REGULAR MEETING OF THE DEARBORN HEIGHTS CITY COUNCIL

JANUARY 24, 2006

06-025 The meeting was called to order at 8:08 p.m. by Council Chair Elizabeth J. Agius.

Roll Call showed the following:

Present:	Council Chair Elizabeth J. Agius, Councilwoman Janet S. Badalow, Councilman Kenneth R. Baron, Councilman Tom Berry, Councilman Bob Constan, Councilwoman Margaret M. Horvath, Councilwoman Margaret M. Van Houten.
Absent:	None.
Also Present:	Mayor Paletko, Administrative Assistant Kramarz, Corporation Counsel Miotke, City Clerk Dudzinski, Deputy Clerk Pawlukiewicz, Treasurer Riley, Comptroller Barrow, Assessor Riedel, Building & Engineering Director Sobh, Fire Chief Gurka, Deputy Police Chief Lazar, Recreation Director Grybel, Public Service Administrator Franzil, Community & Economic Development Director Jamal.

The Pledge of Allegiance was led by Deputy Police Chief Lazar.

06-026 Motion by Councilman Baron, seconded by Councilman Constan, that the Agenda for the Regular Meeting of January 24, 2006, be approved with the addition of 9-L (Fire Station Land Sale Proposal); deletion of Current Claims 6-11 (Ann Arbor Trail Improvements) and 6-15 (Phase II CSO Control) and note change to 9-B (Pension Board Term to 2 years).

Motion unanimously adopted.

06-027 Motion by Councilwoman Horvath, seconded by Councilman Berry, that the Minutes from the Regular Meeting of January 10, 2006, be approved as submitted.

Motion unanimously adopted.

The Public Hearing for the Notice of Intent Application for Michigan State Housing Development Authority (MSHDA) 2006 Housing Resource Fund opened at 8:12 P.M., by Council Chair Agius:

Council Chair Agius dispensed with the reading of the official Notice of a Public Hearing (see below).

The City of Dearborn Heights is developing its application for the Michigan State Housing Development Authority (MSHDA) 2006 Housing Resource Fund which will be used to direct the City in its establishment of a home purchase/rehabilitation program for qualified homebuyers. Upon approval by MSHDA, the City anticipates receiving funding of approximately $200,000 - $300,000 for the program.

The Community and Economic Development Department encourages all parties to contribute their views and comments in person at a Public Hearing on Tuesday, January 24, 2006, at 8:00 p.m., at the City Hall Council Chambers, 6045 Fenton Avenue, Dearborn Heights, Michigan.

The City will provide technical assistance to citizens that request such assistance in commenting on this proposal. In addition, the City will make adequate provisions to assist non-English speaking residents in interpreting provisions of this application process on a by-case basis, as well as provide auxiliary aides and services for individuals with disabilities. Requests for special accommodations must be made with reasonable advance notice.

Further information may be obtained by calling or writing: Community and Economic Development Director, City of Dearborn Heights, 26155 Richardson, Dearborn Heights, Michigan, 48127, telephone number 313-791-3500. Judy Dudzinski, City Clerk. Notice published on January 18, 2006.

Community and Economic Development Director Hassan opened "Mayor Paletko, Council Chair Agius, Clerk Dudzinski and ladies and gentlemen. We are opening the Public Hearing for the Home Purchase Rehabilitation Program. We are going to follow as much as we can the illustration on the two television monitors and also the packet that was handed out.

The Home Purchase/Rehabilitation Program – Intent - The intent of the program is to increase home ownership to income eligible people through down-payment and home rehabilitation assistance.

The Target Area – Please pay attention to the map behind our Corporation Counsel, Mr. Miotke. It shows the green areas. Those are the areas designated by the Department of Housing and Urban Development following the census track of 2000 designating Low-Moderate Income Area. The target area of this program will utilize the existing 2000 census HUD designated low-mod income area. I am just trying to read that for the record so the Clerk will have a record of this public hearing.

The Buyers – The buyers cannot currently own a home; they must have a mortgage pre-approval certificate; not more than $10,000 in assets; must meet MSHDA income guidelines and must complete MSHDA approved home buyer workshop.

The House – The home must be located within the HUD Low/Moderate area.

The Finance – The buyer must provide 1% down payment from their earned money. MSHDA provides a minimum of $1,000 and a maximum of $10,000 for home purchase assistance. MSHDA provides a minimum of $1,000 and a maximum of $20,000 for home rehabilitation assistance.

The Financers – Who they are and what they must agree to do. The interest rates must not exceed 9%. The mortgage must be 30 years fixed. The mortgage origination fee must not exceed $2,000 per application and the financers must agree to MSHDA guidelines regarding mortgage closing costs limitation/reimbursement.

The Mortgage – The mortgage will be held by the financial institution/assignee whoever they assign that mortgage to that approved the loan and a 0% deferred 2nd mortgage in the amount equal to or less than the total assistance will be held by MSHDA.

The 2nd Mortgage – The 2nd mortgage must be paid when there is a change in homestead status; a conversion to a rental; refinancing; sale or change of ownership.

The Program – Based on MSHDA standard Proforma determination the City will be applying for an amount of approximately $300,000 to cover the assistance of between 7 to 13 homes.

The Cost – The City will establish a revolving fund to pay the assistance costs. MSHDA will then reimburse the City upon the completion of each unit in question. Also, the City will be reimbursed with a maximum 6% up to $5000 as a developer's fee for each completed Home Purchase/Rehabilitation Program project.

The Application - The application will be submitted during the open window between January 23 – 27 of 2006. The end do you have any questions. Questions may also be sent in writing to Community and Economic Development Department, 26155 Richardson, Dearborn Heights, MI 48127. A public hearing will be held at a later date on the progress of the program. Any questions?"

Councilwoman Van Houten "Madam Chair. My understanding is that these are not grants and that this is a 0% interest loan for as long as they own the home and as long as don't do any of the items listed on slide 9."

Community and Economic Development Director Hassan "The first mortgage will be what we call conventional or whatever mortgage is. The applicant will be asked to apply based on a private finance process. They have to be approved for the amount. Now, the mortgage which is, the name is mortgage but actually it's a lien, deferred lien with no interest accrued and no payment required until one of the status change so they can be paid back."

Councilwoman Van Houten "So what I said is accurate. It's a zero interest loan that's a 2nd mortgage on the house. Ok. Just a ball park, what are some of the income guidelines are we talking poverty level?"

Community and Economic Development Director Hassan "We are talking in between 40 and 80% of the area median income. Actually that is a declaration by HUD which is to my best recollection $24,500 for one person on the low end $36,700 the higher end established by the Michigan Department of Housing. It's called the Michigan Family Income Standard. Currently we use that for our rehab program which you in the past approved."

Council Chair Agius "Any other questions at the table? Anyone in the audience have a question on the MSHDA application, hearing none, I'll take a motion to close the public hearing."

06-028 Motion by Councilman Baron, seconded by Councilwoman Badalow, that the public hearing be closed.

Motion unanimously adopted.

The Public Hearing for the Michigan State Housing Development Authority (MSHDA) 2006 Housing Resource Fund closed at 8:22 p.m.

06-029 Motion by Councilwoman Van Houten, seconded by Councilwoman Badalow, that the City Council authorizes the submission of the Michigan State Housing Development Authority (MSHDA) 2006 Housing Resource Fund Application with appropriate signatures.

Motion unanimously adopted.

06-030 Motion by Councilman Baron, seconded by Councilman Constan, that Current Claims 6-1

through 6-19, be approved with the exclusion of 6-11 (Wade-Trim Ann Arbor Trail Improvements) and 6-15 (Wade-Trim Phase II CSO Control).

1. ACCUMED BILLING, INC. – Ambulance Billing December 2005 – Inv. dated 01/02/06 from A/C 101-000-626-000 (Ambulance) $4,056.68. General Govt.
2. BEST ASPHALT, INC. – Pick-up and Dumping Fees December 2005 – Inv. 15863 dated 12/21/05 from A/C 101-200-810-000 (Sanitation) $7,475.00. General Govt.
3. CENTURY CEMENT COMPANY – Ann Arbor Trail Improvements – Cert. #1 dated 12/16/05 from A/C 202-202-880-300 (Street Construction) $85,517.33. Major Streets
4. CENTRAL WAYNE COUNTY SANITATION AUTHORITY – Monthly Debt & Services November/December 2005 – Inv. dated 12/31/05 and 11/30/05 from A/C 101-200-810-000 (Sanitation) $288,532.35. General Govt.
5. CITY OF DEARBORN – Sewer & Water Charges 08/23/05-10/21/05 – Inv. 104419 dated 01/09/06 from A/C 592-537-929-000 (Sewage) $5,786.13 and 592-537-928-000 (Water) $1,484.87. Water Dept.
6. HEIGHTS TREE SERVICE – Tree Trimming & Removals – Inv. 80 dated 01/16/06 from A/C 101-440-820-000 (Trees) $13,515.00. DPW-Highway
7. NAGEL CONSTRUCTION INC. – Sewer Cleaning Program – Inv. 2195 dated 01/13/06 from A/C 592-540-818-030 (Sewer Cleaning) $15,813.31. Water Dept.
8. QUAD-TRAN OF MICHIGAN – Data Processing January 2006 – Inv. 4752 and 4753 dated 12/29/05 from A/C 101-130-818-000 (Contract Services) $3,600.00; A/C101-130-728-000 (Supplies) $1,028.15 and A/C 101-200-728-000 (Supplies) $2,088.65. District Court
9. RICHCO CONTRACTING INC. – CDBG Water Main Project – Cert. #3 dated 01/04/06 from A/C 103-960-925-204 (Water Main) $93,271.77. CDBG
10. STATE OF MICHIGAN MDOT – Local Progress Billing – Ford Road/Hines; Ford Road/Telegraph/Inkster – Inv. AP 282816 and AP 282766 dated 01/10/06 from A/C 202-202-880-300 (Street Construction) $3,558.58. Major Streets.
12. WADE-TRIM ASSOCIATES – Ann Arbor Trail Improvements – Inspection Days – Inv. 88806 dated 12/16/05 from A/C 202-202-880-300 (Street Construction) $4,874.32. Major Streets
13. WADE-TRIM ASSOCIATES – CDBG Water Main Project – Inv. 89015 dated 01/05/06 from A/C 103-960-925-204 (Water Main) $5,162.00. CDBG
14. WADE-TRIM ASSOCIATES – Right-of-Way, House Grade, Plot Plan – Inv.'s 88901, 88900 and 88899 dated 12/22/05 from A/C 101-371-809-000 (Engineering) $5,905.80. Building/Eng.
16. WAYNE COUNTY DEPARTMENT OF ENVIRONMENT – Down River Excess Flow 01-06 – Inv 231517 dated 01/01/06 from A/C 592-537-929-000 (Sewage) $23,362.00. Water Dept.
17. SOMMERS, SCHWARTZ – Legal Services – Water Projects – Inv. 192213 dated 11/04/05 from A/C 592-536-817-000 (Profess/Consult) $1,991.00. Water Dept.
18. GARY MIOTKE – Legal Services December 2005 – Inv. dated 01/17/06 from A/C 101-210-826-000 (Counsel Services) $4,328.00. Corp. Counsel
19. SECREST, WARDLE, LYNCH ... - Legal Services November 2005 – Inv. dated 01/17/06 from A/C 101-210-826-000 (Counsel Services) $5,373.00. Corp. Counsel

Motion unanimously adopted.

06-031 Motion by Councilman Baron, seconded by Councilwoman Badalow, that the City Comptroller be authorized to advertise for bids, per specifications, for one (1) Case 621 D Wheel Loader with trade-in, per the request of Public Service Administrator Franzil, communication dated January 16, 2006.

Motion unanimously adopted.

06-032 Motion by Councilwoman Van Houten, seconded by Councilman Constan, that the City Council concurs with and approves the reappointment of Mr. George Booth, 8216 Grayfield, to the Commission on Aging, term to expire April 2008.

Motion unanimously adopted.

06-033 Motion by Councilman Constan, seconded by Councilwoman Badalow, that the City Council concurs with and approves the appointment of Attorney Richard A. Young, 5890 Golfview, to the General Government Pension Board, term to expire December 2007.

Motion unanimously adopted.

06-034 Motion by Councilwoman Van Houten, seconded by Councilman Berry, that the City Council concurs with and approves the reappointments of Mayor Daniel S. Paletko, Delegate and Councilwoman Janet Badalow, Alternate on the Southeast Michigan Council of Governments, terms to expire December 2006.

Motion unanimously adopted.

06-035 Motion by Councilman Baron, seconded by Councilwoman Badalow, that the City Council concurs with and approves the "Resolution Approving the Building Authority Refunding Contract" and "The Refunding Contract" per, Treasurer Riley, communication dated January 18, 2006. Further, that the Mayor and City Clerk be authorized to sign the documents on behalf of the City.

Motion unanimously adopted.

06-036 Motion by Councilwoman Badalow, seconded by Councilwoman Van Houten, that the communication from Comptroller Barrow, dated January 18, 2006 re: CM 03-326 (Establishment of a Justice Center Security Fund), be referred to Administration.

Motion unanimously adopted.

06-037 Motion by Councilwoman Horvath, seconded by Councilman Constan, that the City Council concurs with and approves the Municipal Lease Program through Ford Motor Company for the lease of three (3) Ford Rangers and one (1) Van-150 per, Comptroller Barrow, communication dated January 18, 2006. The lease fee on the new vehicles is approximately $1,116.67 per month. Vehicles are for the Water Department Reading Division. Further, that the Comptroller be authorized to sign the Agreement on behalf of the City.

Motion unanimously adopted.

06-038 Motion by Councilman Constan, seconded by Councilman Baron, that the City Council concurs with and approves the request from Police Chief Gust to auction the following drug forfeiture vehicles:

1999 Ford	VIN FAFP53U9XG278923
1988 Ford Station Wagon	VIN 1FMCA11U2JZB27276
1991 Chevrolet	VIN 1G1BN53E6MW174469
1993 Chevrolet Station Wagon	VIN 1GNDT13W6P2207643
1995 Ford	VIN 1FALP52UXSA319172
1992 Chevrolet	VIN 1GNDT13Z8N2152393
1983 Oldsmobile	VIN 1G3AN69Y5DM926488

per, Police Chief Gust, communication dated January 6, 2006.

Motion unanimously adopted.

06-039 Motion by Councilwoman Van Houten, seconded by Councilman Constan, that the communication from TIFA Chairman Titus, dated January 17, 2006 re: Audit Report Year Ending June 30, 2005, be received, contents noted and filed.

Motion unanimously adopted.

06-040 Motion by Councilman Constan, seconded by Councilwoman Badalow, that the City Council concurs with and approves the Revised Agreement for Spirit 2006 Amusement Ride Contract with Mid America Shows, Mr. James K. Wegerly, 3041 Serenity Road, Oakland, MI 48363, per Recreation Director Grybel, communication dated January 11, 2006 and Corporation Counsel, communication dated January 3, 2006. Further, that the Mayor be authorized to sign the Contract on behalf of the City.

Motion unanimously adopted.

06-041 Motion by Councilman Baron, seconded by Councilman Berry, concurs with and approves the replacement of one Precor C954i Heavy Commercial Treadmill, in the amount of $4,670.00, for the Richard A. Young Recreation Center, per Recreation Director Grybel, communication dated January 10, 2006. A Budget Amendment to come at a later date.

Motion unanimously adopted.

06-042 Motion by Councilwoman Badalow, seconded by Councilman Berry, that the City Council concurs with and approves the creation of an Assistant Emergency Management Coordinator/Public Information Officer position, per Deputy Chief Lazar, communication dated January 20, 2006. Annual starting salary for this position to be $61,200 plus fringe benefits.

Motion unanimously adopted.

06-043 Motion by Councilwoman Badalow, seconded by Councilman Baron, that the Mayor and

Corporation Counsel enter into negotiations with Dr. Hakim for the sale of the old Fire Station and bring the purchase documents back to Council.

Motion unanimously adopted.

06-044 Motion by Councilman Baron, seconded by Councilman Constan, that business license renewal for Rose Garden Restaurant, 5680 N Telegraph Road, be approved.

Motion unanimously adopted.

06-045 Motion by Councilwoman Van Houten, seconded by Councilman Constan, that the meeting be adjourned.

Motion unanimously adopted.

The meeting adjourned at 8:57 p.m.

S. JUDITH DUDZINSKI
CITY CLERK

MARIA E. LAWRENCE
COUNCIL SECRETARY

ELIZABETH J. AGIUS, CHAIR
CITY COUNCIL