

**GRAND VALLEY METROPOLITAN COUNCIL  
LEGISLATIVE COMMITTEE MEETING**

**January 10, 2007**

**8:30 a.m.**

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

**MINUTES**

**1. Call To Order**

**ROLL CALL**

Present:

Haris Alibasic	City of Grand Rapids
Chuck Bloom	Cannon Township
Jim Buck	City of Grandville
Jay Cravens	Cascade Township
Jim Day	Kent County
Mike DeVries	Grand Rapids Township
Bryan Harrison	Caledonia Township
Bob Homan	Plainfield Township
Bill Holland	Georgetown Township
Barb Holt	City of Walker
Don Hilton	Gaines Township
Andy Johnston	Grand Rapids Area Chamber of Commerce
Gayle McCrath	Grand Valley Metro Council
Rick Root	City of Kentwood
Erika Rosebrook	Ottawa County
Don Stypula	Grand Valley Metro Council
Bill VerHulst	City of Wyoming
Michael Young	City of Rockford

**2. Call to Order**

Chairman Rick Root called the meeting to order at 8:40 a.m.

**3. Approval of Minutes**

The minutes of the November 2006 GVMC Legislative Committee were reviewed.

**MOTION – To Approve the November 2006 Legislative Committee Minutes.  
MOVE – DeVries. SUPPORT – Cravens. MOTION CARRIED.**

**4. Michigan Court of Appeals Toll Northville Inc., vs. Northville**

Don Stypula discussed the case of Toll Northville Inc., vs. Northville. The case has been forwarded to the Michigan Supreme Court. The case regards the ability to include in taxable value public improvements and how they are treated under Proposal A and general taxes. The ruling states the improvements cannot be included in taxable value until a property is sold. There is no current plan to notify legislators.

Rick Root suggested everyone talk with their assessors to get information on how this ruling could affect them.

Michael Young stated the impact could be huge to Rockford and he doesn't know if the Supreme Court has decided to hear the case yet. GVMC should get involved as it is a bigger issue than people know. The MTA is hot on the issue, the MML is lukewarm.

Rick Root stated maybe we should put some heat on the MML to get involved.

Bryan Harrison asked how a missed window of opportunity to challenge an assessment would be affected.

Michael Young replied he believed if you missed the window, you missed it. There would be no going back to previous years.

Bill Holland asked if there was a distinction between public and private improvements.

Michael Young stated he believed the ruling affected only the public improvements.

Bryan Harrison questioned whether a contract between a township and a developer could be crafted so that the developer would agree to pay if the public improvements are put in.

Rick Root questioned how sidewalks would be affected.

Michael Young stated that it has been opined that the issue is constitution, so if the Supreme Court doesn't take it up, the only relief would be to amend the constitution.

Don Hilton stated that the Supreme Court has invited briefs from the MTA and MML in the past, and maybe this should be done now.

## **5. 2007-2008 GVMC Legislative Priorities Update**

Don Stypula stated the telecom issue has dropped off of our priorities since new legislation has been enacted and he wanted to revisit the short list of priorities and asked if there were any issues that should be moved from the more comprehensive (long) list, to the short list.

Bryan Harrison stated that the present list is mostly defensive and asked if there was a list of offensive issues, ones that can proactively be taken to the legislators to write bills on.

Don Stypula indicated that issues such as revenue sharing and eliminating obstacles to multi-jurisdictional service sharing were offensive.

Mike Devries initiated a discussion regarding the position GVMC should take on revenue sharing. At this time counties are out of the formula, and all but a few townships are out of statutory revenue sharing, cities are the only entities which are "fully funded." Would cities be willing to take a position which brings counties back into the formula when it could mean that the end result would be the cities' portion of revenue sharing is decreased?

Bryan Harrison asked about GVMC's position on possibly extending sales tax on services, which could mean an overall decrease in the sales tax, but the portion of the tax which is decreased could affect local governments' revenues. What should GVMC suggest as a formula?

Don Stypula asked if there was interest in holding a meeting for members and their financial advisors, as well as the MTA and MML to talk about these issues.

Haris Alibasic stated it is not a bad idea to expand the base of the discussion. Recommendations from the Governor's Task Force have been referred to. It would be good to get the input of our financial professionals. Scott Buhner could be very beneficial as he was a member of the Task Force. We need to look at what the impact of these issues would be and how resulting revenues would be distributed.

Jim Buck agreed that Scott Buhner should be a key participant in the discussion.

Don Hilton suggested instead of having an additional meeting, it might be more convenient to just expand the next Legislative Committee meeting.

It was decided the meeting will be on Wednesday, February 14<sup>th</sup> at 8:30 a.m. at the Cascade Township Offices, with the format and discussion issues scripted in advance.

Don Stypula stated he also wanted to invite the Chamber of Commerce to participate.

Rick Root indicated the format should be more of a panel discussion. He will work on the format with Don Stypula.

Mike DeVries stated it was important for participants to have the list of discussion issues in advance of the meeting.

It was decided legislators will not be invited to this preliminary meeting.

Mike DeVries stated there are a lot of things going on in Lansing and the Legislative Committee needs a formal process to respond to them in coordination with the MTA and MML.

Rick Root directed the discussion back to the legislative priorities.

Jim Day brought up the issue of the expansion of Cobo Hall, which may result in a hotel/motel tax for the entire state, with some of the funds directed to Cobo. West Michigan would be paying taxes to fund Cobo Hall.

It was agreed that this issue should be tracked.

Rick Root asked if there was a consensus on adding it to the large list of priorities.

Haris Alibasic stated legacy costs should be considered one of the top priorities.

Rick Root suggested legacy costs go on the to watch list.

Mike DeVries stated there was talk in Lansing about moving assessing to counties. This should be on our to watch list. Moving assessing to counties should be an option, not a mandate.

Mike DeVries stated that when adding items to our priority list, we needed to add a policy statement so that this can be brought to the Board and shared with our legislators proactively.

Don Stypula stated he would put the hotel/motel tax issue on the short list and would craft language for an opinion.

Don Hilton stated he didn't believe the telecom issue should be taken totally off of the priorities as there are expected to be a number of lawsuits and we should keep track of developments. It should be kept on the watch list.

Haris Alibasic stated there have been administrative rules changes at the FCC which would affect how telecommunication franchises are handled. He will forward this information to Don so that it can be shared with all.

Don Stypula stated that he would put on the short list hotel/motel tax and will craft wording on a position, which will be forwarded to the Board. Telecommunications would move from the short list to the long list.

#### **6. 2007 Revenue Estimating Conference**

Don Stypula reported the next Revenue Estimating Conference would convene next Thursday. They will come up with estimates for the remainder of 2007 and for 2008. Based on the 2008 projection, the Governor will introduce her budget around the 1<sup>st</sup> of February. It is expected there will be continued fiscal problems.

#### **7. Update on the 94<sup>th</sup> Michigan Legislature and Legislative Committees**

Don Stypula reported the new legislature will convene today and then break until February 12. He brought attention to a communication from the MIRS News Service which stated the former Local Government Urban Policy Committee is turning into the Intergovernmental, Urban and Regional Affairs Committee. Don Stypula reported this is largely due to the influence of the Suburban Alliance.

#### **8. Other**

Jim Buck stated the Legislative Committee has done great work the last couple of months. The Legislative Luncheon was a great success as was the Quarterly Luncheon.

Mike DeVries stated the importance of reenacting the Legislative Breakfasts and staying focused on a particular issue rather than having an open format.

Jay Cravens questioned whether it would be advantageous to coordinate the Legislative Breakfasts or Luncheons with the times the legislature is out of session.

Several stated the importance of being focused on a specific issue or issues during these events.

Mike DeVries reported the Citizens for Michigan organization is working towards asking for a constitutional convention in 2010. They merit watching.

**9. Adjourn – 10:00**

**MOTION – To Adjourn. MOVE – Harrison. SUPPORT – Young. MOTION CARRIED.**