

Chapter 18

COMMUNITY DEVELOPMENT*

Article I. In General

Secs. 18-1–18-25. Reserved.

Article II. Downtown Development Authority

Division 1. Generally

- Sec. 18-26. Creation; body corporate.
- Sec. 18-27. Name; registered agent; registered office.
- Sec. 18-28. District area.
- Sec. 18-29. Purpose.
- Sec. 18-30. Powers; exceptions.
- Sec. 18-31. Fiscal year; budget; revenues; liabilities.
- Sec. 18-32. Term.
- Sec. 18-33. Governing board membership; terms; vacancies.
- Sec. 18-34. Officers.
- Sec. 18-35. Open meetings; quorum; voting.
- Secs. 18-36–18-45. Reserved.

Division 2. Tax Increment Financing Plan

- Sec. 18-46. Public purpose; findings.
- Sec. 18-47. Adoption of development and TIF plan.

***Cross references**—Administration, ch. 2; planning commission, § 2-101; finance, § 2-161; streets, sidewalks and other public places, ch. 46; zoning, ch. 62.

State law references—Downtown development authority, MCL 125.1651 et seq., MSA 5.3010(1) et seq.; housing and slum clearance projects, MCL 125.651 et seq., MSA 5.3011 et seq.; housing corporation law, MCL 125.601 et seq., MSA 5.3057(1) et seq.; urban redevelopment corporations, MCL 125.901 et seq., MSA 5.3058(1) et seq.; rehabilitation of blighted areas, MCL 125.71 et seq., MSA 5.3501 et seq.; economic development corporations, MCL 126.1601 et seq., MSA 5.3520(1) et seq.



ARTICLE I. IN GENERAL

Secs. 18-1–18-25. Reserved.

ARTICLE II. DOWNTOWN DEVELOPMENT AUTHORITY***DIVISION 1. GENERALLY****Sec. 18-26. Creation; body corporate.**

There is hereby created and established in the village a downtown development authority pursuant to Act No. 197 of the Public Acts of Michigan of 1975 (MCL 125.1651 et seq., MSA 5.3010(1) et seq.), as amended, referred to in this article as the Act. This article shall constitute the articles of incorporation. The downtown development authority is a public body corporate as provided in the Act, with the power to sue or be sued in any court of this state. Words used in this article, defined in the Act, shall have the same definition as provided in the Act. (Ord. No. 1985-4, § 1100.01, 7-22-85)

Sec. 18-27. Name; registered agent; registered office.

The name of the downtown development authority (DDA) is Ontonagon Downtown Development Authority. The principal office of the DDA will be located at the Ontonagon Village Offices, 315 Quartz Street, Ontonagon, Michigan 49953, and the registered agent for service of process shall be the village clerk. (Ord. No. 1985-4, § 1100.02, 7-22-85)

Sec. 18-28. District area.

(a) The downtown district which is subject to the jurisdiction of the DDA shall encompass, lie within or be comprised of the areas described in subsection (b) of this section.

(b) Commencing at the intersection of M-38 (Greenland Road) and Parker Avenue; thence southeast along the north side of right-of-way of M-38 to intersection of M-38 and South Seventh Street; thence north along South Seventh Street to the north section line of Section 31, Township 52 North, Range 39 West; thence east along section line to corner of Sections 30, 29, 31 and 32; thence south along section line to the southeast corner of the northeast corner of Section 31; thence west along the south line of the northeast quarter of Section 31 to the southwest corner of the northeast quarter of Section 31; thence north to M-38; thence northwest along the south side of M-38 right-of-way to the intersection of M-38 and Parker Avenue, minus property not included within the corporate boundaries of the village; and also NE ¼ of NE ¼, Section 31, Township 52 North, Range 39 West, SW ¼ of NE ¼, Section 31, Township

*State law reference—Downtown development authority, MCL 125.1651 et seq., MSA 5.3010(1) et seq.

52 North, Range 39 West, NW $\frac{1}{4}$ of NE $\frac{1}{4}$, Section 31, Township 52 North, Range 39 West, SE $\frac{1}{4}$ of NE $\frac{1}{4}$, Section 31, Township 52 North, Range 39 West; except:

- (1) A parcel of land in the SW $\frac{1}{4}$ of NE $\frac{1}{4}$, Section 31-52-39 starting at the north quarter corner of Section 31, thence south a distance of 810.31 feet to the intersection of the westerly boundary line of the Ontonagon Greenland Road (M-38) right-of-way, thence south 60 degrees 05 minutes 03 seconds east along the Greenland Road a distance of 1300.91 feet to the point of beginning; thence south 29 degrees 30 minutes west a distance of 400 feet; thence northwest 60 degrees 05 minutes 03 seconds a distance of 250 feet; thence northeast 29 degrees 30 minutes a distance of 400 feet to the westerly boundary of Greenland Road and M-38, thence along the right-of-way to the point of beginning.
- (2) A parcel of land in the N $\frac{1}{2}$ of NE $\frac{1}{4}$, Section 31-52-39 starting at the north quarter corner of Section 31, thence south a distance of 810.31 feet to the intersection of the west boundary line of the Ontonagon Greenland Road (M-38) right-of-way, thence south 60 degrees 05 minutes 03 seconds east along the right-of-way M-38 a distance of 1050.91 feet to the point of beginning; thence south 29 degrees 30 minutes west a distance of 400 feet; thence north 60 degrees 05 minutes 03 seconds west a distance of 500 feet; thence north 29 degrees 30 minutes east a distance of 100 feet; thence south 60 degrees 05 minutes 03 seconds east a distance of 300 feet; thence north 29 degrees 30 minutes east a distance of 300 feet to the westerly boundary of the Greenland Road and M-38; thence south 60 degrees 05 minutes 03 seconds east a distance of 200 feet to the point of beginning.
- (3) A parcel of land in the NW $\frac{1}{4}$ of NE $\frac{1}{4}$, and the SW $\frac{1}{4}$ of the NE $\frac{1}{4}$, Section 31-52-39 starting at the west quarter line corner, thence south a distance of 810.31 feet to the intersection of the westerly boundary line of the Ontonagon Greenland Road (M-38); thence south 60 degrees 30 minutes east a distance of 850.91 feet to the point of beginning; thence south 29 degrees 30 minutes west a distance of 300 feet; thence north 60 degrees 30 minutes west a distance of 300 feet; thence north 29 degrees 30 minutes east a distance of 300 feet to the west boundary of the Greenland Road (M-38); thence south 60 degrees 30 minutes east along the boundary line of the Greenland Road (M-38) a distance of 300 feet to the point of beginning.
- (4) A parcel of land commencing at the east quarter corner of Section 31-52-39, thence north 0 degrees 4 minutes 56 seconds west along the east line of Section 31, 415.26 feet; thence north 56 degrees 2 minutes 36 seconds west 277.60 feet to the point of beginning; thence north 34 degrees 30 minutes 55 seconds east 400 feet; thence north 55 degrees 29 minutes 5 seconds west 200 feet; thence south 34 degrees 30 minutes 32 seconds west 403.77 feet more or less to the highway right-of-way line; thence south 56 degrees 33 minutes 36 seconds east 200 feet along the highway right-of-way line to the point of beginning, being a part of the SE $\frac{1}{4}$ of NE $\frac{1}{4}$, Section 31 and containing 1.85 acres more or less. Also including a 66-foot right-of-way access along the west side of the parcel, as surveyed.

- (5) Parcel of land in the SE ¼ of NE ¼ commencing at the east quarter corner of Section 31; thence running west along the quarter line 9.75 chains, north 35 degrees east 16.88 chains to section line between Sections 31 and 32, thence south 13.88 chains along section line to the point of beginning. A road 50 links wide in the SE ¼ of NE ¼ bounded as follows: Commencing 9.75 chains west of the east quarter post of Section 31; thence north 35 degrees east 9.48 chains to the Ontonagon-Greenland Road; thence along the road north 55 degrees west 50 links, thence south 35 degrees west 9.48 chains to the centerline of Section 31; thence 50 links more or less to the point of beginning, containing one-half acre, more or less.
- (Ord. No. 1985-4, § 1100.03, 7-22-85; Ord. No. 1987-2, 12-14-87)

Sec. 18-29. Purpose.

The purpose of the DDA is to halt property value deterioration, eliminate the causes of such deterioration, increase property tax valuation where possible in the downtown district, and promote economic growth, as well as to accomplish such other objectives in the public interest as are authorized by the Act.

(Ord. No. 1985-4, § 1100.04, 7-22-85)

Sec. 18-30. Powers; exceptions.

The DDA shall possess all of the powers granted by statute, whether or not specifically provided in this section, and those incident thereto, except that the DDA may not do the following acts without the authorization by resolution or ordinance of the village council:

- (1) Establish the position of director pursuant to section 5 of the Act, with a bond in the penal sum of \$10,000.00.
- (2) Borrow money and issue revenue bonds or notes of the DDA pursuant to section 13 of the Act.
- (3) Implement a tax increment financing plan pursuant to sections 14 and 15 of the Act, or other development plan pursuant to sections 17 and 19 of the Act.

The enumeration of any powers in this section shall not be construed as a limitation upon the general powers of the DDA, unless the context shall clearly indicate otherwise; provided, however, that the DDA shall not under any circumstances levy taxes for the operation of the DDA.

(Ord. No. 1985-4, § 1100.05, 7-22-85)

Sec. 18-31. Fiscal year; budget; revenues; liabilities.

The fiscal year of the DDA shall be April 1 through March 31. The DDA shall prepare a budget for each of its fiscal years which shall be subject to the approval of the village council. Revenues of the DDA shall consist of voluntary contributions or donations, grants, nontax revenues raised or earned by the DDA, appropriations to the DDA made from time to time by the village council, loans, the proceeds of bonds and other revenues raised pursuant to the Act.

The DDA shall not incur liability beyond its reasonably anticipated revenues. Liabilities of the DDA shall not be obligations of the village, except as otherwise provided by the Act and special ordinance. The DDA has no assets at the time of its organization.

(Ord. No. 1985-4, § 1100.06, 7-22-85)

Sec. 18-32. Term.

The DDA shall continue in existence perpetually or until dissolved by act of the village council or by law. However, the DDA shall not be dissolved if such dissolution could operate as an impairment of any of its contracts.

(Ord. No. 1985-4, § 1100.07, 7-22-85)

Sec. 18-33. Governing board membership; terms; vacancies.

revised 1998

The governing body of the DDA shall be a board which shall consist of the president of the village and eight other members appointed by the president of the village with the approval of the village council. At least five of the members of the board shall be persons having an interest in property located in the downtown district. At least one of the members shall be a resident of the downtown district. No person except the village president may simultaneously serve on this board and the governing bodies of the village, township, school or county. Of the members first appointed, two shall be appointed for one year, two for two years, two for three years, and two for four years. Thereafter, an appointed member shall serve for a term of four years. There shall be no right to reappointment, but reappointment is permissible. A member shall, in any event, hold office until the member's successor is appointed and qualified. Before assuming the duties of office a member shall qualify by taking and subscribing to the constitutional oath of office, filing the same with the village clerk. An appointment to fill a vacancy on the board shall be made by the village president for the unexpired term only. Pursuant to notice and an opportunity to be heard, a member of the board may be removed for cause during his term by the village council. Involuntary removal of a member during his term is subject to review by the county circuit court. In case of temporary absence or disability of any member, the village president may appoint, with approval of the village council, some person of similar qualifications to temporarily act in place of the absent member. Members of the board shall serve without compensation, but may be reimbursed for actual and necessary expenses by motion of the board.

(Ord. No. 1985-4, § 1100.08, 7-22-85)

Sec. 18-34. Officers.

(a) The officers of the board shall be a chairman, vice-chairman, secretary and treasurer, who shall be members of the board elected by the board. The term of the office of officers shall be one year, but each officer shall continue to serve until his successor is elected and enters upon his duties. In case of the temporary absence or disability of any officer, the board may appoint some person temporarily to act in his place. The secretary and treasurer may each receive compensation, fixed by the board, for the duties of their respective offices.

ADOPT AMENDMENT TO VILLAGE ORDINANCE 18, SECTION 18-33:

Manager Ellisor reported that, upon recent review of the above referenced ordinance, it was discovered that the appointment of Trustee Richardson to the DDA board was contrary to the ordinance which was not realized at the time of his appointment. It was his recommendation that the village ordinance wording be amended to allow for one additional public official, along with the Village President, to serve on the DDA board. He noted that this change is not in violation of the Michigan Statute dealing with DDA organization.

He stated his reasons for this recommendation as the change would increase the influence of the majority on the DDA, would expand the Council's representation on the DDA, would function as a solid liaison service for both boards and compliance with the ordinance as it is written. This would mean foregoing quality membership on the DDA by removing a member that offers a comprehensive perspective of Village needs, issues and affairs.

A motion was made by Klein, supported by Polakowski, to adopt the wording change to Village Ordinance 18, Section 18-33, effective upon publication.

Roll call vote:

AYE: President Giesau; Trustees: Klein, Polakowski, Guilbault, Kwapis, Brookins

NAY: None

ABSTAIN: Trustee Richardson

ABSENT: None

REPORT ON BLIGHT ENFORCEMENT:

Village Attorney, Jim Jessup, was present and reviewed the blight enforcement progress. He and the village manager did identify several properties within the village that qualify for enforcement. There are four houses that may warrant condemnation, two blight areas that also have zoning violations and 10 that have grass and weed problems.

Manager Ellisor will arrange for the properties to be video taped in the next few weeks. Attorney Jessup will identify the legal owners of the properties involved, as well as any outstanding mortgage holders. Letters will be sent to the property owners, with copies to mortgage holders, informing them that they have 10 days to comply with the village ordinance. If there is no response to the grass problems within the ten days allotted the property will be cleaned up either by the village DPW or contracted out. The cost of the corrective action will be added to the tax bill for the property. He noted that the charges will NOT be a bargain.

The blight area owners will also receive notification from Attorney Jessup. If there is no attempt at corrective action, the Sheriff will contact the owners and a fine will be imposed until the situation is corrected.

The buildings being considered for condemnation will require legal action:

Attorney Jessup will prepare a list of properties and information for the village files. A copy of the list of the properties will be sent to the trustees for their information.

*DDA
2 members*

3

3

3

(b) The chairman shall preside at meetings of the board and may sign and execute all authorized bonds, contracts, checks and other obligations and execute interest coupons with his facsimile signature in the name of the DDA when so authorized by the board. He shall do and perform such other duties as may be fixed by the bylaws and from time to time assigned to him by the board.

(c) The vice-chairman shall preside and accomplish the duties of the chairman in the absence of the chairman and shall perform all such other duties as may be fixed by the bylaws and from time to time assigned to him by the board.

(d) The secretary shall keep the minutes of all meetings of the board in books obtained for that purpose. He shall attend to the giving, serving and receiving of all notices or process of or against the corporation. He may sign or affix his facsimile signature, as the case may be, with the chairman, in the name of the DDA, to all bonds, contracts and other obligations authorized by the board and affix the seal of the DDA thereto. He shall have charge of all books and records which the board has not placed within the custody and keeping of some other officer, and shall at all times make such books and records open to inspection and examination by the board or any member thereof, by the village council, and by the public pursuant to the Freedom of Information Act. The secretary shall perform all the duties incident to this office and such other duties as may be fixed by the bylaws or from time to time assigned to him by the board.

(e) The treasurer shall have custody of all of the funds and securities of the DDA which may come into his hands or possession. When necessary or proper, he shall endorse in behalf of the DDA for collection checks, notes and other obligations and shall deposit them to the credit of the DDA in a designated bank or depository. He shall sign all receipts and vouchers for payment made to the DDA. He shall jointly, with such other officer as may be designated by the board, sign all checks, promissory notes, and other obligations of the DDA when so ordered by the board. He shall render a statement of his cash accounts when required by the board. He shall regularly keep full and accurate accounts in books obtained for that purpose of all monies received and paid by him on account of the DDA, and he shall, at all reasonable times, exhibit his books and accounts to the board or any member thereof, the village council, and to the public pursuant to the Freedom of Information Act. He shall perform all acts incidental to the position of the treasurer fixed by the bylaws or assigned to him from time to time by the board. He shall be bonded for the faithful discharge of his duties as treasurer, the bond to be of such character, form, and in such amount as the board may require. The bond shall be paid by the DDA as an expense of the DDA.

(Ord. No. 1985-4, § 1100.09, 7-22-85)

Sec. 18-35. Open meetings; quorum; voting.

Meetings of the board shall be held at least quarterly at such time and place as shall be prescribed by the board. Special meetings of the board may be called by the chairman or any three members thereof, by serving written notice of the time and place upon each member of the board, personally, or by leaving it at his place of residence at least 24 hours prior to the

time of such meeting, or by depositing the same in a United States post office or mailbox within the village at least 72 hours prior to the time of such meeting, properly addressed with postage prepaid. Special meetings of the board, at which all members are present, shall be deemed to be valid, even though no notice thereof was given as specified in this section. Any member of the board may waive notice of any meeting either before or after the holding thereof. At least the majority of the members of the board shall be required for a quorum. The board shall act by motion or resolution. For the passage of any resolution providing for the issuance of bonds or for the execution of any contract, there shall be required a majority vote of the full membership of the board existing at that time. For all other matters, a vote of the majority of the members of the board present at the meeting at which a quorum is present shall be sufficient for passage. The board shall have the right to adopt rules or bylaws governing its procedure which are not in conflict with the terms of any statute or this article. The board shall keep a journal or minutes of its proceedings which shall be signed by the secretary. All votes shall be ayes and nays, except that where the vote is unanimous, it shall only be necessary to so state. The board is subject to the Open Meetings Act, Act No. 267 of the Public Acts of Michigan of 1976 (MCL 15.261 et seq., MSA 4.1800(11) et seq.), as amended. (Ord. No. 1985-4, § 1100.10, 7-22-85)

Secs. 18-36–18-45. Reserved.

DIVISION 2. TAX INCREMENT FINANCING PLAN

Sec. 18-46. Public purpose; findings.

The village council determines, following public hearing with notice as required by the state downtown development district act, being Act No. 197 of the Public Acts of Michigan of 1975 (MCL 125.1651 et seq., MSA 5.3010(1) et seq.), as amended, that the downtown development and tax increment financing plan submitted by the village downtown development authority and dated December, 1985, and the implementation of such plan, constitutes a public purpose and worthy object for the village, within the meaning of the Act. It is further determined that the downtown development and tax increment financing plan (the plan), meets the requirements of section 17(2) of the Act and that:

- (1) The proposed method of financing provided in the plan is feasible and the authority has the ability to raise such financing.
- (2) The plan is functionally designed to carry out the purposes of the Act.
- (3) Any land to be acquired pursuant to the plan as reasonably necessary to carry out the purposes of the plan in an efficient and economically satisfactory manner.
- (4) The plan is in reasonable accord with the master plan of the village.
- (5) Public services such as fire and police protection and utilities are or will be adequate to serve the project area.

(6) Any changes in zoning, streets, street levels or utilities are reasonably necessary to implementation of the various elements of the plans, as the case may be.
(Ord. No. 1985-5, § I, 12-16-85)

Sec. 18-47. Adoption of development and TIF plan.

The village downtown development and tax increment financing plan, dated December, 1985, is approved and adopted. Any modification or amendment of the plan shall be made only upon recommendation of the downtown development authority, and approval of the village council. Copies of the plan are on file in the village office.
(Ord. No. 1985-5, § II, 12-16-85)

9

9

9

)

Chapters 19–21

RESERVED

CD19:1

