

SPECIAL MEETING OF THE DEARBORN HEIGHTS CITY COUNCIL

AUGUST 16, 2001

01-493 The meeting was called to order at 7:02 p.m. by Council Chairwoman Margaret M. Horvath.

Roll Call showed the following:

Present: Councilwoman Elizabeth J. Agius (arrived at 7:06 p.m.), Councilman Kenneth R. Baron, Council Chairwoman Margaret M. Horvath, Councilwoman Jumana Judeh, Councilman Daniel S. Paletko, Councilman David D. Turfe.

Absent: Councilwoman Margaret M. Van Houten.

Also Present: Mayor Canfield, City Clerk Robbins, Deputy Clerk Pawlukiewicz, Treasurer Riley, Deputy Police Chief Lazar, Community Development Director Oliverio.

The Pledge of Allegiance was recited by all present.

The Public Hearing for the Development Plan and Tax Increment Financing Plan was called to order at 7:02 p.m. by Council Chairwoman Margaret M. Horvath.

Council Chairwoman Horvath asked City Clerk Robbins to read the official notice of a Public Hearing (see below) omitting the legal description.

NOTICE IS HEREBY GIVEN that the City Council of the City of Dearborn Heights, Michigan will hold a public hearing at 7:00 o'clock p.m., Eastern Daylight Savings Time on Thursday, August 16, 2001, at the Robichaud High School, located at 3601 Janet Street, Dearborn Heights, Michigan.

The purpose of the public hearing is to receive public comments on proposed amendments to the Development Plan and Tax Increment Financing Plan for the Westwood Development Area in the City of Dearborn Heights, Wayne County, Michigan (the "Plan"). The City of Dearborn Heights Tax Increment Financing Authority has proposed the amendments to the Plan in order to increase the maximum amount of bonded indebtedness to be incurred in connection with the construction and equipping of a police and court facility from \$18,000,000 to \$22,000,000, and to make related changes.

The development area boundaries for the Westwood Development Area are formed by Annapolis, Michigan and Dartmouth Avenues on the north, by Gulley and Telegraph Roads on the east, by Van Born Road on the south, and by Inkster and Beech Daly Roads on the west and the legal description is as follows:

LAND LOCATED IN SECTIONS 20, 29, 31, 32 AND 33, TOWN 2 SOUTH, RANGE 10 EAST, CITY OF DEARBORN HEIGHTS, WAYNE COUNTY, MICHIGAN, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT AT THE INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF MICHIGAN AVENUE (204 FEET WIDE) WITH THE CENTERLINE OF GULLEY ROAD (VARIABLE WIDTH) PROCEEDING THENCE SOUTHERLY ALONG SAID CENTERLINE OF GULLEY ROAD TO THE CENTERLINE OF DARTMOUTH AVENUE (50 FEET WIDE); THENCE EASTERLY ALONG SAID CENTERLINE OF DARTMOUTH AVENUE TO THE INTERSECTION OF SAID CENTERLINE OF DARTMOUTH AVENUE WITH THE EASTERLY RIGHT-OF-WAY LINE OF TELEGRAPH ROAD (VARIABLE WIDTH); THENCE SOUTHERLY ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF TELEGRAPH ROAD TO THE CENTERLINE OF VAN BORN ROAD (120 FEET WIDE); THENCE WESTERLY ALONG SAID CENTERLINE OF VAN BORN ROAD, ALSO BEING

Minutes AUGUST 16, 2001 - Continued

THE SOUTH LINE OF SAID SECTIONS 31, 32 AND 33, TO THE CENTERLINE OF INKSTER ROAD (120 FEET WIDE); THENCE NORTHERLY ALONG SAID CENTERLINE OF INKSTER ROAD, ALSO BEING THE WESTERLY LINE OF SAID SECTION 31 TO THE CENTERLINE OF ANNAPOLIS AVENUE (76 FEET WIDE); THENCE EASTERLY ALONG SAID CENTERLINE OF ANNAPOLIS AVENUE, ALSO BEING THE EAST-WEST ONE-QUARTER LINE OF SAID SECTION 31 TO THE CENTERLINE OF BEECH DALY ROAD (VARIABLE WIDTH); THENCE NORTHERLY ALONG SAID CENTERLINE OF BEECH DALY, ALSO BEING THE WEST LINE OF SAID SECTIONS 29 AND 32 TO THE INTERSECTION OF SAID CENTERLINE OF BEECH DALY ROAD WITH THE NORTH RIGHT-OF-WAY LINE OF SAID MICHIGAN AVENUE; THENCE EASTERLY ALONG SAID NORTH RIGHT-OF-WAY LINE OF MICHIGAN AVENUE TO THE POINT OF BEGINNING.

The Plan and the proposed amendments to the Plan, including all maps, plats and a description of the Development Plan are available for public inspection during regular business hours at the office of the Department of Community and Economic Development of the City of Dearborn Heights, 26155 Richardson, Dearborn Heights, Michigan. No relocation of families or individuals will occur as a result of the development projects described in the Plan. All aspects of the Plan will be open for discussion at the public hearing.

The City of Dearborn Heights will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired, to individuals with disabilities upon ten (10) business days written notice. Individuals with disabilities requiring auxiliary aids or services should contact Joyce A. Robbins, Dearborn Heights City Clerk, 6045 Fenton Avenue, Dearborn Heights, Michigan 48127; telephone (313) 277-7223.

This notice is given pursuant to Section 17 of Act 450, Public Acts of Michigan, 1990, as amended. This notice was published July 26, 2001 and August 2, 2001.

Council Chairwoman Horvath explained the purpose of the meeting was to increase the budget for the Police and Court facility from eighteen million to twenty-two million. Budget has been gone over with administration and various department heads.

Council Chairwoman Horvath then asked if there were any questions.

Carl Schoop, 25291 Hopkins "How will this effect me?"

Chairwoman Horvath "It won't impact you at all. I'm not a TIFA expert but we have experts here."

Acting TIFA Administrator Oliverio "In 1986 the City held several Public Hearings to establish a TIFA District. Westwood agreed to join." Carmine continued with an explanation of how TIFA gets it's money. "Say in 1986 the total taxable revenues were \$10,000, part of which went to the City, County and State. When TIFA was formed SEV's (State Equalized Value) was frozen at that level. However, any increase in taxes over \$10,000 was TIFA money. TIFA collected all taxes and State reimbursed schools. Since Proposal A no more school taxes, only County, City and miscellaneous taxes. Money collected is put back into the district. It's this money we have used to do lots of work in the TIFA district. Since 1986 TIFA has paid for water line replacement; Beech Daly sewers, crack sealing, revamped DPW yard, \$100,000 to \$150,000 is contributed to the school district annually; library computers; recycling center; part of Van Born Road repaving project later this fall. TIFA budget is between 1.3 million to 1.6 million a year. This year it's 1.5 million and almost all of it is put back into the district.

Kent Kubitz, 25936 Currier "What is the reason for the additional 4 million?"

TIFA Administrator "We have made several amendments to the plan over the last three years.

Minutes AUGUST 16, 2001 - Continued

Project costs have to equal money finance plan. This is a 30 year plan and three years ago we estimated the costs at 18 million, actual cost three years later is estimated between 21 and 22 million. Bond Council asked for this public hearing to notify residents of the increase in construction costs."

Edward Campbell, 25607 Kitch "I have been going over the figures and you are going to take in 44 million, no interest is in there, no money left."

Treasurer Riley "We get a lower rate over 30 years, below 5%, it's competitively bid. We will have sufficient TIFA money to pay and still not cut any programs in the plan. Forty one million is payoff. By the end of the 30 year period we anticipate collecting more tax dollars to cover this project without decreasing any other jobs. Tax revenues expect to escalate over 30 years to cover interest."

TIFA Administrator "Since 1986 TIFA has been conservative in our approach. We feel there is more than enough money for this project and the other improvements in the plan. We also intend to develop an industrial park. There is going to be a natural increase in SEV (State Equalized Value). TIFA has bonded 3.5 million for the purchase and demolition of the buildings that were on the site."

A man in audience "Is it typical for only one portion of the City to pay for something for the entire City?"

TIFA Administrator "It's that portion of the City where taxes are captured, that district that would serve the entire City. The court is paying off the 3.5 million dollar bond. Other cities do this where TIFA districts would play for entire city projects."

Mr. Kubitz "The industrial park will that be on Beech Daly or go off?"

TIFA Administrator "No, it's Van Born and Inkster area. Commercial strip will be on Beech Daly south of the creek."

Council Chairwoman Horvath asked if there were any more comments or questions, hearing none, she asked for a motion to close the Public Hearing.

01-494 Motion by Councilman Paletko, seconded by Councilman Baron, that the Public Hearing be closed.

Motion adopted.

The Public Hearing for the Development Plan and Financing Plan closed at 7:25 p.m.

01-495 Motion by Councilman Paletko, seconded by Councilwoman Judeh, that the City Council concurs with and approves the Resolution Approving Amendment to the Development Plan and Tax Increment Financing Plan for the Westwood Development Area Projects in the City of Dearborn Heights. This resolution is needed in order to increase the maximum amount of bonded indebtedness to be incurred in connection with the construction and equipping of a police and court facility from \$18,000,000 to \$22,000,000. Further, that the Mayor and City Clerk be authorized to sign the resolution on behalf of the City.

Motion adopted.

01-496 Motion by Councilman Paletko, seconded by Councilwoman Judeh, that the City Council concurs with and approves the Full Faith and Credit Resolution and Lease Amendment as the City's irrevocably pledges the payment of principal and interest on

Minutes AUGUST 14, 2001 - Continued

the bonds to be issued by the Tax Increment Finance Authority for the Police and Court facility and further approves the amendments to the lease between the City of Dearborn Heights and the Tax Increment Finance Authority as outlined in Appendix I. Further, that the Mayor and City Clerk be authorized to sign the resolution and amendment to the lease on behalf of the City.

Motion adopted.

01-497 Motion by Councilman Paletko, seconded by Councilman Baron, that the Special Meeting be adjourned.

The Special Council Meeting closed at 7:26 p.m.

JOYCE A. ROBBINS
CITY CLERK

MARGARET M. HORVATH, CHAIRWOMAN
CITY COUNCIL

MARIA E. LAWRENCE
COUNCIL/CLERK SECRETARY