

**CITY OF TRENTON
REGULAR MEETING
MAY 3, 2021**

After the Pledge of Allegiance to the Flag, the Regular Meeting of the City Council of Trenton, Michigan, was called to order by Mayor Rzeppa, at 7:02 p.m. on the above date in the Council chambers.

Present on roll call by City Clerk Debra Devitt: Councilpersons Timber Baun-Crooks, Scott Cabauatan, William LeFevre, Wendy Pate, Nelson Perugi and Mayor Steven Rzeppa.

Absent: Councilman Richard Benedetti.

Moved by Councilman Cabauatan, seconded by Councilwoman Baun-Crooks, to excuse the absence of Councilman Benedetti.

Carried unanimously.

There being a quorum present, the Council was declared in session.

Other Officers Present: Dean Creech, City Administrator; John Dahlquist, City Assessor; Tim Beaker, Parks and Recreation Director; Jim Wagner, Economic Development Consultant.

Other Officers Present via Zoom: Alan Ackerman, City Attorney; Joanie Barnett, Deputy City Assessor; Michael McCullough, City Treasurer; Jill Cooper, Deputy City Treasurer; Karen Sall, City Controller; Paul Haley, Emergency Management Coordinator; Dennis Chegash, City Engineer; John Laub, Human Resources Director; Theresa Monthei, Network Administrator; Keith Anderson, Fire Chief; Todd Scheffler, Police Chief; Mike Oakley, Deputy Police Chief; and Kevin Sargent, DPS Superintendent.

MINUTES

Moved by Councilwoman Baun-Crooks, seconded by Councilman Perugi, to approve the minutes of the Regular Meeting of April 19, 2021.

Carried unanimously.

PRESENTATIONS AND PROCLAMATIONS

MSU Practicum

Parks and Recreation Director Tim Beaker introduced Michigan State University students Gabrielle Herin and Ryan Michael, who gave a Trenton Trail Town Analysis presentation.

Mayor Rzeppa thanked Gabrielle and Ryan, and opened up the floor for questions and comments from Council.

Jim Wagner thanked and congratulated Gabrielle and Ryan for their efforts in bringing positive ideas and vision for the future of Trenton.

Robert Burns, Friends of the Detroit River

Robert Burns thanked Mayor, City Council and the City of Trenton for supporting their annual clean-up event, and gave an overview of what was accomplished with the project.

Proclamation: Stella Prusak Day

Mayor Rzeppa read aloud a proclamation to Stella Prusak wishing her a Happy 100th birthday and proclaiming May 8, 2021 “Stella Prusak Day.”

COMMUNICATIONS AGENDA

GENERAL

- H-1. 33rd District Court: Fines, Costs, Fees, March 2021
- H-2. 33rd District Court: Court Technology Quarterly Payment

DEPARTMENT HEADS AND OFFICIALS

- J-1. City Assessor: Resolution for Procedures to Grant and Remove Real Property Tax Exemptions
- J-2. City Assessor: Resolution to Adopt Tax Incentive Guidelines and Procedures for Obsolete Property Rehabilitation Act P.A. 146 of 2000 (as amended)
- J-3. City Controller: Delinquent Accounts to be placed on the 2021 City Tax Roll

OTHER COUNCIL BUSINESS

- N-1. Councilwoman Pate: Cultural Commission Pay

COMMUNICATIONS

H-1

33rd District Court: Fines, Costs, Fees, March 2021

Moved by Councilman LeFevre, seconded by Councilman Cabauatan, to receive and place on file the Fines, Costs, Fees, March 2021, submitted by the 33rd District Court, showing the City of Trenton receiving the amount of \$32.38.

Carried unanimously.

H-2

33rd District Court: Court Technology Quarterly Payment

Moved by Councilman LeFevre, seconded by Councilwoman Pate, to receive and place on file the 2021 First Quarter Technology payment from the Court Technology Fund to the SINC Consortium, submitted by the 33rd District Court, showing the City of Trenton receiving \$3,330.00.

Carried unanimously.

J-1

City Assessor

Resolution for Procedures to Grant and Remove Real Property Tax Exemptions

**CITY OF TRENTON
RESOLUTION 2021-11**

**RESOLUTION TO ADOPT PROCEDURES FOR GRANTING AND REMOVING REAL
PROPERTY TAX EXEMPTION**

WHEREAS, the adoption of procedures for granting and removing real property and/or personal property tax exemptions by the Trenton City Council for the City of Trenton: and

WHEREAS, the Property Tax Exemptions, Abatements, and Tax Capture Authorities of the State Tax Commission Manual, Bulletin 7 of 2016 (Senior Citizen & Disabled Family Housing Exemption), Bulletin 26 of 2017 (Charitable Exemption), The Michigan Strategic Fund Board designates Tool & Die Renaissance Recovery Zones pursuant to MCL 125.2688d & Nonferrous Metallic Minerals Extraction Severance Tax Act, (Act 410 of 2012), as attached hereto making them part of the resolution;

**CITY OF TRENTON
PROCEDURES FOR GRANTING AND REMOVING REAL PROPERTY TAX
EXEMPTION**

The City of Trenton, Wayne County, Michigan is abiding by the recommendations made by the State Tax Commission in Bulletin 26 of 2017 when granting and removing real property tax exemptions.

It will have the procedure of the City to have the taxpayer wishing to apply for a real property exemption to first complete and submit an application that has been adopted by the Trenton City Council. Records will be kept in the parcel folder and will include any and all documents submitted by the taxpayer to support their request to apply for an exemption. Existing exemptions will be reviewed annually and adjustments to the status of the exemption may be made by the assessor upon review. Assessor may request additional information to be supplied by the taxpayer to further analyze the status of the exemption.

If the Assessor has sufficient evidence that the taxpayer no longer qualifies for the real property exemption, they need to immediately remove the exemption and send proper notification to the tax payer outlining their appeal rights. If the Assessor does not receive sufficient supporting documentation accompanying the application the Assessor should send the taxpayer denial information along with their appeal rights.

Assessors do not have the authority to grant or approve exemptions that are not complete. Applications that are submitted without proper documentation are considered to be incomplete.

ADOPTED, APPROVED AND PASSED BY THE City Council of the City of Trenton, this 3rd day of May 2021.

Moved by Councilwoman Baun-Crooks, seconded by Councilwoman Pate, to concur with the City Assessor and adopt the resolution requiring procedures for granting and removing Real Property Tax Exemptions.

Carried unanimously.

J-2

City Assessor

Resolution to Adopt Tax Incentive Guidelines and Procedures for Obsolete Property Rehabilitation Act P.A. 146 of 2000 (as amended)

**CITY OF TRENTON
RESOLUTION 2021-12**

**TAX INCENTIVE GUIDELINES AND PROCEDURES FOR OBSOLETE PROPERTY
REHABILITATION ACT P.A. 146 OF 2000 (AS AMENDED)**

WHEREAS, Michigan State Law provides to municipalities various economic development incentives; and

WHEREAS, the City of Trenton has made a long term commitment to economic development, and the City seeks to foster a diversified tax base so that it may deliver sustainable government; and

WHEREAS, the economic viability of the City of Trenton depends upon the City's ability to retain and foster expansion of existing commercial business, as well as attract new investment through the location of new businesses; and

WHEREAS, the City of Trenton recognizes it must also enhance its competitiveness with other communities and especially neighboring municipalities; and

WHEREAS, the City of Trenton who wishes to consider granting Obsolete Property Rehabilitation Act P.A. 146 of 2000 (as amended) tax incentive, shall adopt a set of guidelines and procedures.

**City of Trenton
Tax Incentive Guidelines and Procedures
May 3, 2021
Obsolete Property Rehabilitation Act
(P.A. 146 of 2000)
OBSOLETE PROPERTY REHABILITATION ACT
P.A. 146 OF 2000
Review Policy**

The following procedures relate to the establishment of the Obsolete Property Rehabilitation District and the criteria to review applications and determine the length of the tax abatement certificate to be issued by the State Tax Commission.

I. Establishment of an Obsolete Property Rehabilitation District:

Upon submittal of an application for establishment of a single property district, the City of Trenton shall make an inspection of the building to determine whether the commercial or commercial housing property is blighted or functionally obsolete. The recommendation will be forwarded to the City Council for consideration regarding the adoption of the single Obsolete Property Rehabilitation District.

A District may also be established when fifty-percent (50%) of the property owners of a certain location file a written request for establishment of the district. In this case, no building inspection is necessary for the establishment of the district. However, after application for an exemption certificate is received, an inspection will verify whether the commercial or commercial housing property is blighted or functionally obsolete.

In the instance that the City Council establishes a district upon their own initiative, no such inspection will be necessary for the purpose of establishing the district. However, after application for an exemption certificate is received an inspection will verify whether the commercial or commercial housing property is blighted or functionally obsolete.

A public hearing will be held for each district to be established, whether by City Council initiative or upon request of the building owner.

II. Application Review/Length of Certificate Criteria:

Once a district is established, applications for exemption certificates can be obtained at the City of Trenton Assessing Office and when completed submitted to the City Clerk and processed.

Within sixty (60) days from submittal the City of Trenton has to review applications, the Economic Development Committee (EDC) at its regular meeting will discuss each application and determine the length of the exemption certificate.

The EDC will take into consideration the type of rehabilitation, the length of time of the certificate requested, and ensure that the requirements within P.A. 146 of 2000 are followed, which include:

- Create significant employment.
- When completed, the rehab program shall constitute a rehabilitated facility within the district.
- Have the likelihood to accomplish one or more of the following:
 - Increase commercial activity
 - Retain employment/prevent employment loss Revitalize urban areas
 - Increase number of residents in the community

The EDC will also make recommendation to City Council the length of the exemption certificate. The type of rehabilitation will determine the length of the certificate approved by the EDC.

The recommendations of the EDC will be forwarded to City Council for approval. A public hearing will be held regarding each rehabilitation application prior to City Council consideration. Upon City Council approval of the application for tax exemption certificate;

the application and resolution of approval will be forwarded to the State Tax Commission for final approval and certificate issuance.

Definitions

Commercial housing property means that portion of real property not occupied by an owner of that real property that is classified as residential real property under section 34c of the general property tax act, 1893 PA 206, MCL 211.34c, is a multiple-unit dwelling, or is a dwelling unit in a multiple-purpose structure, used for residential purposes. Commercial housing property also includes a building or group of contiguous buildings previously used for industrial purposes that will be converted to a multiple-unit dwelling or dwelling unit in a multiple-purpose structure, used for residential purposes.

Commercial property means land improvements classified by law for general ad valorem tax purposes as real property including real property assessable as personal property pursuant to sections 8(d) and 14(6) of the general property tax act, 1893 PA 206, MCL 211.8 and 211.14, the primary purpose and use of which is the operation of a commercial business enterprise. Commercial property shall also include facilities related to a commercial business enterprise under the same ownership at that location, including, but not limited to, office, engineering, research and development, warehousing, parts distribution, retail sales, and other commercial activities. Commercial property also includes a building or group of contiguous buildings previously used for industrial purposes that will be converted to the operation of a commercial business enterprise or a multiple-unit dwelling or a dwelling unit in a multiple-purpose structure, used for residential purposes. Commercial property does not include any of the following:

- (i) Land.
- (ii) Property of a public utility.

Facility, except as otherwise provided in this act, means a building or group of contiguous buildings.

Functionally obsolete means that the property is unable to be used to adequately perform the function for which it was intended due to a substantial loss in value resulting from factors such as overcapacity, changes in technology, deficiencies or super adequacies in design, or other similar factors that affect the property itself or the property's relationship with other surrounding property. (See MCL 125.2652)

Note: The STC offers the following as examples of functional obsolescence:

1. A floor plan which is inappropriate for the highest and best use of the property.
2. A heating system, which is inadequate for the highest and best use of the property.
3. Excessively high or low ceilings for the highest and best use of the property.
4. Partition walls, which restrict the highest and best use of the property.
5. Mechanical systems (e.g. electrical, plumbing, etc.) which are inadequate for the highest and best use of the property.

Obsolete property means commercial property or commercial housing property that is 1 or more of the following:

1. Blighted property means property that meets 1 or more of the following criteria:
 - A. Has been declared a public nuisance in accordance with a local housing, building, plumbing, fire, or other related code or ordinance.

- B. Is an attractive nuisance to children because of physical condition, use, or occupancy?
- C. Is a fire hazard or is otherwise dangerous to the safety of the persons or property.
- D. Has had the utilities, plumbing, heating, or sewerage permanently disconnected, destroyed, removed, or rendered ineffective so that the property is unfit for its intended use.
- E. Is tax reverted property owned by a qualified local governmental unit, by a county, or by this state. The sale, lease, or transfer of tax reverted property by a qualified local governmental unit, county, or this state after the property's inclusion in a brownfield plan shall not result in the loss to the property of the status as blighted property for purposes of PA 145 of 2000. (See MCL 125.2652)

2. A facility as that term is defined below:

Facility as defined in PA 451 of 1994 means any area, place, or property where a hazardous substance in excess of the concentrations which satisfy the requirements of section 20120a(1)(a) or (I 7) or the cleanup criteria for unrestricted residential use under part 213 has been released, deposited, disposed of, or otherwise comes to be located. Facility does not include any area, place, or property at which response activities have been completed which satisfy the cleanup criteria for the residential category provided for in section 20120a(1)(a) and (17) or at which corrective action has been completed under part 213 which satisfies the cleanup criteria for unrestricted residential use. (See MCL 324.20101)

3. Functionally obsolete. Please see the definition of "functionally obsolete".

Obsolete property rehabilitation district means an area of a qualified local governmental unit established as provided in section 3. Only those properties within the district meeting the definition of "obsolete property" are eligible for an exemption certificate issued pursuant to section 6 of PA 146 of 2000.

Rehabilitation means changes to obsolete property other than replacement that are required to restore or modify the property, together with all appurtenances, to an economically efficient condition. Rehabilitation includes major renovation and modification including, but not necessarily limited to, the improvement of floor loads, correction of deficient or excessive height, new or improved fixed building equipment, including heating, ventilation, and lighting, reducing multistory facilities to 1 or 2 stories, improved structural support including foundations, improved roof structure and cover, floor replacement, improved wall placement, improved exterior and interior appearance of buildings, and other physical changes required to restore or change the obsolete property to an economically efficient condition. **Rehabilitation shall not include improvements aggregating less than 10% of the true cash value of the property at commencement of the rehabilitation of the obsolete property.**

Rehabilitated facility means a commercial property or commercial housing property that has undergone rehabilitation or is in the process of being rehabilitated, including rehabilitation that changes the intended use of the building. A rehabilitated facility does

not include property that is to be used as a professional sports stadium. A rehabilitated facility does not include property that is to be used as a casino. As used in this subdivision, "casino" means a casino or a parking lot, hotel, motel, or retail store owned or operated by a casino, an affiliate, or an affiliated company, regulated by this state pursuant to the Michigan gaming control and revenue act, the Initiated Law of 1996, MCL 432.201 to 432.226.

Taxable value means the value determined under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

Costs

The application processing fees are to be made payable to the "City of Trenton Treasurer" and must be submitted at time of application:

District Application - \$200.00

Project Application - \$200.00

Project Application Attachment E Obsolete Property Rehabilitation Certificate Letter of Agreement

This Agreement, made this ___ day of _____, __, by and between _____, of City of Trenton, Michigan 48183 ("Company") and the CITY OF TRENTON, a Michigan municipal corporation, of 2800 Third Street, Trenton, Michigan 48183("City") for the purposes of fulfilling the requirements of Act. No. 146 of the Public Acts of 2000, and to set forth the rights, duties and obligations of the respective parties.

1. Company acknowledges that as a prerequisite to obtaining an Obsolete Property Rehabilitation Certificate ("tax abatement") that Company has made certain material representations to the City in its application for an Obsolete Property Rehabilitation Certificate dated _____, __ __, upon which the City has justifiably relied, and upon which the City will continue to rely, and based upon which the Company will receive certain monetary benefits, tax abatements, to which it otherwise would not be entitled.
2. Company further acknowledges that the receipt of an Obsolete Property Rehabilitation Certificate is also based upon the material representations made by the Company in its application for an Obsolete Property Rehabilitation Certificate. Further, that all representations made therein are true and correct to the best of the company's information, knowledge and belief and that the representations include the past history of the Company, the present status of the Company and the future duties and obligations to be performed by the Company.
3. In consideration of the receipt of an Obsolete Property Rehabilitation Certificate, it is expressly agreed by the Company that should any of the material representations of Company be erroneous or should Company fail to substantially perform any future promises, duties or obligations, the same shall be deemed to constitute a breach of this Agreement and the City may petition the State Tax Commission to revoke the Obsolete Property Rehabilitation Certificate.

4. Company agrees to comply with all relevant local rules, regulations, codes and ordinances within the City of Trenton during the entire period for which the Obsolete Property Rehabilitation Certificate was granted. Under this provision the Company agrees to comply at all its facilities in the City of Trenton with all construction, building and zoning codes in effect during the entire period for which the Obsolete Property Rehabilitation Certificate was granted. Failure to comply shall constitute grounds for revocation of the Obsolete Property Rehabilitation Certificate.
5. Company shall submit to the City Assessor, for the term of the Obsolete Property Rehabilitation Certificate, an annual status report recapping activity for the abated project as of December 31, of each year. The report will be due no later than February 20 of each subsequent year. It will indicate actual moneys expended as of each annual report date, total project actual costs by year of completion and actual number of jobs created or retained as of December 31, of each year of the project. If, as of any annual report date during the life of the project, there is a variation of more than ten percent (10%) in the estimated employment levels or expended moneys from what was set forth in the application, the Company must include an explanation for this variation in the annual status report.
6. Company further agrees that it shall pay all taxes and assessments on the regular ad valorem tax roll, real and personal, hereupon levied on said premises or any equipment or personal property thereon before any penalty for non-payment attaches thereto, beginning with the next tax billing and continuing throughout the term of the Obsolete Property Rehabilitation Certificate. Failure to pay all such taxes as provided above shall be deemed to constitute a breach of this Agreement and City may petition the State Tax Commission to revoke the Obsolete Property Rehabilitation Certificate and/or may otherwise proceed in accordance with the remedies provided by statute. If, at any time during the effective term of the exemption certificate, a participant in the program appeals to the Michigan Tax Tribunal disputing the "taxable value" of the property subject to the tax abatement, the City of Trenton may petition the State Tax Commission to revoke the Obsolete Property Rehabilitation Certificate.
7. Company represents that it intends to remain in business with the City during the term for which the Obsolete Property Rehabilitation Certificate has been approved. Under this provision the Company agrees to maintain buildings, equipment and employment related to the new project as represented by the Company in its application for an Obsolete Property Rehabilitation Certificate. Company also represents that it intends to maintain overall building, equipment and employment at the level as represented by the Company in its application for an Obsolete Property Rehabilitation Certificate. Failure to remain within the limits of the City of Trenton or failure to implement and maintain buildings, equipment and employment related to the new project shall be deemed to constitute a breach of this Agreement and City may petition the State Tax Commission to revoke the Obsolete Property Rehabilitation Certificate. Company acknowledges that failure to remain within the City of Trenton during the entire period for which the Obsolete Property Rehabilitation Certificate was granted shall constitute grounds for immediate revocation of Obsolete Property Rehabilitation Certificate and the denial of the City's consent to the granting

of an Obsolete Property Rehabilitation Certificate in a governmental unit to which the Company has relocated or employment has been transferred from the City. Company may present to the City Council those compelling circumstances, which could allow the City Council, in its sole discretion, to approve such transfer.

8. Company does not agree to maintain any specified level of overall employment, for any particular period of time, except as specifically set forth in its Application for an Obsolete Property Rehabilitation Certificate. The City's sole remedy and the Company's sole obligation in the event of an employment shortfall are set forth herein.
9. City acknowledges that in some instances, economic conditions, technology, or conditions beyond the control of the Company may prevent the Company from fulfilling the terms of the Application for an Obsolete Property Rehabilitation Certificate and complying fully with this Agreement. City agrees that it shall give the Company an opportunity to explain to the City Council the reasons for any variations from the representations as contained in the Application for an Obsolete Property Rehabilitation Certificate and the City Council, in its sole discretion, will evaluate the Company's situation prior to taking any action authorized by this Agreement.
10. This Agreement shall become effective upon the issuance of a Certificate in compliance with the Application for an Obsolete Property Rehabilitation Certificate by the Michigan State Tax Commission and shall be null and void and of no force or effect whatsoever, if the Michigan State Tax Commission fails to issue such a Certificate. This Agreement shall be null and void upon expiration of the Obsolete Property Rehabilitation Certificate.
11. The Affidavit attached as "**Exhibit A**" is incorporated by reference as if fully set forth herein.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first written above.

WITNESSES:

WITNESSES:

COMPANY:

CITY OF TRENTON:

NOW, THEREFORE, BE IT RESOLVED by the Trenton City Council of the City of Trenton, that the Economic Development Committee and the Assessor shall follow the above stated guidelines and procedures for granting or denying a real property Tax Incentive for an individual or entity under P.A. 146 of 2000 (As Amended) Obsolete Property Rehabilitation Act.

ADOPTED, APPROVED AND PASSED BY THE City Council of the City of Trenton, this 3rd day of May 2021.

Moved by Councilman Cabauatan, seconded by Councilwoman Baun-Crooks, to concur with the recommendation of the City Assessor and adopt the tax incentive guidelines and procedures for Obsolete Property Rehabilitation Act P.A. 146 of 2000 (as amended).

Carried unanimously.

J-3
City Controller
Delinquent Accounts to be placed on the 2021 City Tax Roll

Moved by Councilwoman Baun-Crooks, seconded by Councilman Perugi, to place the delinquent Water and Sewer Accounts on the 2021 City Tax Roll, in the amount of \$167,980.70.

Carried unanimously.

DISBURSEMENTS AND STATEMENTS

Moved by Councilwoman Baun-Crooks, seconded by Councilwoman Pate, to approve the Authorized Disbursements, May 3, 2021, in the amount of \$1,136,665.90.

Carried unanimously.

OTHER COUNCIL BUSINESS

N-1
Councilwoman Pate
Cultural Commission Pay

Moved by Councilwoman Pate, seconded by Councilman Cabauatan, to add Cultural Commission Pay to the ticklist of the Proposed Budget, in the amount of \$1620.00 to Account #101.747.837.004.

Carried unanimously.

COMMENTS FROM THE COUNCIL AND OFFICIALS

Mayor Rzeppa Covid-19 update: 1727 cases, 37 fatalities. Vaccine clinic: Saturday, May 8 and Monday, May 10 for second dose. Thanked all volunteers in advance for helping make clinic happen. Those homebound, 16 and older and in need of vaccine call (734) 493-3821. Read email to Wayne County Health Department regarding cleanliness of Kennedy Rec Center; thanks to Recreation Director Beaker and his staff for thoroughness, thanked individual who sent email. Farmers Market Mondays, beginning May 17 at the Cultural Center.

Councilwoman Pate Add cultural commission pay to ticklist. Advertisements from Parks and Recreation department for upcoming events; DPW needs summer help. Cultural Center barn sale. Citywide garage sale this weekend. Trail town kiosks. Pergola outside City Hall.

Councilman Cabauatan Goal setting session; Mayor Rzeppa responded. Happy belated Earth Day. Potential chlorine shortage? Recreation Director Beaker responded.

Councilwoman Baun-Crooks Westfield Center needs to re-open for our seniors and functions; Mayor Rzeppa responded, hoping to have the building open soon. Happy belated birthday to Councilman LeFevre.

City Clerk Devitt Public Hearing Monday, May 17 at 6:30 p.m. for public comment on the Proposed Budget, with the Regular Council Meeting to follow at 7:00 p.m.

Parks and Rec. Director Beaker Update on upcoming events. Thanked Councilwoman Baun-Crooks for looking out for seniors regarding re-opening Westfield.

COMMENTS FROM THE PUBLIC

Dustin Mantei Proposed ordinance similar to Grand Rapids; allergic to bees and neighbor has a bee hive. Mayor Rzeppa responded; Administration and Building department will look into helping out with issue.

RECORD OF CITY COUNCIL PROCEEDINGS
CITY OF TRENTON, MICHIGAN
HELD ON THE 3rd DAY OF MAY, 2021

MOTION TO ADJOURN by Councilwoman Baun-Crooks, seconded by Councilman Cabauatan, at 8:17 p.m.

Carried unanimously.

APPROVED BY:

STEVEN J. RZEPPA, MAYOR

DEBRA R. DEVITT, CITY CLERK

MINUTES PREPARED BY: Eric J. Hoshaw, Deputy City Clerk
APPROVED ON: _____

INFORMATION ITEMS:

1. State of Michigan: Notice of Hearing, Electric Customers of DTE Energy Company, Case No. U-20528