

Special Meeting of the Common Council, City of Iron Mountain, County of Dickinson, Michigan held on Monday, September 24, 2007 at 6:30 p.m. in the Council Room:

Presiding: Mayor Tousignant  
Present: Council Members Burke, Caudell, Tchokreff(6:37), VanLaanen, Rigoni and Jacobs  
Also Present: City Atty. Celello

Mayor Tousignant reversed the order of New Business Item #1 and #2.

## Agenda

### Public Hearing

Mayor Tousignant opened the public hearing.

Bruce Ortenberger – Dickinson Area Partnership President- stated that the Dickinson Area Partnership Board of Directors voted unanimously to support the passage of these historical agreements. He said these agreements will promote quality economic development. These 425 agreements are a better alternative to lengthy and expensive annexation proceedings.

Mayor Tousignant closed the public hearing.

### New Business

It was moved by Rigoni and supported by Burke to approve the use of the City Park Pavilion at no charge on Sunday, October 7, 2007 for a Picnic/Celebration of the 46<sup>th</sup> M.P. Company's arrival home.

**City Park Pavilion  
46<sup>th</sup> M.P. Company**

**Motion prevailed unanimously.** (Member Tchokreff had not arrived at this point)

Council Member Rigoni thinks it is a good agreement for the Township and the City. It will help both communities to grow. Mayor Tousignant read a letter from Mark Cini representing Champion Inc. which is in favor of the proposed 425 Agreements. Council Member VanLaanen is not against cooperative agreements but is opposed to the terms because they favor Breitung Township. He said that in the Area II agreement there does not seem to be enough wording for the expectations of the agreement. City Attorney Celello stated that Bill Beech from Miller, Canfield has drafted agreements for more than twenty four other Michigan communities. Council Member Rigoni said that 2.1 of the Area II agreement states the specific ways that property would transfer to the City of Iron Mountain. Property comes under the jurisdiction of the City of Iron Mountain per the Area II Agreement (1)if the current owner opts in, (2)the property is sold, residential property remains in the Township unless it is sold with a change of use, (3)change of use of the property. Council Member VanLaanen asked if the agreement protects from developing large tracts of land as residential and not having to become part of the City of Iron Mountain. Mayor Tousignant stated that would become a change of use and City Attorney Celello said it is difficult to draft an agreement that covers all possible contingencies. Council Member VanLaanen is also concerned that islands of City property could form within the Area II Agreement. Mayor Tousignant responded that no islands will form except the

**425 Agreements  
Public Hearing**

**New Business (cont.)**

possibility of the five existence residential parcels. Council Member Rigoni said an island could form but the City of Iron Mountain has no obligation to service it with water and sewer. Mayor Tousignant stated that an island could form but would never last longer than fifty years per the agreement. Mayor Tousignant gave an example of a gas station at the M95 junction and said the City would be under no obligation for water and sewer lines. Council Member Rigoni stated that all other City services would be offered. Council Member Caudell is glad to see everyone working together to promote economic growth in the area. Mayor Tousignant wanted to commend the Township for coming forward and helping to find the best way to promote economic development. Mayor Tousignant stated it creates the ability for the City to encourage development. Council Member Jacobs asked if water and sewer lines would be extended immediately. Mayor Tousignant replied that Area I could receive utilities immediately and in Area II when the property changes use, the City could provide utilities if feasible. Council Member Rigoni feels that the growth spurred annexation requests which helped to move the 425 Agreements forward. Council Member VanLaanen asked if the residential property owners could sell part of their property and keep it exempt from the City of Iron Mountain. Mayor Tousignant said any sale resulting in a change of use would result in the property falling under the jurisdiction of the City of Iron Mountain. Council Member Rigoni stated the global Area II 425 Agreement helps to prevent multiple 425 Agreements with varying terms. Council Member Rigoni wanted to confirm that the Resolution was for both Area I and Area II or nothing at all. City Manager Marquart stated it was all or nothing. Council Member VanLaanen repeated that he thought the terms were far too favorable towards the Township.

It was moved by Burke and supported by Tchokreff to adopt a Resolution that reads as follows:

WHEREAS, The Charter Township of Breitung and the City of Iron Mountain have concluded discussions regarding Act 425 Conditional Transfers of Property referred to as Area I and Area II; and

WHEREAS, pursuant to MCL 124.22, the Charter Township of Breitung and the City of Iron Mountain agree an Act 425 Conditional Transfer of Property Agreement is necessary to complete current and future economic development projects in the two communities.

NOW, THEREFORE BE IT RESOLVED, that the City of Iron Mountain and the Charter Township of Breitung approve the language of the Act 425 Conditional Transfer of Property Agreements for Area I and Area II and authorize the appropriate City officials to execute the Documents at the end of the thirty (30) day period.

Adopted this the 24<sup>th</sup> day of September, 2007.

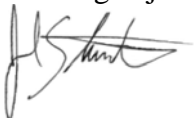
**Roll call vote taken:**

Ayes: (6) Burke, Rigoni, Tousignant, Tchokreff, Jacobs and Caudell

Nays: (1) VanLaanen

**Motion carried.**

Meeting adjourned at 7:12 p.m.



Jordan Stanchina  
Clerk-Treasurer