

CITY COUNCIL MEETING MINUTES FROM NOVEMBER 6, 2012

The Regular Meeting was called to order by Mayor Strazdas at 7:30 p.m.

At the request of Mayor Strazdas, Minister Mike Drew of Workplace Chaplains gave an invocation and City Council and the audience recited the Pledge of Allegiance.

The City Clerk called the roll with the following members present: Councilmembers Elizabeth A. Campbell, Jim Pearson, Patricia M. Randall, Edward J. Sackley and Terry R. Urban, Mayor Pro Tem Claudette S. Reid and Mayor Peter J. Strazdas. Also in attendance were City Manager Maurice S. Evans, Assistant City Attorney Charlie Bear and City Clerk James R. Hudson.

APPROVAL OF MINUTES: Motion by Reid, seconded by Urban, to approve the October 23, 2012 Special and Regular Meeting Minutes as presented. Upon a voice vote, motion carried 6 to 0 with Councilmember Campbell abstaining.

* **CONSENT AGENDA:** Mayor Strazdas asked Councilmember Campbell to read the Consent Agenda. Councilmember Pearson asked that Item F.4, Tax Reverted Property at 10323 Archwood, be removed from the Consent Agenda and Mayor Pro Tem Reid asked that Item F.2, 2013 Recreation and Open Space Plan Update, be removed from the Consent Agenda. Motion by Urban, seconded by Reid, to approve the Consent Agenda motions as amended. Upon a roll call vote, motion carried 7 to 0.

* **APPROVAL OF ACCOUNTS PAYABLE REGISTER OF NOVEMBER 6, 2012:** Motion by Urban, seconded by Reid, to approve the Accounts Payable Register of November 6, 2012. Upon a roll call vote, motion carried 7 to 0.

REPORTS FROM THE ADMINISTRATION:

* **MICHIGAN DEPARTMENT OF TRANSPORTATION (MDOT) CONTRACT FOR CENTRE AVENUE/PORTAGE ROAD TRAFFIC SIGNAL INTERCONNECTION PROJECT:** Motion by Urban, seconded by Reid, to approve Contract 12-5523 between the Michigan Department of Transportation and the City of Portage for funding of the Centre Avenue/Portage Road Traffic Signal Interconnection Project; and adopt a Resolution authorizing the City Manager to sign Contract 12-5523 and any other documents related to this project on behalf of the city. Upon a roll call vote, motion carried 7 to 0. Resolution recorded on page 457 of City of Portage Resolution Book No. 44.

2013 RECREATION AND OPEN SPACE PLAN: Mayor Pro Tem Reid asked whether the 2013 Recreation and Open Space Plan Update draft document is available on line for residents to review. City Manager Evans indicated that the draft document is not currently on line, but that it is possible. Discussion followed. Motion by Reid, seconded by Pearson, to review the proposed 2013 Recreation and Open Space Plan Update; and approve the distribution of the 2013 Recreation and Open Space Plan Update to the Planning Commissions of adjacent communities and to the Kalamazoo County Planning Commission. Upon a voice vote, motion carried 7 to 0.

* **WORKERS' COMPENSATION EXCESS INSURANCE AND THIRD PARTY ADMINISTRATION CONTRACTS:** Motion by Urban, seconded by Reid, to award a one-year contract renewal to Safety National Casualty Corporation for workers' compensation excess insurance coverage for an annual fee of \$50,116 plus payroll adjustments; approve a one-year contract renewal with Eagle Claims Management for workers' compensation third party administration for an annual fee of \$8,686; and authorize the City Manager to execute all documents related to these contract renewals on behalf of the city. Upon a roll call vote, motion carried 7 to 0.

TAX REVERTED PROPERTY AT 10323 ARCHWOOD DRIVE: Councilmember Pearson reviewed the contents of the communication from City Manager Evans dated October 29, 2012, and reviewed the history of the vacant property at 10323 Archwood Drive. He mentioned that the taxes were not paid and the property reverted upon foreclosure to the County Treasurer, who provided two options: to be sold or to be deeded back to City of Portage. He indicated that the taxes are \$12,000 and the city has to pay the taxes regardless of what happens unless it is sold. He then asked that if the \$12,000 is owed and the City Assessor says the property is assessed at \$33,000, why not take the property back and sell it for a gain? Mr. Evans agreed with his logic, but pointed out that none of the city departments identified a need for the property and the neighbors are interested in doing something with it and he advised against the buying foreclosed properties by the city. Discussion followed.

Councilmember Pearson said he visited the property which lies on a cul-de-sac, that it is not a blighted area and the value of the homes there range from \$135,000 to 178,000 and the property appears to be buildable, especially with a housing development nearby. He advocated considering keeping the property and attempting to sell it in the future and pointed out that the proposed community garden for the vacant property at 10323 Archwood Drive has the long-term consequences of a potential \$30,000 in lost taxes over a decade to the city, the library and the school district and asked does a community garden justify the loss in revenue for the community? Discussion followed.

Mr. Sackley indicated that there were two auctions and no one placed a bid on the property, that it has no sewer or water, that the basement was part of the backfill when the property was demolished and that there are thirteen homes on Archwood and eight of the families have expressed an interest in having a community garden and those same families have been maintaining the property for years anyway. He pointed out that if the city takes the property back, it should have to maintain it. Discussion followed.

In answer to Mayor Pro Tem Reid, Mr. Evans indicated that if the city retains ownership in the property, considering the housing market or how long the property may be left unsold, the city is responsible for maintaining it with no taxes being collected.

Councilmember Randall concurred with Councilmember Pearson and to do everything possible to get this property back on the tax roll, provided alternative approaches and explained. She cited the Plainwell example of selling properties for one dollar in order to get them back on the tax roll.

Councilmember Campbell discussed market demand, the housing market "turn around" and suggested calling a meeting to review this parcel and to look at all of the properties owned by the city. Discussion followed.

Mayor advocated getting the highest value for the property which means putting a house on it and discussed alternatives looking for a hybrid approach that would reap proceeds in the end, but was not interested in having the city maintain it into the future.

Councilmember Urban stated that the government body is going to own the property regardless, either the city or the county, and advocated the city owning it in order to try to recoup our loss. Discussion followed.

At the suggestion of Mayor Strazdas motion by Sackley, seconded by Campbell, to refer this matter (the request from the City Manager to reject the transfer of foreclosed property at 10323 Archwood Drive and authorize the City Manager to advise the Kalamazoo County Treasurer of this action by November 30, 2012), to City Council Property Committee for discussion, including an inventory of all of the other residential properties that the city owns as that would include outlots because sometimes what we might not consider viable property others might, especially if you are going to add on to the side lot, and bring it back at the next Regular City Council Meeting. Discussion followed. Upon a roll call vote, motion carried 7 to 0.

* **2013 CITY COUNCIL MEETING SCHEDULE:** Motion by Urban, seconded by Reid, to establish the 2013 schedule of regular City Council meetings. Upon a roll call vote, motion carried 7 to 0.

* **MINUTES OF BOARDS AND COMMISSIONS:** City Council received the minutes for the following boards and commissions:

Portage Public Schools Board of Education Special and Regular Business of September 24 and Special and Committee of the Whole Work Session of October 8, 2012.

Portage Human Services Board of October 4, 2012.

Portage Planning Commission of October 4 and 18, 2012.

ADJOURNMENT: There being no further discussion, Mayor Strazdas adjourned the meeting at 8:08 p.m.

James R. Hudson, City Clerk

*Indicates items included on the Consent Agenda.