State Senator Mike Green and State Representative Kurt Damrow to discuss pending legislation and the effect it would have on our community.

### **ORDER OF BUSINESS**

1. Motion by Hall, second by Rapson to approve Resolution 2011-6; annual contribution to Central Huron Ambulance Authority.

AYES: Peterson, Hall, Particka, Rochefort, Hicks, Rapson.  
NO: None.

2. Motion by Hall, second by Peterson to adopt the following policy regarding applications for personal property tax relief under ACT 328 of the public acts of 1998. Voice vote: all voting aye, motion carried.

**SUBJECT: APPLICATIONS FOR PERSONAL PROPERTY TAX RELIEF UNDER ACT 328 OF THE PUBLIC ACTS OF 1998**

**PURPOSE:** To encourage the expansion of businesses and the acquisition of equipment in order to create or retain employment that is available to all citizens of the City of Bad Axe.

**POLICY:** It is the policy of the City of Bad Axe to encourage the renovation and expansion of businesses and the purchase of equipment to encourage the creation and retention of employment for the citizens of Bad Axe by assisting through the use of tax abatement incentives under Act 328 of the Public Acts of 1998, for those employees who evidence strong commitment to equal employment opportunity practices.

### **Eligibility**

Public Act 328 provides the City the authority to recommend to the State of Michigan Tax Commission personal property tax relief to eligible businesses for new personal property acquisitions. For purposes of economic development, the City of Bad Axe may

consider requests under the following limited and special circumstances as a means of encouraging job retention and creation in the City.

- a) Major New Business- Businesses which are relocating their business from a location outside the City of Bad Axe and will bring more than 25 new jobs to the City.
- b) Major Expansion of Existing Business- An existing business which will create more than 10 new jobs.
- c) Business Retention- To retain jobs and encourage rebuilding of a business at its current location following a major disaster which has destroyed a substantial amount of its real and personal property at that location. In the case where rebuilding will cause a rise in the property tax liability of an existing business, the City of Bad Axe will consider an abatement if it does not result in a total property tax bill that is less than the taxes paid annually before the disaster. The business must agree to rebuild in the City of Bad Axe and retain a number of jobs equal to or greater than the number employed before the disaster.

#### Applicability

- a) Exemption will be for no more than twelve (12) years for all new personal property placed within the District within two (2) years of approval of a resolution by the City of Bad Axe.
  - b) All applicants must be current with all real and personal property taxes.
  - c) All applications must not be under written orders for violations of the zoning ordinance and must be in compliance with all applicable zoning codes.
  - d) All applicants must enter into a Memorandum of Understanding with the City of Bad Axe.
  - e) Applicants shall pay a filing fee of five-hundred dollars (\$500) for each application for personal property tax relief under Act 328 of its Public Act of 1998.
3. Motion by Hicks, second by Hall to award the bid for the Cleveland St. Sanitary sewer and water main replacement project to Nichol & Sons Inc., for \$262,632.28.

AYES: Hall, Rapson, Hicks, Rochefort, Particka, Peterson.  
NO: None.

4. Motion by Hicks, second by Rapson to approve the engineering fees associated with the Cleveland St. Reconstruction project for \$33,060.00

AYES: Hall, Rapson, Hicks, Rochefort, Particka, Peterson.  
NO: None.

5. Motion by Hall, second by Particka to pay the bills totaling \$66,899.01.

AYES: Hicks, Rapson, Hall, Rochefort, Peterson, Particka.  
NO: None.

Motion by Rapson, second by Hicks to adjourn into closed session at 7:47 p.m. for the purpose of discussing union negotiations.

AYES: Hall, Rochefort, Rapson, Hicks, Particka, Peterson.  
NO: None.

The council reconvened at 8:25 p.m.

Motion by Hicks, second by Rapson to approve the closed session minutes. Voice vote: all voting aye, motion carried.

**MAYOR AND COUNCIL COMMENTS**

Councilwoman Particka congratulated Courtney Manor for being recognized as one of the best nursing homes in the state.

**ADJOURNMENT**

Motion by Rapson, second by Rochefort to adjourn at 8:35 p.m. Voice vote: all voting aye, motion carried.

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Jim Hicks, Mayor

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Kay M. Goebel, Clerk