

**ORDINANCE #186
DDA DEVELOPMENT AND
TAX INCREMENT FINANCING PLANS**

Adopted: 11/22/89
Effective: 11/30/89

AN ORDINANCE APPROVING THE DEVELOPMENT PLAN AND TAX INCREMENT FINANCING PLAN OF THE DOWNTOWN DEVELOPMENT AUTHORITY OF THE CHARTER TOWNSHIP OF BANGOR, AND PROVIDING FOR OTHER MATTERS RELATED THERETO.

WHEREAS, pursuant to the provisions of Act 197, Michigan Public Acts of 1975 ("Act 197") and Ordinance No. 183, the Township Board of the Charter Township of Bangor has established the Downtown Development Authority of the Charter Township of Bangor (the "Authority"); and

WHEREAS, the Authority has submitted to the Township Board a Tax Increment Financing Plan and Development Plan for approval by the Township Board (the "Plan") with respect to certain area within the Authority's jurisdiction described as the Development Area in the Plan; and

WHEREAS, on November 22, 1989, the Township Board held a public hearing on the Plan following appropriate notice as required by Act 197; and

WHEREAS, The Township Board has given the taxing jurisdictions in which the Development Area is located an opportunity to meet with the Township Board and to express their views and recommendations regarding the Plan, as required by Act 197; and

WHEREAS, after consideration of the Plan and discussion with representatives of the various taxing jurisdictions, the Township Board has determined that it is necessary and in the best interests of the Township to approve the Plan.

NOW THEREFORE, THE CHARTER TOWNSHIP OF BANGOR, BAY COUNTY, MICHIGAN ORDAINS:

SECTION 1. Findings.

- A. *The Plan as amended by the Plan Amendment meets the requirements set forth in the Act.*
- B. *The proposed method of financing the development is feasible and the Authority has the ability to arrange the financing.*
- C. *The development is reasonable and necessary to carry out the purposes of the Act.*
- D. *Any land included within the Development Area to be acquired is reasonably necessary to carry out the purposes of the Act.*
- E. *The Development Plan as amended is in reasonable accord with the master plan of the Township.*

F. *Public services, such as fire and police protection and utilities, are or will be adequate to service the Development Area.*

G. *Changes in zoning, streets, street levels, intersections, and utilities, to the extent required by the Plan Amendment, are reasonably necessary for the Development Plan and for the Township.*

(Amended by Ordinance 206, effective 02/20/94; Amended by Ordinance 230, effective 08/17/95; Amended by Ordinance 257, effective 03/11/99)

SECTION 2. Public Purpose. *The Township Board hereby determines that the Plan as amended by the Plan Amendment constitutes a public purpose. (Amended by Ordinance 206, effective 02/20/94; Amended by Ordinance 230, effective 08/17/95; Amended by Ordinance 257, effective 03/11/99)*

SECTION 3. Best Interest of the Public. *The Township Board hereby determines that it is in the best interests of the public to halt property value deterioration, increase property tax valuation, eliminate the causes of the deterioration in property values, and to promote growth in the Downtown District to proceed with the Plan as amended by the Plan Amendment. (Amended by Ordinance 206, effective 02/20/94; Amended by Ordinance 230, effective 08/17/95; Amended by Ordinance 257, effective 03/11/99)*

SECTION 4. Approval and Adoption of Plan Amendment. *The Plan Amendment is hereby approved and adopted. A copy of the Plan, the Plan Amendment and all later amendments thereto shall be maintained on file in the Township Clerk's office. (Amended by Ordinance 206, effective 02/20/94; Amended by Ordinance 230, effective 08/17/95; Amended by Ordinance 257, effective 03/11/99)*

SECTION 5. Preparation of Annual Tax Increment Assessment Roll. *Each year within 15 days following the final equalization of property in the Development Area, the Township Assessor shall prepare the tax increment assessment roll. The tax increment assessment roll shall show the initial assessed value of each parcel of property within the Development Area, the amount by which the current assessed value as finally equalized for all taxable property in the Development Area exceeds the initial assessed value of the property as shown on the base year assessment roll (the "captured assessed value"). Copies of the annual tax increment assessment roll shall be transmitted by the Assessor to the Township Treasurer, the County Treasurer, the Authority and the treasurer of each taxing jurisdiction within the Development Area, together with a notice that it has been prepared in accordance with this Ordinance and the Plan Amendments. (Amended by Ordinance 230, effective 08/17/95; Amended by Ordinance 257, effective 03/11/99)*

SECTION 6. Establishment of Project Fund; Approval of Depository. *The Treasurer of the Authority shall establish a separate fund which shall be kept in a depository bank account or accounts in a bank or banks approved by the Treasurer of the Township, to be designated Downtown Development Authority Project Fund. All moneys received by the Authority pursuant to the Plan as amended by the Plan Amendment shall be deposited in the Project Fund. All moneys in the Project Fund and earnings thereon shall be used only in accordance with the Plan. (Amended by Ordinance 230, effective 08/17/95; Amended by Ordinance 257, effective 03/11/99)*

SECTION 7. Payment of Tax Increments to Authority. *The Township Treasurer and the Bay County Treasurer shall, as ad valorem and specific taxes are collected on the property in the Development Area, pay that proportion of the taxes, except for penalties and collection fees, that*

the captured assessed value bears to the initial assessed value to the treasurer of the Authority for deposit in the Project Fund. The payments shall be made on the date or dates on which the Township Treasurer and the Bay County Treasurer are required to remit taxes to each of the taxing jurisdictions. (Amended by Ordinance 230, effective 08/17/95; Amended by Ordinance 257, effective 03/11/99)

SECTION 8. *Use of Moneys in the Project Fund. The moneys credited to the Project Fund and on hand therein from time to time shall be used annually in the following manner and following order of priority:*

First, to pay into the debt retirement fund, or funds for all outstanding series of bonds issued pursuant to the Plan Amendment an amount equal to the interest and principal coming due (in the case of principal whether by maturity or mandatory redemption) prior to the next collection of taxes, less any credit for sums on hand in the debt retirement fund.

Second, to establish a reserve account for payment of principal of and interest on bonds issued pursuant to the Plan Amendment to the extent required by any resolution authorizing bonds.

Third, to pay the administrative, auditing and operating costs of the Authority and the Township pertaining to the Downtown District, including planning and promotion, to the extent provided in the annual budget of the Authority.

Fourth, to repay amounts advanced by the Township for project costs, including costs of preliminary plans, and fees for other professional services.

Fifth, to pay the cost of completing the remaining public improvements, if any, as set forth in the Plan Amendment to the extent those costs are not financed from other sources.

(Amended by Ordinance 230, effective 08/17/95; Amended by Ordinance 257, effective 03/11/99)

Sixth, no debt or bond authorization shall be taken on by the Downtown Development Authority without the express permission of the Taxing Authorities. (Amended by Ordinance 382, effective 02/27/20)

SECTION 9. *Annual Report. Within 90 days after the end of each fiscal year, the Authority shall submit to the Township Board, with copies to each taxing jurisdiction, a report on the status of the Project Fund. The report shall include the amount and source of revenue in the account, the amount and purpose of expenditures from the account, the amount of principal and interest on any outstanding indebtedness, the amount in any bond reserve account, the initial assessed value of the Development Area, the captured assessed value of the Development Area and the amount of captured assessed value retained by the Authority, the tax increments received and the amount of any surplus from the prior year, and any additional information requested by the Township Board or deemed appropriate by the Authority. The secretary of the Authority shall cause a copy of the report to be published once in full in a newspaper of general circulation in the Township. (Amended by Ordinance 230, effective 08/17/95; Amended by Ordinance 257,*

effective 03/11/99)

SECTION 10. Any amount in excess of Five Hundred Thousand Dollars (\$500,000.00) in the Project Fund after current tax year settlement with the Bay County Treasurer in March, as shown by the annual report of the Authority, shall be paid by the Authority to the Township Treasurer, or the Bay County Treasurer, as shown by the annual report of the Authority, as the case may be, and rebated by each to the appropriate taxing jurisdiction.

(Amended by Ordinance 230, effective 08/17/95; Amended by Ordinance 257, effective 03/11/99, Amended by Ordinance 382, effective 02/27/20)

SECTION 11. *Conflict and Severability.* All ordinances, resolutions and orders or parts thereof in conflict with the provisions of the Ordinance are to the extent of such conflict hereby repealed, and each section of the Ordinance and each subdivision of any section thereof is hereby declared to be independent, and the finding or holding of any section or subdivision thereof to be invalid or void shall not be deemed or hold to affect the validity of any other section or subdivision of the Ordinance. *(Amended by Ordinance 206, effective 02/20/94; Amended by Ordinance 230, effective 08/17/95; Amended by Ordinance 257, effective 03/11/99)*

SECTION 12. *Paragraph Headings.* The paragraph headings in this Ordinance are furnished for convenience of reference only and shall not be considered to be a part of the Ordinance. *(Amended by Ordinance 206, effective 02/20/94; Amended by Ordinance 230, effective 08/17/95; Amended by Ordinance 257, effective 03/11/99)*

SECTION 13. *Publication and Recordation.* The Ordinance shall be published in full promptly after its adoption in the Bay City Democrat and Legal News, a newspaper of general circulation in the Township, qualified under State law to publish legal notices, and shall be recorded in the Ordinance Book of the Township, which recording shall be authenticated by the signature of the Township Clerk. *(Amended by Ordinance 206, effective 02/20/94; Amended by Ordinance 230, effective 08/17/95; Amended by Ordinance 257, effective 03/11/99)*

SECTION 14. *Effective Date.* The Ordinance is hereby determined by the Township Board to be immediately necessary for the interests of the Township and shall be in full force and effect from and after its passage and publication as required by law. The foregoing Ordinance was adopted by vote of the Board of Trustees of the Charter Township of Bangor, Bay County, Michigan, at a meeting held on March 9, 1999. *(Amended by Ordinance 206, effective 02/20/94; Amended by Ordinance 230, effective 08/17/95; Amended by Ordinance 257, effective 03/11/99)*