

ORDINANCE NO. 98-2

AN ORDINANCE TO ADOPT AND APPROVE A DEVELOPMENT PLAN AND TAX INCREMENT FINANCING PLAN PERTAINING TO THE DOWNTOWN DEVELOPMENT AUTHORITY DISTRICT PROJECT PURSUANT TO THE PROVISIONS OF ACT 197 PUBLIC ACTS OF MICHIGAN OF 1975, AS AMENDED AND TO PROVIDE FOR MATTERS RELATED THERETO

TOWNSHIP OF PINCONNING
BAY COUNTY, MICHIGAN

TOWNSHIP OF PINCONNING, BAY COUNTY HEREBY ORDAINS:

Section 1. Definitions. The terms used in this Ordinance shall have the following meaning unless the context clearly requires otherwise:

"Act 197" means the Downtown Development Authority Act, Act No. 197 of Public Acts of Michigan of 1975, as may be amended.

"Captured Assessed Value" means the amount in any one year by which the current assessed value as finally equalized of all taxable property in the Development Area exceeds the Initial Assessed Value, as more fully described in the Downtown Development Authority Development and Tax Increment Financing Plan.

"Development Area" shall mean the area within the boundaries of the Township of Pinconning Downtown Development Authority District, as illustrated in Map 2 and described in Exhibit A of the Downtown Development Authority Development and Tax Increment Financing Plan.

"Development Plan" means the Development Plan for the Downtown Development Authority District, illustrated in the Downtown Development Authority Development and Tax Increment Financing Plan.

"Initial Assessed Value" means the most recently assessed value, as finally equalized by the State Board of Equalization, of all taxable property within the boundaries of the Downtown Development Authority District at the time of adoption of

this Ordinance, as more fully described in the Downtown Development Authority Development and Tax Increment Financing Plan.

"Tax Increment" shall be that portion of the tax levy of all taxing jurisdictions paid each year on real and personal property in the Downtown Development Authority District on the captured assessed value, as more fully described in the Downtown Development Authority Development Plan and Tax Increment Financing Plan.

"Downtown Development Authority" means the Township of Pinconning Development Authority as established by resolution adopted August 12, 1997.

"Tax Increment Financing Plan" means the "Tax Increment Financing Plan for the Township of Pinconning Downtown Development Authority District," including the Development Plan, as transmitted to the Township Board by the Downtown Development Authority for public hearing, and as confirmed by this Ordinance, copies of which are on file in the office of the Township Clerk.

"Taxing Jurisdiction" shall mean each unit of government levying an ad valorem property tax on property in the Downtown Development Authority District.

All other undefined terms, unless the context of this Ordinance specifically required otherwise, shall have the meanings attributed to them by current usage.

Section 2. Approval and Adoption of the Downtown Development Authority Development Plan and Tax Increment Financing Plan. Pursuant to Section 19(1) Act 197, the Township Board of Township of Pinconning, Bay County hereby finds and determines in accordance with Section 19, (1) of Act 197 as follows:

- (a) That the Development Plan and Tax Increment Financing Plan constitutes and embodies a public purpose of the Township;
- (b) That the Development Plan and Tax Increment Financing Plan meets the requirements set forth in Sections 14(2) and 17(2) of Act 197;
- (c) That the proposed method of financing the development activities described in the Development Plan and Tax Increment Financing Plan is feasible, and that the Downtown Development Authority has the ability to arrange the financing;
- (d) That the development activities described in the Development Plan and Tax Increment Financing Plan are reasonable and necessary to carry out the purpose of Act 197;
- (e) That the Development Plan and Tax Increment Financing Plan is in

reasonable accord with the approved Master Plan of the Township of Pinconning;

- (f) That public services, such as fire and police protection and utilities are, or will be, adequate to service the Downtown Development Authority District; and
- (g) That such changes in zoning, streets, street levels, intersections, and utilities as are contemplated by the Development Plan and Tax Increment Financing Plan are reasonably necessary for the Project and for the Township of Pinconning.

In accordance with the foregoing considerations, the Downtown Development Authority Development Plan and Tax Increment Financing Plan, are hereby approved and adopted for all purposes of Act 197 consistent with said plans, with the following additions, modifications, and/or conditions:

- 1.
- 2.
- 3.

A copy of the Development Plan and Tax Increment Financing Plan, and all respective amendments thereto, shall be maintained on file in the Township Clerk's office and cross-indexed to this Ordinance.

Section 3. Boundaries of Development Area. The boundaries of the Development Area are hereby adopted and confirmed.

Section 4. Preparation of Base Year Assessment Roll.

- (a) Within 90 days of the effective day of this Ordinance, the Township Assessor shall prepare the initial base year assessment roll. The base year assessment roll shall list each taxing jurisdiction in which the Downtown Development Authority District is located, the initial assessed value of the Development District on the effective date of this Ordinance, and the amount of tax revenue derived by each taxing jurisdiction from ad valorem taxes on the property in the Development District.

- (b) The Township Assessor shall transmit copies of the base year assessment roll to the Township Treasurer, the County Treasurer, the Downtown Development Authority, and each taxing jurisdiction, together with a notice that the assessment roll has been prepared in accordance with this Ordinance and the Development Plan and Tax Increment Financing Plan approved by this Ordinance.

Section 5. Preparation of Annual Assessment Roll. Each year within 15 days following the final equalization of property in the Development District, the Township Assessor shall prepare an updated annual assessment roll. The annual assessment roll shall show the information required in the base year assessment roll and, in addition, the captured assessed value for that year. Copies of the annual assessment roll shall be transmitted by the Assessor to the same persons as the base year assessment roll, together with a notice that it has been prepared in accordance with this Ordinance and the Development Plan and Tax Increment Financing Plan.

Section 6. Account Status Report. Annually, the authority shall submit to the governing body of the municipality 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 principle and interest on 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 governing body or the State Tax Commission considers necessary. The report shall be published in a newspaper of general circulation in the municipality.

Section 7. Implementation. All tax increments shall be transmitted by the Township Treasurer into an account of the Downtown Development Authority at the earliest practicable date. All tax increments, so received by the Downtown Development Authority shall be disbursed in accordance with the provisions of the Development Plan and Tax Increment Financing Plan and the requisitions of the Downtown Development Authority. Surplus funds shall revert proportionately to the respective taxing bodies. For the purpose of segregation and transfer of such funds, the Township Treasurer shall maintain a separate fund which shall be kept in a depository bank account or accounts in a bank or banks approved by the Township Board, to be designated Downtown Development Authority project fund. All amounts payable to the Downtown Development Authority shall, subject to the foregoing, be deposited directly in the Downtown Development Authority project fund.

Section 8. Duration of Tax Increment Financing Plan. The Tax Increment Financing Plan will continue in effect until all purposes of the Development Plan and Tax Increment Financing Plan have been fulfilled.

Section 9. Ordinance Immediately Effective Upon Adoption. This Ordinance has been deemed necessary to assure the preservation of the general welfare of the Township of Pinconning community; therefore, said Ordinance shall become effective upon adoption.

I hereby certify that the foregoing constitutes a true and complete copy of an Ordinance duly adopted by the Township Board, at a meeting held on April 21, 1998, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

I further certify that the following Township Board Members were present at said meeting:

DONALD MOORE, MICHELE TRUDELL, SHARON STALSBERG
MARY KUSTERER

and that the following Township Board members were absent: SCOTT CARRUTHERS

I further certify that Board Member MARY KUSTERER moved adoption of said Ordinance, and that said motion was supported by DONALD MOORE.

I further certify that the following Township Board members voted for adoption of said Ordinance: DONALD MOORE, MICHELE TRUDELL, SHARON STALSBERG, MARY KUSTERER

and that the following Township Board Members voted against adoption of said Ordinance: NONE

Donald H Moore

Mr. Donald Moore
Township Clerk

Sharon Stallsberg

Ms. Sharon Stallsberg
Township Supervisor

I hereby approve the foregoing Ordinance.