

**IRON RIVER CITY COUNCIL
SPECIAL MEETING
DDA/TIF Plan Modification
June 3, 2008
10:30 A.M.
MINUTES**

Mayor Charlotte Soderbloom called the meeting to order at 10:30 a.m. in the Council Chambers at the Iron River City Hall. The Pledge of Allegiance was recited.

Roll Call: Edward Marcell, Ray Coates, Thomas Beber, Roger Zanon and Soderbloom.

Also present for the City: City Manager John Archocosky, City Clerk Kathy Anderson and City Attorney Mark Tousignant.

Present for the City of Iron River Downtown Development Authority (DDA): DDA Director Jim Gibula, Bob Busakowski, Ralph Commenator and DDA Attorney Ron Basso.

Present for the Iron County Board of Commissioners and meeting in joint session: Robert Black, Francis Wills, Rosalie King, George Brunswick, Lawrence Harrington,

Also present for the Iron County Board of Commissioners: County Administrator Jan Huizing, County Treasurer Marsha Cornelia, County Clerk Joan Luhtanen and County Attorney Steven Tinti.

Public in attendance: Peter Djupe, Mike Manfrom, Ben Smith, and the Press: Wendy Shimun, Allyce Westphal and Nikki Younk.

A modified Downtown Development and Tax Increment Financing (TIF) Plan has been proposed with respect to certain improvements in the development area and extending the TIF Plan to the year 2043.

The City of Iron River invited the County Board of Commissioners to present its comments and position on modifications to the City of Iron River DDA/TIF Plan as required by MCL 125.1664.

The County of Iron's position was essentially stated by Steve Tinti, the County's attorney, where he indicated that the County objected, among other things, to the unilateral, unlimited extension of the duration of the Plan and that the County has not been able to share in the growth of the tax base. No specific amounts, percentages or durations were proposed.

After further discussion it was the consensus of both boards to form a committee made up of two representatives from the DDA, City and County along with their respective administrations and legal counsel to review current and past DDA and TIF financials. The meeting should take place before the Public Hearing set for June 10, 2008.

Ben Smith questioned why property valuations nationally have dropped 14 percent and Iron County valuations have gone up 10 percent.

Huizing stated the State of Michigan financial problems have caused cash flow problems for the County. Cities and townships receive Revenue Sharing and the County does not.

Djupe asked what affect this will this have on the Road Commissions or Schools. Archocosky stated schools are exempt and the Road Commission will not be affected.

County representatives left at 11:43 a.m.

Representatives from the Marquette Medical Clinic and UPPCO have requested an easement of approximately 15 feet of city property north of the Marquette Medical Clinic located at 1500 West Ice Lake Road.

Coates moved to grant the request and have Tousignant draft the formal easement for final approval. Zanon supported.

Roll Call: Ayes: 5: Beber, Marcell, Zanon, Coates, Soderbloom. Nays: 0.

Motion carried.

Soderbloom appointed Zanon and Beber to represent the City in negotiations with the County and DDA regarding the modified Downtown Development and TIF Plan.

Marcell moved to adjourn at 12:00 p.m. Zanon seconded. All were in favor. Motion carried.

Kathy L. Anderson, City Clerk