

April 28, 2009

The Regular meeting of the Otsego County Board of Commissioners was held in the Multi-Purpose Room of the J. Richard Yuill Alpine Center. The meeting was called to order at 9:30 a.m. by Chairman Glasser. Invocation by Commissioner Bates, followed by the Pledge of Allegiance led by Commissioner Johnson.

Roll call:

Present: Backenstose, Bates, Brown, Glasser, Harkness, Hyde, Johnson, Liss.

Absent: Beachnau.

The regular minutes of April 14, 2009 with attachments were approved as presented.

Consent Agenda:

Motion to accept the low bid of \$15,063.75 from Hickerson Floor & Tile on BID 2009-02 for carpeting the first floor of the Alpine Center to be paid out of the Building and Grounds Fund (637) as presented. Ayes: Unanimous. Motion carried.

Motion to accept the low bid of \$21,600 from Jim Wernig on BID 2009-07 for the Administration Vehicle to be paid out of the Equipment Fund (266) as presented. Ayes: Unanimous. Motion carried.

Motion to approve the 2009 Contingency/Administration budget amendment as presented. Ayes: Unanimous. Motion carried. (see attached)

Motion to loan the Airport Fund (281) \$1,900 to purchase kiosks from the Equipment Fund (266) to be repaid with revenues generated from advertising on the kiosks, and to approve as presented. Ayes: Unanimous. Motion carried. (see attached)

Motion to approve the Planning Commission appointment of Judith A. Jarecki with the term to expire on December 31, 2010. Ayes: Unanimous. Motion carried.

Administrator's Report:

John Burt reported on the County Building construction.

Special Presentations:

Dona Wishart from the Commission on Aging presented to the Board the Community plan for 2010-2012.

Motion by Commissioner Harkness to approve the Commission on Aging Community Plan for 2010-2012 as presented.

Rachel Frisch reported on the Finance department.

Committee Reports:

Motion by Commissioner Bates, to proceed with the Land Use Services staffing changes as presented, to take effect on May 16, 2009. Ayes: Unanimous. Motion carried.

Joe Edwartowski announced the 4th of July dinner dance to be held on May 9, 2009.

Correspondence:

Chairman Glasser received DEQ correspondence; Road rage week of July 12th; NEMCOG.

Unfinished Business:

Motion by Johnson, to approve the Tax Sharing Policy contained in the March 24, 2009 packet with the following changes:

Change Section 4 to read 'Upon receipt of a notice to establish or expand any tax capture or tax abatement district with the county, the notice shall be promptly forwarded to the Board of Commissioners and Administrator'.

Change "Corporation Counsel" to 'Attorney' in section 4.

Section 6.2.1, add 'new investment and the retention and creation of businesses' after 'understood to be'.

Under the sixth whereas in the Exemption Resolution, change 'does not to permit' to 'does not permit'.

Section 6.2.1, 6.2.2, and Resolution to Approve, add 'or other eligible users ad defined or allowed by a statue subject to this policy and' after 'infrastructure projects'.

In the Resolution to Approve, change 'over a 20 year period, from 2009 through 2029' to 'Over a _____ year period, from _____ through _____'.

In Resolution to Approve, change 'corporation counsel' to "Otsego County's attorney".
Ayes: Unanimous. Motion carried. (see attached)

New Business:

Motion by Commissioner Johnson, to approve the April 21, 2009 Warrant in the amount of \$102,874.13 as presented. Ayes: Unanimous. Motion carried.

Motion by Commissioner Liss, to approve the April 28, 2009 Warrant in the amount of \$190,993.10 as presented. Ayes: Unanimous. Motion carried.

Motion by Commissioner Backenstose, to approve the Land Use Services Fee reduction waiver policy as presented. Ayes: Unanimous. Motion carried. (see attached)

Motion by Commissioner Liss, to adopt Resolution OCR-09-14 Trailside Community Enhancement Project as presented.

Roll Call Vote:

Ayes: Backenstose, Bates, Brown, Glasser, Harkness, Hyde, Johnson, Liss.

Nays: None.

Absent: Beachnau.

Motion carried/Resolution adopted. (see attached)

Commissioner Harkness appointed as liaison.

Public Comment:

Mary Jergenson announced the I-75 recovery money kickoff.

Board Remarks:

Commissioner Backenstose: Article regarding volunteerism.

Commissioner Bates: City Council meeting.

Commissioner Harkness: NEMCOG classification study.

Chairman Glasser: ORV meeting April 27, 2009 regarding County Ordinance.
Stimulus money.

Meeting adjourned at 11:00 a.m. at the call of the Chair.

Kenneth R. Glasser, Chairman

Lynn Branch, Chief Deputy Clerk



**OTSEGO COUNTY
BUDGET AMENDMENT**

FUND/DEPARTMENT: General / Admin Funds

As provided for in the Uniform Budget and Accounting Act of 1978, as amended, and consistent with Otsego County Policy, the Administrator and Finance Director are hereby authorized to record the following adjustments to the budget.

Fund Type: General Special Revenue Debt Service Capital Project Business-Type (Enterprise or Internal Svc)

REVENUE Purchase GIS software

Account Number	Decrease	Increase
<u>645.125-626.075 - Admin tsfs in</u>	\$	\$ <u>1,550</u>
-	\$	\$
-	\$	\$
-	\$	\$
Total	\$	\$

EXPENDITURE

Account Number	Increase	Decrease
<u>101.941 - 999.000 - Contingency</u>	\$	\$ <u>1,550</u>
<u>101.969 - " - Transfer to</u>	\$ <u>1,550</u>	\$
<u>- - Other Funds</u>	\$	\$
-	\$	\$
<u>645.901 - 970.450 - Property software</u>	\$ <u>1,550</u>	\$
-	\$	\$
Total	\$	\$

Rachel Frisch
Department Head Signature

4-17-09
Date

Finance Department	
Entered:	
By:	

Administrator's Signature

Date

Board Approval Date (if necessary)

Budget Adjustment #

Posting Number

**Cash tsf.*



**OTSEGO COUNTY
BUDGET AMENDMENT**

FUND/DEPARTMENT: Equipment / Airport Funds

As provided for in the Uniform Budget and Accounting Act of 1978, as amended, and consistent with Otsego County Policy, the Administrator and Finance Director are hereby authorized to record the following adjustments to the budget.

Fund Type: General Special Revenue Debt Service Capital Project Business-Type (Enterprise or Internal Svc)

REVENUE Loan airport fund money to purchase kiosks.

Account Number	Decrease	Increase
260-050 - 400.001 - Budgeted Use	\$	\$ 1,900
- of Fund Bal	\$	\$
281-030 - 699.030 - Transfers In	\$	\$ 1,900
-	\$	\$
Total	\$	\$

EXPENDITURE

Account Number	Increase	Decrease
201-901 - 970.430 - Property - furnt	\$ 1,900	\$
- fixtures	\$	\$
266-999 - 999.000 - Transfer Out	\$ 1,900	\$
-	\$	\$
-	\$	\$
-	\$	\$
Total	\$	\$

Rachel Fiesch
Department Head Signature

4.17.09
Date

Finance Department
Entered:
By:

Administrator's Signature

Date

Board Approval Date (if necessary)

Budget Adjustment #

Posting Number



Tax Sharing Policy

1. Purpose. This Policy is intended to establish guidelines under which Otsego County will participate in tax sharing agreements with other local units of government under existing and future tax capture and tax exemption programs.

2. Authority. Otsego County Board of Commissioners currently has the statutory authority to exempt itself from participation in tax capture and tax abatement districts that are organized under the following statutes:

	<u>Public Act</u>	<u>Exemption Provision</u>
Downtown Development Authority	197 of 1975	MCL 125.1653, Sec. 3(3)
Local Development Financing Act (Smartzones)	281 of 1986	MCL 125.2154, Sec. 4(3) ⁽¹⁾
Tax Increment Finance Authority Act (TIFA)	450 of 1980	None
Historic Neighborhood TIFA	530 of 2004	MCL 125.2857, Sec. 17(5)
Corridor Improvement Authority	280 of 2005	MCL 125.2888, Sec. 18(5)
Commercial Rehabilitation Act	210 of 2005	MCL 207.843, Sec. 3(5)

Note (1): Except "Certified Technology Park"

3. Application. This policy applies to all requests for tax capture or tax abatement that permit the County the option to exempt itself from a new or expanded tax capture or tax abatement district. This policy shall also apply to any existing or future tax capture or tax abatement program in which state statute provides the County the option to exempt itself from a new or expanded tax capture or tax abatement district.

4. Responsibilities. Upon receipt of a notice to establish or expand any tax capture or tax abatement district within the county, the notice shall be promptly forwarded to the Board of Commissioners and the Administrator.

Otsego County's Attorney shall be responsible for determining whether Otsego County has the authority to exempt itself from a proposed tax capture or tax abatement district.

The Administrator shall be responsible for preparing, in a timely fashion, a recommended response to a notice to establish or expand a tax capture or tax abatement district in which the County has the statutory authority to exempt its tax levy from capture. The Administrator shall also be responsible for negotiating with the affected local unit of government and proposed tax capture/tax abatement district the terms of any tax sharing agreement requested by the Board of Commissioners under this policy.

5. Definitions.

“Tax capture or tax abatement district” and “Tax capture or tax abatement program” means an organization or plan established under any of the following statutes:

<u>Tax Capture</u>	<u>Public Act</u>	<u>Exemption Provision</u>
Downtown Development Authority	197 of 1975	MCL 125.1653, Sec. 3(3)
Local Development Financing Act (Smartzones)	281 of 1986	MCL 125.2154, Sec. 4(3) ⁽¹⁾
Tax Increment Finance Authority Act (TIFA)	450 of 1980	None ⁽²⁾
Historic Neighborhood TIFA	530 of 2004	MCL 125.2857, Sec. 17(5)
Corridor Improvement Authority	280 of 2005	MCL 125.2888, Sec. 18(5)
Brownfield Redevelopment Financing Act	381 of 1996	None

<u>Tax Abatement</u>	<u>Public Act</u>	<u>Exemption Provision</u>
Industrial Facilities Property Tax Abatement Act	198 of 1974	None
Neighborhood Enterprise Zone Act	147 of 1992	None
Renaissance Zone Act	376 of 1996	None
Personal Property Tax Abatement Act	328 of 1998	None
Obsolete Property Rehabilitation Act	146 of 2000	None
Commercial Rehabilitation Act	210 of 2005	MCL 207.843, Sec. 3(5)

Notes:

(1): Except “Certified Technology Park”

(2): MCL 125.1289, Sec 29(1) -- Effective 1/1/1987 no new authorities created or existing authorities expanded.

6. Policy.

6.1 Whenever authorized by statute, the County will not permit the capture of county property tax revenues in any new or amended development district unless the Otsego County Board of Commissioners has approved a tax sharing agreement with the affected development district and the affected municipality.

6.2 The County will consider the approval of a tax sharing agreement for its tax levy that meets the following conditions:

6.2.1 The agreement must be for specifically defined public infrastructure projects or other eligible uses as defined or allowed by a statute subject to this policy and which are directly related to the economic growth within that district. Economic growth is understood to be new investment and the retention and creation of businesses, jobs and income.

- 6.2.2 Specifically defined public infrastructure projects or other eligible uses as defined or allowed by a statute subject to this policy must be for specific items of work or uses, each of which is limited to a specific maximum dollar amount, to be completed within a specified time period. The agreement shall specify the maximum amount of captured property tax revenues and the time over which those revenues may be captured. It shall also specify that any excess collections must be returned to the County Treasurer annually.
- 6.2.3 The affected jurisdiction must allow the capture and expenditure of its property tax revenues for the same period of time during which the County tax revenues are being captured and expended in the district.
- 6.2.4 If tax revenue is generated faster than anticipated due to growth within the district exceeding initial projections, the additional revenues may be used to decrease or call any bonds or other debt obligations related to the projects approved by the tax sharing agreement in proportion with funds used from other taxing jurisdictions.
- 6.3 Any notice of creation or expansion of any tax capture or tax abatement district shall be immediately forwarded to the Board of Commissioners and the Administrator. The Administrator shall be responsible for evaluating requests for the capture of county property tax revenues as to conformance with this policy, and shall recommend approval or disapproval of any such proposed agreement to the Board of Commissioners within the 60-day statutory requirement.
- 6.4 The Otsego County Board of Commissioners reserves the right to exempt county taxes from capture for any reason and to modify the terms and conditions it may require for approval of a tax capture/tax abatement agreement.
- 6.5 A copy of any approved agreement shall be provided to the County Treasurer who shall take the necessary steps to assure that captured property tax revenues collected in excess of the amounts permitted by the agreement are returned to the County on an annual basis.
- 6.6 An initial rejection by the Otsego County Board of Commissioners of a request for tax capture or tax abatement may be rescinded if and when a tax sharing agreement is reached that meets the terms and conditions specified by the Otsego County Board of Commissioners.

Adopted:

**RESOLUTION TO EXEMPT COUNTY PROPERTY TAX REVENUES FROM CAPTURE
IN THE (PROPOSED ECONOMIC DEVELOPMENT) AUTHORITY DISTRICT**

WHEREAS, the {JURISDICTION} held a public hearing on {DATE}, for the purpose of adopting an ordinance creating the {PROPOSED ECONOMIC DEVELOPMENT} District, which ordinance shall take effect sixty {60} days after the public hearing; and

WHEREAS, Otsego County property tax revenues in the {PROPOSED ECONOMIC DEVELOPMENT} district may be subject to capture by a tax increment financing plan approved by the {JURISDICTION}; and

WHEREAS, pursuant to MCL _____, Otsego County may exempt its property taxes from capture in the {PROPOSED ECONOMIC DEVELOPMENT} District by adopting a resolution to that effect within sixty {60} days of the December —, 20_ public hearing, and the resolution shall take effect when filed with the Clerk of the {JURISDICTION}; and

WHEREAS, the resolution exempting Otsego County property taxes from capture in the {PROPOSED ECONOMIC DEVELOPMENT} District remains effective until a copy of a resolution rescinding that resolution is filed with the {JURISDICTION} Clerk; and

WHEREAS, pursuant to MCL _____, Otsego County may enter into agreements with the {JURISDICTION} to share a portion of the captured assessed value of the proposed new DDA District; and

WHEREAS, pursuant to Otsego County Board of Commissioners Tax Sharing Policy, Otsego County does not permit the capture of County property tax revenues in any new or amended economic development districts unless the Board of Commissioners has approved a tax sharing agreement with the district and the affected municipality, which tax sharing agreement must meet the conditions set forth in the Otsego County Tax Sharing Policy.

THEREFORE BE IT RESOLVED, that pursuant to MCL _____, Otsego County hereby exempts from capture by the new proposed {PROPOSED ECONOMIC DEVELOPMENT} District all property taxes that Otsego County levies within the proposed boundaries of the {PROPOSED ECONOMIC DEVELOPMENT} District.

BE IT FURTHER RESOLVED, that this resolution shall take effect when a copy is filed with the {JURISDICTION} Clerk, and shall remain effective until a copy of a resolution rescinding this resolution is filed with the {JURISDICTION} Clerk.

BE IT FURTHER RESOLVED, that Otsego County may hereafter enter into an agreement with the {JURISDICTION} to share a portion of the captured assessed value of the {PROPOSED ECONOMIC DEVELOPMENT} District, in conformance with the policies set forth in Otsego County's Tax Sharing Policy.

BE IT FURTHER RESOLVED, that upon entry into an agreement with the {JURISDICTION} to share a portion of the captured assessed value of the proposed new {PROPOSED ECONOMIC DEVELOPMENT} District, this resolution may be rescinded, and a copy of the rescinding resolution may be filed with the {JURISDICTION} Clerk.

**RESOLUTION APPROVING A TAX SHARING AGREEMENT WITH THE
{JURISDICTION'S} {PROPOSED ECONOMIC DEVELOPMENT} DISTRICT**

WHEREAS, Otsego County has adopted Resolution # of 20__, which provides that the Otsego County Board of Commissioners will not permit the capture of its property taxes within the newly-created {PROPOSED ECONOMIC DEVELOPMENT} District until such time as a tax sharing agreement that meets the conditions of Otsego County's Tax Sharing Policy; and

WHEREAS, the Economic Development Corporation has received and reviewed a proposed tax sharing agreement from the {JURISDICTION} and its {PROPOSED ECONOMIC DEVELOPMENT} District; and

WHEREAS, the Otsego County Tax Sharing Policy provides that, to the extent provided by law, Otsego County will not permit the capture of its property tax revenues unless a tax sharing agreement has been approved; and

WHEREAS, a proposed agreement has been prepared by the Administrator with review by Otsego County's Attorney that meets the requirements of Otsego County's Tax Sharing Policy, and they have recommended approval of the proposed Tax Sharing Agreement with the {JURISDICTION} and its {PROPOSED ECONOMIC DEVELOPMENT} District.

THEREFORE BE IT RESOLVED, that the Otsego County Board of Commissioners authorizes the attached tax sharing agreement with the {JURISDICTION} and its {PROPOSED ECONOMIC DEVELOPMENT} District, which will allow the capture of county property taxes from properties included in the {PROPOSED ECONOMIC DEVELOPMENT} District Plan dated _____, with the following conditions:

- The proposal outlines specific public infrastructure projects or other eligible uses as defined or allowed by a statute subject to this policy including street lighting, landscape and greenbelt improvements in public areas, utilities burials, streetscape enhancements, water and sanitary sewer improvements, and parking improvements that are directly related to economic growth within the district.
- The capture is limited to a specific maximum dollar amount of \$_____ over a ___ year period, from _____ through _____, provided that the {JURISDICTION} allows for the capture and expenditure of its own taxes in that district for that entire time period. Any year that the {JURISDICTION} does not allow for the capture of its own taxes in the district, county taxes shall also be exempt from capture in the district for that entire year.
- Any collections in excess of the annual planned amount must be returned to the County Treasurer within 30 days of tax settlement, and the {PROPOSED ECONOMIC DEVELOPMENT} District must provide the County with annual reports on the expenditures of tax capture on the specific projects outlined in the development plan.

BE IT FURTHER RESOLVED, that Resolution #____, which provides that Otsego County will not allow the capture of its property taxes in the {PROPOSED ECONOMIC DEVELOPMENT} District in the {JURISDICTION}, is hereby rescinded if the attached agreement is executed between the parties.

BE IT FURTHER RESOLVED, that the Board Chairperson and County Clerk are authorized to sign the attached agreement, and County Clerk is directed to send a copy of this resolution to the Clerk of the {JURISDICTION} and to the {PROPOSED ECONOMIC DEVELOPMENT} District.



Land Use Services Fee Reduction/Waiver Policy

BACKGROUND

The Otsego County Land Use Services Department charges fees for a variety of zoning and building permits. Over the years, a number of requests have been submitted to the County Board to waive fees for non-profit organizations, local municipalities, Otsego County Departments, etc. It was determined that a policy is needed to ensure that all requests are treated equally.

POLICY

A. No fees for planning and zoning may be waived, except the following:

1. Fees shall be waived for all rezoning initiated at the request of the Planning Commission.
2. Fees for rezoning of Township owned or controlled properties shall be waived. (Examples Township Hall, parks, public buildings and cemeteries)
3. Fees for Site Plan review of Township owned or controlled projects shall be waived.
4. Fees for rezoning of Otsego County owned or controlled properties shall be waived.
5. Fees for Site Plan review of Otsego County owned or controlled properties shall be waived.
6. Fees for rezoning of Road Commission owned or controlled properties shall be waived.
7. Fees for Site Plan of Road Commission owned or controlled properties shall be waived.
8. Fees for Site Plan review for all Public Schools shall be waived.
9. Fees for non-profit organizations will be reduced by 50%. If a project is determined to be of direct benefit to low-income families, fees can be reduced by 100%.

B. No building fees may be waived, except the following:

1. Fees for non-profit organizations will be reduced by 50%. If a project is determined to be of direct benefit to low-income families, fees can be reduced by 100%.
- C. The County Administrator shall approve all waivers of Fees in writing.
 - D. No approval shall be given for a Site Plan until the associated fee is paid in full or a waiver is given in writing.
 - E. No rezoning shall be placed on the Planning Commission Agenda until the associated fee(s) are paid in full or a written waiver is provided.

PROCEDURE

A fee waiver request, using the designated form, must be submitted to the Land Use Services Department. For non-profit organizations, proof of status as a State of Michigan recognized non-profit corporation must be submitted.

Adopted:

RESOLUTION NO. OCR 09-14
Supporting Participation in the Partnerships for
Change Sustainable Communities, First Steps Program:
Trailside Community Enhancement Project
OTSEGO COUNTY BOARD OF COMMISSIONERS
April 28, 2009

WHEREAS, the County of Otsego is committed to the growth of trailside businesses; and

WHEREAS, recreational trails are good for our community's economic and physical health; and

WHEREAS, regional collaboration among trailside communities will benefit all trailside communities; and

WHEREAS, the County of Cheboygan is eligible to submit an application for Partnerships for Change – First Steps grant program to produce a sustainable partnership of vital trailside communities; and now, therefore, be it

RESOLVED that, the Otsego County Board of Commissioners agrees to participate in the Trailside Community Enhancement Project and supports Cheboygan County's grant application with \$200 in matching funding, and with a representative to attend the appropriate meetings and provide trailside assets to create an asset map; and be it, further

RESOLVED that the citizens and business owners of the County of Otsego will be kept fully informed of the process and given ample opportunity to provide input into the process.