

**DRAFT PROPOSED AMENDMENTS
DDA ORDINANCE – 04/10/25**

ARTICLE I. - IN GENERAL

Secs. 30-1-30-25. - Reserved.

ARTICLE II. - DOWNTOWN DEVELOPMENT AUTHORITY

Sec. 30-26. - Created; description of district.

(a) *Definitions.* The following terms and definitions shall apply to this chapter:

- (1) ~~Act 197 means the Downtown Development Authority Act, Public Act 197 of 1975,~~ *Act 57 of 2018 (hereinafter "Act 57") means the Recodified Tax Increment Financing Act of 2018, as amended.*
- (2) *Definitions* also mean that this article adopts and incorporates by reference the definitions contained in Act 57.
- (3) *Downtown District* means the Downtown District designated by this Ordinance as now existing or hereafter amended.

(4) *Authority* means the City of Buchanan Downtown Development Authority.

(b) *City commission determination.* Based on a public hearing held at a regular meeting of the city commission in the city commission chambers on the 23rd day of October, 2006, in compliance with ~~the former~~ Act 197 of 1975, the city commission determined that:

- (1) It is in the best interests of the public to halt property value deterioration and increase property tax valuation where possible in the central business district, to eliminate the causes of that deterioration, and to promote economic growth.
- (2) This city commission established a DDA by ordinance on December 17, 1984.
- (3) By amending the boundary of the DDA, as illustrated on the legal description found herein under subsection (d), the authority would be better able to achieve its goals.
- (4) The city commission introduced its intention to amend the DDA by passing a Resolution of Intent on August 28, 2006.
- (5) The proposed boundary amendment was the topic of a public hearing in front of the city commission on October 23, 2006.
- (6) The proposed amendment and all procedures for adoption satisfy the requirements of Public Act 197 of 1975, as amended.

~~(c) *Approval of amendments.* The amendment of the downtown development authority for the City of Buchanan as recommended by the downtown development authority and presented at the public hearing on the 23rd day of October, 2006, is approved and adopted.~~

(c) *The Commission has determined that this article requires amendments and that the downtown development authority should be reconstituted to conform with Act 57.*

(d) Legal description of the City of Buchanan Downtown Development Authority District):

Commencing at the corner common to sections 25, 26, 35 and 36, City of Buchanan, Berrien County, Michigan; thence south on the line common to sections 35 and 36 a distance of 117.5 feet; thence west 165 feet; thence south 42 feet; thence east 132 feet to the west line of Redbud Trail; thence south on said west line 66 feet; thence west 177 feet; thence south 132 feet; thence east 177 feet to the west line of Redbud Trail; thence south on said west line 66 feet; thence west 132 feet; thence south 66 feet to the north right-of-way line of Central Court; thence west 155.5 feet to the east line of Days Avenue; thence south on said east line 82.5 feet to the centerline of Roe Street extended; thence west on said centerline and centerline extended 437.25 feet to the centerline of Oak Street; thence north on said centerline 297 feet to the north line of Charles Court extended; thence west on said north line and north line extended 294.75 feet; thence north 46 feet; thence east 49 feet; thence north 234.25 feet to the south right-of-way line of Front Street; thence west 43 feet along the south line of Front Street; thence north 231 feet; thence east 288.75 feet to the centerline of Oak Street; thence north on said centerline approximately 220 feet to the centerline of Dewey Street; thence east on said centerline 222.75 feet to the centerline of Main Street; thence north on said centerline 280.5 feet to the centerline of Third Street; thence east on said centerline 264 feet to the east line of Short Street extended; thence south on said east line 90.75 feet; thence east 132 feet; thence south 66 feet; thence east 66 feet; thence north 132 feet to the south line of Third Street; thence east on said south line and south line extended 132 feet to the east line of Redbud Trail; thence north on said east line approximately 292 feet to a point approximately 20 feet north of the southwest corner of block 3 of the Hatch Addition to the City of Buchanan; thence east a distance of 93 feet; thence north 157 feet; thence east 6 feet; thence north along the east line and east line extended of said block 3 to the westerly line of lot 2, block 3 of said Hatch Addition; thence northwesterly on said westerly line of lot 2, block 3 to the southerly line of River Street; thence northeasterly on said southerly line to the east line of block 2 of said Hatch Addition a distance of 228.35 feet; thence southeasterly along said lot line 192.36 feet; thence south $69^{\circ} 41'$ west 58.65 feet; thence south $18^{\circ} 21'$ East 50 feet; thence South $0^{\circ} 22' 52''$ east 271.72 feet to the northern edge of the Third Street right-of-way, also being the northern edge of McCoy Creek; thence southwesterly 340.65 feet along the western right-of-way of Third Street to the southeast corner of lot 10, block 3 of the Hatch Addition to the City of Buchanan; thence south 66 feet across the Third Street right-of-way; thence southwesterly along the eastern edge of lot 1 of the Assessor's Plat No. 1 to the City of Buchanan and the property line extended 295.16 feet to the south right-of-way line of Dewey Street; thence northeasterly 66 feet; thence east 105.5 feet; thence south $9^{\circ} 51' 30''$ east 349.76 feet to the northern right-of-way line of Front Street; thence easterly approximately 185 feet along the northern right-of-way line of Front Street to a point also known as the southeast corner of unplatted parcel 11-58-0025-0014-00-7 as of 8/15/06; thence south 66 feet to the south right-of-way line of Front Street; then easterly along the south right-of-way line of Front Street 606.14 feet; thence north approximately 27 feet to a point also known as the southwest corner of unplatted parcel 11-58-0025-0015-10-1 as of 8/15/06; thence east 165 feet; thence northerly 396 feet; thence westerly 165 feet; thence northerly 244.9 feet; thence westerly 47.53 feet; thence northerly 83.26

feet; thence north 18° 40' west 339.9 feet; thence north 25° 26' 10" west 84.18 feet; thence north 4° 20' 10" west 151.08 feet to the south right-of-way line of Third Street; thence northeasterly approximately 570 feet to the westernmost point of lot 6 of Assessor's Plat No. 1 to the City of Buchanan, a point which also lies along the western right-of-way of Third Street; thence northeasterly 505.3 feet; thence northeasterly 409.2 feet to the northeastern corner of lot 6 of Assessor's Plat No. 1 to the City of Buchanan; thence south 271.6 feet; thence east 150 feet to the north and south quarter line of said section 25; thence south on said quarter line to the south quarter corner of said section 25; thence west on the section line common to said sections 25 and 36 a distance of 77.8 feet; thence southerly approximately 329.5 feet; thence west 202 feet; thence southerly approximately 30 feet; thence west approximately 600 feet; thence northwesterly approximately 140 feet; thence westerly 298.85 feet to the centerline of Liberty Street; thence north on said centerline 126 feet; thence west 274.5 feet; thence south 162.9 feet; thence northwesterly approximately 419 feet along a line parallel with the centerline of Rynearson Street; thence south 4° 15' west 174 feet to the centerline of Rynearson Street; thence northwesterly on said centerline approximately 745 feet to the line common to sections 35 and 36; thence north 20 feet along said common line to the point of beginning.

Except parts of blocks A and D of Central Addition to the City of Buchanan commencing 399.9 feet west and 33 feet south of the northeast corner of section 35, township 7 south, range 18 west; thence south 230.25 feet; thence north 89° 45' West 127.9 feet; thence north 0° 12' 30" east 113.04 feet; thence north 69° 57' east 4.08 feet; thence north 0° 21' east 15.23 feet; thence east 29.5 feet; thence north 0° 21' east 18.94 feet; thence east 1 foot, thence north 0° 05' west on building wall 81.06 feet to south line of Front Street; thence east 94.27 feet to the point of beginning being a part of lots 1, 2, 3, 7 and 8 block A and part of lots 1 through 6 of block D of said plat.

(Comp. Ords. Rev. 1991, § 12.221; Ord. No. 2007.01/374, 1-22-07)

Sec. 30-27. - Purpose.

The downtown development authority is created to promote economic growth, increase property values, and halt deterioration within the district described in section 30-26. [This article incorporates by reference and adopts all provisions of Act 75, except as otherwise specified in this article. This article supersedes all prior City ordinances, rules, regulations, and policies that are contrary to or inconsistent with this article.](#)

(Comp. Ords. Rev. 1991, § 12.222)

Sec. 30-28. - Establishment of governing board [of the authority](#).

[The downtown development authority shall be under the supervision and control of a board \(hereinafter "Board"\) consisting of the mayor of the city or his or her designee from the city commission and not less than 8 or more than 12 members as determined by the city commission. Board members shall be appointed by the mayor, subject to approval by the City Commission. Not less than a majority of the Board members shall be persons having an interest in property located in the downtown district or officers, members, trustees, principals, or employees of a legal entity having an interest in property located in the downtown development authority district. Not less than 1 of the members shall be a](#)

resident of the Downtown District, if the downtown district has 100 or more persons residing within it. Of the members first appointed, an equal number of the members, as near as is practicable, shall be appointed for terms of office of 1 year, 2 years, 3 years, and 4 years. A member shall hold office until the member's successor is appointed. Thereafter, each member shall serve for a term of 4 years. An appointment to fill a vacancy shall be made by the mayor for the unexpired term only. Board members shall serve without compensation, but shall be reimbursed for actual and necessary expenses. The chairperson of the Board shall be elected by the Board. The rules of procedure or the bylaws of the authority may provide that a person be appointed to the Board in his or her capacity as a public official, whether appointed or elected. The rules of procedure or bylaws may also provide that the public official's term shall expire upon expiration of his or her service as a public official. In addition, the public official's membership on the Board expires on his or her resignation from office as a public official. Before assuming the duties of office, a Board member shall qualify for office by taking and subscribing to the constitutional oath of office. The business which the Board performs shall be conducted at public meetings of the Board held in compliance with the Open Meetings Act, 1976 PA 267, MCL 15.261 to 15.275. Public notice of the time, date, and place of the meeting shall be given in the manner required by the open meetings act, 1976 PA 267, MCL 15.261 to 15.275. The Board shall adopt rules consistent with the Open Meetings Act, 1976 PA 267, MCL 15.261 to 15.275, governing its procedure and the holding of regular meetings, subject to the approval of the City Commission. Special meetings may be held if called in the manner provided in the rules of the Board. Pursuant to notice and after having been given an opportunity to be heard, a member of the Board may be removed for cause by the city commission. Removal of a Board member is subject to review by the circuit court. All expense items of the authority shall be publicized monthly and the financial records shall always be open to the public. All financial records, documents, or writings prepared, owned, used, in the possession of, or retained by the Board in the performance of official functions shall be made available to the public in compliance with the Freedom of Information Act, 1976 PA 442, MCL 15.231 to 15.246.

~~The downtown development authority shall be under the supervision and control of a board, consisting of the mayor and eight members appointed by the mayor; subject to approval of the city commission. Not less than a majority of the members shall be persons having an interest in property located in the downtown district. Not less than one of the members shall be a resident of the downtown district, if the district is found to have 100 or more persons residing therein. The present members of the board shall hold office until the members' successors are appointed. The additional members of the board shall serve for a term of four years; members shall serve without compensation, but they shall be reimbursed for actual and necessary expenses. The chairman of the board shall be elected by the board.~~

Sec. 30-29. - Compensation of board.

The board members shall receive no compensation for their services on the downtown development authority.

(Comp. Ords. Rev. 1991, § 12.224)

Sec. 30-30. - Board rules and meetings.

The downtown development authority board shall adopt rules governing its procedure and the holding of regular and special meetings consistent with the Open Meetings Act, 1976 PA 267, MCL 15.261 to 15.275., subject to the approval of the city commission. ~~All meetings of the board shall be open to the public.~~

(Comp. Ords. Rev. 1991, § 12.225)

Sec. 30-31. - Employment of personnel.

- (a) *Director.* The downtown development authority board may employ and fix the compensation of a director, subject to the approval of the city commission. The director shall serve at the pleasure of the [downtown development authority](#) board. A member of the [downtown development authority](#) board is not eligible to hold the position of director. Before entering upon the duties of his office, the director shall take and subscribe to the constitutional oath, and furnish bond, by posting a bond in the amount [established by the City Commission](#) of ~~\$5,000.00~~, payable to the authority for use and benefit of the authority, approved by the board, and filed with the city clerk. The premium on the bond shall be deemed an operating expense of the authority, payable from funds available to the authority for expenses of operation. The director shall be the chief executive officer of the authority. Subject to the approval of the board, the director shall supervise, and be responsible for, the preparation of plans and the performance of the functions of the authority. The director shall attend the meetings of the board and shall render to the board and to the city commission a regular report covering the activities and financial condition of the authority. If the director is absent or disabled, the board may designate a qualified person as acting director to perform the duties of the office. Before entering upon the duties of his office, the acting director shall take and subscribe to the oath, and furnish bond, as required of the director. The director shall furnish the board with information or reports governing the operation of the authority as the board requires.
- (b) *Treasurer.* The board may employ and fix the compensation of a treasurer, who shall keep the financial records of the authority and who, together with the director, shall approve all vouchers for the expenditure of funds of the authority. The treasurer shall perform such other duties as may be delegated to her or him by the board and shall furnish bond in an amount as prescribed by the board.
- (c) *Secretary.* The board may employ and fix the compensation of a secretary, who shall maintain custody of the official seal and of records, books, documents, or other papers not required to be maintained by the treasurer. The secretary shall attend meetings of the board and keep a record of its proceedings, and shall perform such other duties delegated by the board.
- (d) *Legal counsel.* The board may retain legal counsel to advise the board in the proper performance of its duties. The legal counsel shall represent the authority in actions brought by or against the authority.
- (e) *Other personnel.* The board may employ other personnel deemed necessary by the board.

(Comp. Ords. Rev. 1991, § 12.226)

Sec. 30-32. - Duties of board.

(a) The downtown development authority board shall:

- (1) Prepare an analysis of economic changes taking place in the [downtown](#) district.
- (2) Study and analyze the impact of metropolitan growth upon the [downtown](#) district.
- (3) Plan and propose the construction, the renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a public facility, an existing building, or a multiple-family dwelling unit which may be necessary or appropriate to the execution of a plan which, in the opinion of the board, aids in the economic growth of the [downtown](#) district.
- (4) [Plan, propose, and implement an improvement to a public facility within the development area to comply with the barrier free design requirements of the state construction code promulgated under the Stille-DeRossett-Hale Single State Construction Code Act, 1972 PA 230, MCL 125.1501 to 125.1531.](#)
- (5) Develop long-range plans, in cooperation with the agency which is chiefly responsible for planning in the city, designed to halt the deterioration of property values in the [downtown](#) district and to promote the economic growth of the [downtown](#) district, and take such steps as may be necessary to persuade property owners to implement the plans to the fullest extent possible.
- (6) Implement any plan of development in the district necessary to achieve the purposes of this article, in accordance with the powers of the authority as granted by this article.
- (7) Make and enter into contracts necessary or incidental to the exercise of its powers and the performance of its duties.
- (8) Acquire by purchase or otherwise, on terms and conditions and in a manner the authority deems proper or own, convey, or otherwise dispose of, or lease ~~as~~ [as](#) ~~or~~ lessor or lessee, land and other property, real or personal, or rights or interests therein, which the authority determines is reasonably necessary to achieve the purposes of this ~~article~~ [article](#) ~~act~~, and to grant or acquire licenses, easements, and options with respect thereof.
- (9) Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, and operate any building, including multiple-family dwellings, and any necessary or desirable appurtenances thereto, within the [downtown](#) district for the use, in whole or in part, of any public or private person or corporation, or a combination thereof.
- (10) Fix, charge, and collect fees, rents, and charges for the use of any building or property under its control or any part thereof, or facility therein, and pledge the fees, rents, and charges for the payment of revenue bonds issued by the authority.
- (11) Lease any building or property under its control, or any part thereof.
- (12) Accept grants and donations of property, labor or other things of value from a public or private source.

(13) Acquire and construct public facilities.

(b) The downtown development authority board may:

- (1) Contract for broadband service and wireless technology service in the downtown district.
- (2) Operate and perform all duties and exercise all responsibilities described in this section in a qualified township if the qualified township has entered into an agreement with the municipality under section 203(7) of Act 57.
- (3) Create, operate, and fund a loan program to fund improvements for existing buildings located in a downtown district to make them marketable for sale or lease. The board may make loans with interest at a market rate or may make loans with interest at a below market rate, as determined by the board.
- (4) Create, operate, and fund retail business incubators in the downtown district. If it is the express determination of the board to create, operate, or fund a retail business incubator in the downtown district, the board shall give preference to tenants who will provide goods or services that are not available or that are underserved in the downtown area. If the board creates, operates, or funds retail business incubators in the downtown district, the board and each tenant who leases space in a retail business incubator shall enter into a written contract that includes, but is not limited to, all of the following:
 - (a) The lease or rental rate that may be below the fair market rate as determined by the board.
 - (b) The requirement that a tenant may lease space in the retail business incubator for a period not to exceed 18 months.
 - (c) The terms of a joint operating plan with 1 or more other businesses located in the downtown district.
 - (d) A copy of the business plan of the tenant that contains measurable goals and objectives.
 - (e) The requirement that the tenant participate in basic management classes, business seminars, or other business education programs offered by the authority, the local chamber of commerce, local community colleges, or institutions of higher education, as determined by the board.

(Comp. Ords. Rev. 1991, § 12.227)

Sec. 30-33. - Authority defined.

The downtown development authority shall be deemed an instrumentality of a political subdivision for purposes of Act No. 227 of the Public Acts of Michigan of 1972 (MCL 213.321 et seq., ~~MSA 8-215(61) et seq.~~), as amended.

(Comp. Ords. Rev. 1991, § 12.228)

Sec. 30-34. - Transfer of private property to authority.

The city may take private property under Act No. 149 of the Public Acts of Michigan of 1911 (MCL 213.21 et seq., ~~MSA 8-11 et seq.~~), as amended, for the purpose of transfer to the downtown development authority, and may transfer the property to the authority for use in an approved development, on terms and conditions it deems appropriate, and the taking, transfer, and use shall be considered necessary for public purposes and for the benefit of the public.

(Comp. Ords. Rev. 1991, § 12.229)

Sec. 30-35. - Financing.

- (a) The activities of the downtown development authority shall be financed from one or more of the following sources:
 - (1) Donations to the authority for the performance of its functions.
 - (2) Proceeds of a tax imposed pursuant to section 30-36.
 - (3) Moneys borrowed and to be repaid as authorized by section 30-37.
 - (4) Revenues from any property, building or facility owned, leased, licensed or operated by the authority or under its control, subject to the limitations imposed upon the authority by trusts or other agreements.
 - (5) Proceeds of a tax increment financing plan, established under sections 30-38 to 30-40.
 - (6) Moneys obtained from other sources approved by the city commission.
- (b) Moneys received by the authority and not covered under subsection (a) shall immediately be deposited to the credit of the authority, subject to disbursement pursuant to this article. Except as provided in this article, the city shall not obligate itself, nor shall it ever be obligated to pay any sums from public funds, other than moneys received by the city pursuant to this section, for or on account of the activities of the authority.

(Comp. Ords. Rev. 1991, § 12.230)

Sec. 30-36. - Levying of ad valorem tax.

- (a) The downtown development authority, with the approval of the city commission, may levy an ad valorem tax on the real and tangible personal property not exempt by law **and** as finally equalized in the **downtown** district. The tax shall not be more than two mills. The tax shall be collected by the city. The city shall collect the tax at the same time and in the same manner as it collects its other ad valorem taxes. The tax shall be paid to the treasurer of the authority and credited to the general fund of the authority for purposes of the authority.
- (b) The city may, at the request of the authority, borrow money and issue its notes therefor pursuant to Act No. **34 of the Michigan Public Acts of 2001, MCL 141.2102 to 141.2821** ~~202 of the Public Acts of Michigan of 1943 (MCL 131.1 et seq., MSA 5.3188(1) et seq.)~~, as amended, in anticipation of collection of the ad valorem tax authorized in this section.

(Comp. Ords. Rev. 1991, § 12.231)

Sec. 30-37. - Borrowing money; issuing revenue bonds.

- (a) The downtown development authority may borrow money and issue its negotiable revenue bonds therefor pursuant to Act No. 94 of the Public Acts of Michigan of 1933 (MCL 141.101 et seq., ~~MSA-5.2731 et seq.~~), as amended. Revenue bonds issued by the authority shall not, except as provided in this article, be deemed a debt of the city or the state. The city, by majority vote of the members of the city commission, may pledge its full faith and credit to support the authority's revenue bonds.

(b) In addition:

- (1) The downtown development authority may with approval of the city commission borrow money and issue its revenue bonds or notes to finance all or part of the costs of acquiring or constructing property in connection with the implementation of a development plan in the downtown district or to refund or refund in advance bonds or notes issued pursuant to this section. The costs which may be financed by the issuance of revenue bonds or notes may include the cost of purchasing, acquiring, constructing, improving, enlarging, extending, or repairing property in connection with the implementation of a development plan in the downtown district; any engineering, architectural, legal, accounting, or financial expenses; the costs necessary or incidental to the borrowing of money; interest on the bonds or notes during the period of construction; a reserve for payment of principal and interest on the bonds or notes; and a reserve for operation and maintenance until sufficient revenues have developed. The authority may secure the bonds and notes by mortgage, assignment, or pledge of the property and any money, revenues, or income received in connection therewith.
- (2) A pledge made by the downtown development authority shall be valid and binding from the time the pledge is made. The money or property pledged by the authority immediately shall be subject to the lien of the pledge without a physical delivery, filing, or further act. The lien of such a pledge shall be valid and binding as against parties having claims of any kind in tort, contract, or otherwise, against the authority, irrespective of whether the parties have notice of the lien. Neither the resolution, the trust agreement, nor any other instrument by which a pledge is created need be filed or recorded.
- (3) Bonds or notes issued pursuant to this section shall be exempt from all taxation in this state except inheritance and transfer taxes, and the interest on the bonds or notes shall be exempt from all taxation in this state, notwithstanding that the interest may be subject to federal income tax.
- (4) The municipality shall not be liable on bonds or notes of the authority issued pursuant to this section and the bonds or notes shall not be a debt of the municipality. The bonds or notes shall contain on their face a statement to that effect.
- (5) The bonds and notes of the authority may be invested in by all public officers, state agencies and political subdivisions, insurance companies, banks, savings and loan associations, investment companies, and fiduciaries and trustees, and may be deposited with and received by all public officers and the agencies and political subdivisions of this state for any purpose for which the deposit of bonds is authorized.

(Comp. Ords. Rev. 1991, § 12.232)

Sec. 30-38. - Tax increment financing plan.

- (a) As used in this section and sections 30-39 and 30-40:

Captured assessed value means ~~the amount in any one year, by which the current assessed value of the project area exceeds the initial assessed value.~~ the amount in any 1 year by which the

current assessed value of the project area, including the assessed value of property for which specific local taxes are paid in lieu of property taxes as determined in MCL 125.4201(aa), exceeds the initial assessed value. The state tax commission shall prescribe the method for calculating captured assessed value.

Initial assessed value means ~~the most recently assessed value of all taxable property within the boundaries of the development area at the time the ordinance establishing the tax increment financing plan is approved.~~ the assessed value, as equalized, of all the taxable property within the boundaries of the development area at the time the ordinance establishing the tax increment financing plan is approved, as shown by the most recent assessment roll of the municipality for which equalization has been completed at the time the resolution is adopted. Property exempt from taxation at the time of the determination of the initial assessed value shall be included as zero.

- (b) When the downtown development authority determines that it is necessary for the achievement of the purposes of this article, the authority shall prepare and submit a tax increment financing plan to the city commission. The plan shall include a development plan as provided in ~~section 30-4.0~~ this article, a detailed explanation of the tax increment procedure, the amount of bonded indebtedness to be incurred, the duration of the program, and shall be in compliance with section 30-39. The plan shall contain a statement of the estimated impact of tax increment financing on the assessed values of all taxing jurisdictions in which the development area is located. The plan may provide for the use of part or all of the captured assessed value, but the portion intended to be used by the authority shall be clearly stated in the tax increment financing plan. ~~The downtown development authority or the City may exclude from captured assessed value growth in property value resulting solely from inflation. The plan shall set forth the method for excluding growth in property value resulting solely from inflation.~~
- (c) The percentage of taxes levied for school operating purposes that is captured and used by the tax increment financing plan shall not be greater than the plan's percentage capture and use of taxes levied by the City or county for operating purposes. For purposes of the previous sentence, taxes levied by the county for operating purposes include only millage allocated for county purposes under the Property Tax Limitation Act, 1933 PA 62, MCL 211.201 to 211.217a. For purposes of this subsection, tax increment revenues used to pay bonds issued by the City under section 216(1) of Act 57 shall be considered to be used by the tax increment financing plan rather than shared with the City. The limitation of this subsection does not apply to the portion of the captured assessed value shared pursuant to an agreement entered into before 1989 with the county or city in which an enterprise zone is approved under section 13 of the Enterprise Zone Act, 1985 PA 224, MCL 125.2113.
- (d) Approval of the tax increment financing plan shall be in accordance with the notice, hearing and disclosure provisions of section 30-42. When the development plan is part of the tax increment financing plan, only one hearing and approval procedure is required for the two plans together.

- (e) Before the public hearing on the tax increment financing plan, the city commission shall provide a reasonable opportunity to the members of the county board of commissioners, and to the members of the community school board to meet with the city commission. The authority shall fully inform members of the county board of commissioners and of the school board of the fiscal and economic implications of the proposed development area. The members of the county boards of commissioners and of the school boards may present their recommendations at the public hearing on the tax increment financing plan. The authority may enter into agreements with the county board of commissioners, the school board and the governing body of the city in which the development area is located to share a portion of the captured assessed value of the district.
- (f) A tax increment financing plan may be modified if the modification is approved by the governing body upon notice and after public hearings and agreements as are required for approval of the original plan.

(Comp. Ords. Rev. 1991, § 12.233)

Sec. 30-39. - Tax increment; disposition of.

- (a) The amount of tax increment to be transmitted to the downtown development authority by the city and county treasurers shall be that portion of the tax levy of all taxing bodies paid each year on real and personal property in the project area on the captured assessed value.
- (b) The downtown development authority shall expend the tax increment revenues received for the development program only pursuant to the tax increment financing plan. Surplus funds shall revert proportionately to the respective taxing bodies. These revenues shall not be used to circumvent existing property tax limitations. The city commission may abolish the tax increment financing plan when it finds that the purposes for which it was established are accomplished. However, the tax increment financing plan shall not be abolished, allowed to expire, or otherwise terminate until the principal of, and interest on, bonds issued pursuant to section 216 of Act 57 have been paid or funds sufficient to make the payment have been segregated.

~~The authority shall expend the tax increments received for the development program only in accordance with the tax increment financing plan. Surplus funds shall revert proportionately to the respective taxing bodies. These revenues shall not be used to circumvent existing levy limit laws. The governing body of the city may abolish the tax increment financing plan when it finds that the purposes for which it was established are accomplished.~~

- (c) Annually the authority shall submit to the city commission and the state tax commission a report on the status of the tax increment financing account. 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 in any outstanding bonded indebtedness; the initial assessed value of the project area; the captured assessed value retained by the authority; the tax increments received; and any additional information the city commission deems necessary. The report shall be published in a newspaper of general circulation in the city.

(Comp. Ords. Rev. 1991, § 12.234)

Sec. 30-40. - General obligation bonds.

The city may by resolution of the city commission authorize, issue and sell general obligation bonds subject to the limitations set forth in this section to finance the development program of the tax increment financing plan and shall pledge its full faith and credit for the payment of the bonds. The bonds shall mature in not more than 30 years and shall be subject to Act No. 202 of the Public Acts of Michigan of 1943 (MCL 131.1 et seq., ~~MSA 5-3188(1) et seq.~~), as amended. Before the city may authorize the borrowing, the downtown development authority shall submit an estimate of the anticipated tax increment revenue to be available for payment of principal and interest on the bonds, to the city commission. This estimate shall be approved by the city commission by resolution adopted by majority vote of the members of the commission in the resolution authorizing the bonds, and when approved by the municipal finance commission shall be conclusive for purposes of this section. The city may not pledge for annual debt service requirements in any one year in excess of 80 percent of the estimated tax increment revenue to be received for a development area for that year, and the total aggregate amount of borrowing shall not exceed an amount which the 80 percent of the estimated tax increment will service as to annual principal and interest requirements. The bonds issued under this section shall be considered a single series for the purposes of Act No. 202 of the Public Acts of Michigan of 1943 (MCL 131.1 et seq., ~~MSA 5-3188(1) et seq.~~), as amended.

(Comp. Ords. Rev. 1991, § 12.235)

Sec. 30-41. - Development plan generally-Preparation, contents.

- (a) When the downtown development authority board decides to finance a project in the downtown district by the use of revenue bonds as authorized in section 30-38 or tax increment financing as authorized in sections 30-38, 30-39 and 30-40, it shall prepare a development plan.
- (b) The development plan shall contain:
 - (1) The designation of boundaries of the development area in relation to highways, streets, streams or otherwise.
 - (2) The location and extent of existing streets and other public facilities within the development area and shall designate the location, character and extent of the categories of public and private land uses then existing and proposed for the development area, including residential, recreational, commercial, industrial, educational, and other uses and shall include a legal description of the development area.
 - (3) A description of existing improvements in the development area to be demolished, repaired or altered, a description of any repairs and alterations, and an estimate of the time required for completion.
 - (4) The location, extent, character and estimated cost of the improvements including rehabilitation contemplated for the development area and an estimate of the time required for completion.

- (5) A statement of the construction or stages of construction planned, and the estimated time of completion of each stage.
- (6) A description of any parts of the development area to be left as open space and the use contemplated for the space.
- (7) A description of any portions of the development area which the authority desires to sell, donate, exchange or lease to or from the city and the proposed terms.
- (8) A description of desired zoning changes and changes in streets, street levels, intersections, and utilities.
- (9) An estimate of the cost of the development, a statement of the proposed method of financing the development and the ability of the authority to arrange the financing.
- (10) Designation of the person or persons, natural or corporate, to whom all or a portion of the development is to be leased, sold, or conveyed in any manner and for whose benefit the project is being undertaken if that information is available to the authority.
- (11) The procedures for bidding for the leasing, purchasing or conveying in any manner of all or a portion of the development upon its completion, if there is no express or implied agreement between the authority and persons, natural or corporate; that all or a portion of the development will be leased, sold, or conveyed in any manner to those persons.
- (12) Estimates of the number of persons residing in the development area and the number of families and individuals to be displaced. If occupied residences are designated for acquisition and clearance by the authority, a development plan shall include a survey of the families and individuals to be displaced, including their income and racial composition, a statistical description of the housing supply in the community, including the number of private and public units in existence or under construction, the condition of those in existence, the number of owner-occupied and renter-occupied units, the annual rate of turnover of the various types of housing and the range of rents and sale prices, an estimate of the total demand for housing in the community, and the estimated capacity of private and public housing available to displaced families and individuals.
- (13) A plan for establishing priority for the relocation of persons displaced by the development in any new housing in the development area.
- (14) Provision for the costs of relocating persons displaced by the development and financial assistance and reimbursement of expenses, including litigation expenses and expenses incident to the transfer of title, in accordance with the standards and provisions of the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, being Public Law 91-646, 42 U.S.C. Section 4601 et seq.
- (15) A plan for compliance with Act No. 227 of the Public Acts of Michigan of 1972 (MCL 213.321 et seq., ~~MSA 8.215(61) et seq.~~), as amended.
- (16) Other material which the authority or city commission deems pertinent.

(Comp. Ords. Rev. 1991, § 12.236)

Sec. 30-42. - Same-Public hearings.

- (a) The city commission, before adoption of an ordinance approving a development plan or tax increment financing plan, shall hold a public hearing on the development plan. Notice of the time and place of the hearing shall be given by publication twice in a newspaper of general circulation designated by the city, the first of which shall be not less than 20 days before the date set for the hearing. Proof of publication shall be by affidavit of the publisher, secured and made a part of such proceedings. Notice of the hearing shall be posted in at least 20 conspicuous and public places in the downtown district not less than 20 days before the hearing. Notice shall also be mailed to all property taxpayers of record in the downtown district not less than 20 days before the hearing. [The notice of hearing within the time frame described in this subsection shall be mailed by certified mail to the governing body of each taxing jurisdiction levying taxes that would be subject to capture if the development plan or the tax increment financing plan is approved or amended.](#) The city clerk shall attest to proof of posting and mailing by affidavit made a part of such proceedings.
- (b) Notice of the time and place of hearing on a development plan shall contain: a description of the proposed development area in relation to highways, streets, streams or otherwise; a statement that maps, plats, and a description of the development plan, including the method of relocating families and individuals who may be displaced from the area, are available for public inspection at a place designated in the notice, and that all aspects of the development plan will be open for discussion at the public hearing; and other information that the governing body deems appropriate. At the time set for hearing, the city commission shall provide an opportunity for interested persons to be heard and shall receive and consider communications in writing with reference ~~thereto~~ [to the development plan](#). The hearing shall provide the fullest opportunity for expression of opinion, for argument on the merits, and for introduction of documentary evidence pertinent to the development plan. The city commission shall make and preserve a record of the public hearing, including all data presented thereat.

(Comp. Ords. Rev. 1991, § 12.237)

Sec. 30-43. - Same-Conditions for approval.

- (a) The city commission after a public hearing on the development plan or the tax increment financing plan, or both, with notice thereof given in accordance with [section 30-42](#), shall determine whether the development plan or tax increment financing plan constitutes a public purpose. If it determines that the development plan or tax increment financing plan constitutes a public purpose, it shall then approve or reject the plan, or approve it with modification, by ordinance based on the following considerations:

- (1) The findings are recommendations of a development area citizens council, if a development area citizens council was formed.
 - (2) The plan meets the requirements set forth in section 30-41.
 - (3) The proposed method of financing the development is feasible and the authority has the ability to arrange the financing.
 - (4) The development is reasonable and necessary to carry out the purposes of this article.
 - (5) The land included within the development area to be acquired is reasonably necessary to carry out the purposes of the plan and of this Article in an efficient and economically satisfactory manner.
 - (6) The development plan is in reasonable accord with the master plan of the city.
 - (7) Public services, such as fire and police protection and utilities, are or will be adequate to service the project area.
 - (8) Changes in zoning, streets, street levels, intersections, and utilities are reasonably necessary for the project and for the city.
- (b) Amendments to an approved development plan or tax increment plan must be submitted by the downtown development authority to the city for approval or rejection.

(Comp. Ords. Rev. 1991, § 12.238)

Sec. 30-44. - Relocation of persons.

A person to be relocated under this article shall be given not less than 90 days' written notice to vacate unless modified by court order for good cause.

(Comp. Ords. Rev. 1991, § 12.239)

Sec. 30-45. - Development area citizens council-Establishment.

- (a) If a proposed development area has residing within it 100 or more residents, a development area citizens council shall be established at least 90 days before the public hearing on the development or tax increment financing plan. The development area citizens council shall be established by the city commission and shall consist of not less than nine members. The members of the development area citizens council shall be residents of the development area and shall be appointed by the city commission. A member of a development area citizens council shall be at least 18 years of age.
- (b) A development area citizens council shall be representative of the development area.

(Comp. Ords. Rev. 1991, § 12.240)

Sec. 30-46. - Same-Duties.

A development area citizens council established pursuant to this article shall act as an advisory body to the downtown development authority and the city commission in the adoption ~~or~~ of the development of tax increment financing plans.

(Comp. Ords. Rev. 1991, § 12.241)

Sec. 30-47. - Same-Consultation with authority.

Periodically a representative of the downtown development authority responsible for preparation of a development or tax increment financing plan within the development area shall consult with and advise the development area citizens council regarding the aspects of a development plan, including the development of new housing for relocation purposes located either inside or outside of the development area. The consultation shall begin before any final decisions by the authority and the city commission regarding a development or tax increment financing plan. The consultation shall continue throughout the preparation and implementation of the development ~~or~~ of the tax increment financing plan.

(Comp. Ords. Rev. 1991, § 12.242)

Sec. 30-48. - Same-Meetings.

- (a) Meetings of the development area citizens council shall be open to the public. Notice of the time and place of the meetings shall be given by publication in a newspaper of general circulation not less than five days before the dates set for meetings of the development area citizens council. A person present at those meetings shall have reasonable opportunity to be heard.
- (b) A record of the meetings of a development area citizens council, including information and data presented, shall be maintained by the council.
- (c) A development area citizens council may request of and receive from the downtown development authority information and technical assistance relevant to the preparation of the development plan for the development area.
- (d) Failure of a development area citizens council to organize or to consult with and be advised by the downtown development authority, or failure to advise the city commission, as provided in this article, shall not preclude the adoption of a development plan by the city if the city complies with the other provisions of this article.

(Comp. Ords. Rev. 1991, § 12.243)

Sec. 30-49. - Same-Recommendations.

Within 20 days after the public hearing on a development or tax increment financing plan, the development area citizens council shall notify the city commission, in writing, of its findings and recommendations concerning a proposed development plan.

(Comp. Ords. Rev. 1991, § 12.244)

Sec. 30-50. - Budget.

- (a) The director of the downtown development authority shall prepare and submit for the approval of the board a budget for the operation of the authority for the ensuing fiscal year. The budget shall be prepared in the manner and contain the information required of municipal departments. Before the budget may be adopted by the board, it shall be approved by the city commission. Funds of the city shall not be included in the budget of the authority except those funds authorized in this article or by the city commission.
- (b) The city commission may assess a reasonable pro rata share of the funds for the cost of handling and auditing the funds against the funds of the authority, other than those committed, which cost shall be paid annually by the board pursuant to an appropriate item in its budget.

(Comp. Ords. Rev. 1991, § 12.245)

Sec. 30-51. - Historic sites.

- (a) A public facility, building or structure which is determined by the city to have significant historical interests shall be preserved in a manner as deemed necessary by the city in accordance with laws relative to the preservation of historical sites. [The preservation of facilities, buildings, or structures determined to be historic sites by a municipality shall include, at a minimum, equipping the historic site with a fire alarm system.](#)
- (b) ~~An~~ [The downtown development](#) authority shall refer to all proposed changes to the exterior of sites listed on the state register of the historic sites and the National Register of Historic Places to the applicable historic district commission created under Act No. 169 of the Public Acts of Michigan of 1970 (MCL 399.201 et seq.), as amended, or the [Michigan state housing development authority](#) ~~secretary of state~~ for review.

(Comp. Ords. Rev. 1991, § 12.246)

Sec. 30-52. - Termination of authority.

A downtown development authority ~~that which~~ has completed the purposes for which it was organized shall be dissolved by ordinance of the city commission. The property and assets of the authority remaining after the satisfaction of the obligations of the authority shall belong to the city.

(Comp. Ords. Rev. 1991, § 12.247)

Secs. 30-53-30-75. - Reserved.