

**GRAND VALLEY METROPOLITAN COUNCIL
LEGISLATIVE COMMITTEE MEETING**

**January 12, 2005
8:30 a.m.**

40 Pearl St. NW Ste. 410
Grand Rapids, MI 49503

MINUTES

1. Call To Order

The meeting was called to order at 8:35 by Chairman Ted Vonk.

Present:

Jim Day	Kent County
Mike DeVries	Grand Rapids Township
Don Hilton	Gaines Township
Bill Holland	Georgetown Township
Barbara Holt	City of Walker
Abed Itani	Grand Valley Metro Council
Pauline Luben	City of Hudsonville
Gayle McCrath	Grand Valley Metro Council
Deborah Nier	City of Wayland
Steven Patrick	City of Coopersville
Rick Root	City of Kentwood
Don Stypula	Grand Valley Metro Council
Ted Vonk	Kent County

2. Approval of Minutes

MOTION - To approve the minutes of the December, 2004 GVMC Legislative Committee meeting. MOVE – Hilton. SUPPORT – Root. MOTION CARRIED.

3. Finalize GVMC 2005-2006 Legislative Priorities

Recall – Highest Priority

The Grand Valley Metropolitan Council supports the right of citizens to initiate a recall vote. However, a recent rash of recall petitions has made it clear the issue needs to be seriously examined, including clarifying the laws regarding how and when a recall can be requested.

The right of recall is a necessary tool in ensuring the accountability of elected officials. However, in many cases, the lack of parameters or regulations regarding the process gives undue power to a small minority of people, and does not adequately represent the will of the majority of the citizenry. The Grand Valley Metro Council supports recall reform which would 1). Clarify the reasons a recall can be initiated and 2). Specify that the number of votes necessary to recall an official must be at least one vote more than the number of votes cast in favor of the official at the election for that office.

Mobile Homes - Highest Priority

The Grand Valley Metro Council recognizes the need for low cost or easy entry housing for many of its citizens. While it supports endeavors to supply this housing, it is also concerned about creating safe, sensibly planned and zoned parks, and revamping the taxation system which will allow local governments to receive adequate revenue to help pay for the high burden on public services.

Planning Difficulties - The number of mobile home parks is growing at a huge rate. Although communities can go to great lengths to anticipate future growth, planning and zoning are often undermined as parks containing hundreds of units move in. Planning for public services is handicapped because of the unpredictable and sudden influx of large numbers of people into new mobile home parks.

Taxation / Recovery of Cost of Public Services - Mobile homes are taxed in Michigan, but the money doesn't go where it is needed to support public services. State of Michigan mobile home legislation dates back to the Depression. At that time, a fee of \$1.50 per month was set for all mobile home owners. The fee was raised to \$3 in the 50's and hasn't been raised since. (At that time, \$36 - one year's fees - was approximately equal to the annual property tax of a comparable house.) Of that \$3 fee, \$2 goes to Lansing for schools, with only \$.50 going to the township and \$.50 to the county. Sales tax is collected from mobile homes owners each time a unit is sold, but this goes to the State for revenue sharing, and not back to local governments. Public services (including school systems, police, fire, water, etc.) are often compromised because local governments don't receive adequate reimbursement for their services.

Conflict of Interest / Overstepping of Powers - The Mobile Home Commission is heavily weighted toward mobile home industry interests, without adequate representation from local government and service providers. Many of the Commission's members have financial interests in the mobile home industry, therefore the decisions they make cannot be considered objective. The Mobile Home Commission's authority should be limited regulating industry related matters such as the manufacturing of the homes, leaving the zoning and approval of parks to locals.

The Grand Valley Metropolitan Council Advocates :

- Eliminating or changing the composition of the Mobile Home Commission, adding representation from local government and reducing that of the mobile home industry. Members of the Mobile Home Commission should also be prohibited from having financial interests in the manufactured housing industry.
 - Changing to a property tax and eliminating the sales tax to ensure revenues go to local government to support services, creating equity in contribution to local services for all types of housing.
 - Creation of strong master plans by local governments - They are much more enforceable, especially if they include areas for mobile home park development.
 - Requiring site plan review and approval by local govt. authority.
 - Creative problem solving. Negotiation with park developers to cooperatively develop solutions.
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Act 51 Road Funds/Transit

Equitable distribution of funds. Any increase in taxes (example: diesel fuel tax) should be subject to the Act 51 distribution formula.

Land Use

Coordinated Planning Act, Annexation Detachment - collaboration among communities regarding planning and development.

GVMC supports cooperation and collaborative planning among communities, and the unifying of zoning and planning codes, except where it oversteps the bounds of local control and results in a cookie cutter, one size fits all, situation.

Revenue Sharing - Stability in Funding for Local Governments

The Grand Valley Metro Council (Executive and Legislative Committee of the GVMC) urges the Michigan Legislature to support full funding of the 1998 Revenue Sharing Formula.

Through this formula - devised by the Michigan Legislature - county, city, village and township governments receive a percentage of the State of Michigan sales tax. Local governments rely

heavily on this funding for critical services such as police and fire protection, preservation of public services at the most basic level.

Under the formula, local revenue sharing funds increase or decrease along with swings in the State economy. When sales tax collection is up, revenue sharing funds are up. When the economy is down, revenue sharing is **automatically cut**. Unlike other items in the budget, which require a budget adjustment to take funds away, revenue sharing is cut every time there is a ripple in the economy. Cuts in addition to the automatic formula fluctuations result in a "double dipping" or "double slashing."

Issues also of Interest:

- Financing
 - State budget priorities
 - MTT issues
 - Local option taxes
 - Bolt v. Lansing "Fix"
 - Headlee Rollback
 - Proposal A issue
- School Siting
- Unfunded mandates
- Health Care Issues
- Incentives for local government cooperation
 - Union dynamics
- Consolidation of local units

Local Option Taxes

Mr. Stypula brought up the topic of Local Option Taxes. He indicated it technically could be used for transit funding, but most probably would not.

Several committee members expresses reservations on pursuing the issue as it had been looked at in the past and for numerous reasons was not considered viable.

4. Look Ahead to the 2005 Legislative Session

Don Stypula passed out the Gongwer list of legislators and committee assignments. Legislative leaders have indicted they will focus on budgetary issues. Entire programs could be eliminated.

5. The Outlook in the U.S. Congress for 2005

The number-one priority for us in the next Congressional session is the successful passage of a new bill to reauthorize for another six years the TEA-21 federal transportation funding law.

Abed Itani reported the amount could be between \$1 – 1.2 billion. Increases in funding are not keeping up with costs, which is becoming a problem. An increase in the gas tax could be an option. We need to do a better job communicating our needs with Washington. We have no idea how the President will do to bring the country out of its deficit.

6. Legislative Visits

Don Stypula indicated he would like to set up some legislative visits and encouraged GVMC members to attend also. Mr. Stypula will notify all of the dates and times of these meetings so they can add them to their calendars.

7. Bolt

Don Stypula reported that he will meet with Chuck Hersey from SEMCOG on February 14 to discuss what SEMCOG has been doing regarding the Bolt vs. Lansing issue.

8. Other

None

9. Adjourn

Meeting adjourned at 9:38 a.m.