

CHARTER TOWNSHIP OF MONITOR
SPECIAL TOWNSHIP BOARD MEETING
DECEMBER 19, 2016

The Supervisor called the meeting to order at 7:00 p.m.

Members present: Malkin, Kowalski, Pike, Brandt, Kochany, Reder, Walsh
Members absent: None
Also present: Richard Sheppard, Township Attorney

Motion by Brandt supported by Reder to adopt the agenda as presented.
Motion carried.

The Public Hearing to amend the DDA Development and TIF Plan opened at 7:03 p.m.
DDA Chairman B. Bartlett stated he appreciated the township's support for the continuation of the DDA.
The Public Hearing closed at 7:04 p.m.

Second Reading and Adoption of Ordinance 36-F

Sheppard stated it should be noted the Development Plan is consistent with all items previously considered.

Motion by Reder supported by Walsh to have this meeting serve as Second Reading and Adoption of Ordinance 36-F, an ordinance amending the DDA Development and TIF Plan as follows:

ORDINANCE 36-F

**AN ORDINANCE APPROVING, AMENDING AND EXTENDING
THE DOWNTOWN DEVELOPMENT AUTHORITY'S TAX
INCREMENT FINANCING PLAN AND DEVELOPMENT PLAN**

THE CHARTER TOWNSHIP OF MONITOR ORDAINS:

SECTION I

- (1) Pursuant to the Downtown Development Authority Act (Act 197 of 1975) that on March 23, 1989, the Township Board of the Charter Township of Monitor did by the adoption of Ordinance 34 create a Downtown Development Authority (hereafter referred to as the Downtown Development Authority of the DDA) and establish a Downtown Development District. Thereafter, the Township Board adopted a Resolution appointing a nine (9) member DDA Board and did then by the adoption of Ordinance 36 approve the Authority's Financing Plans and Development Plan
- (2) That on May 23, 1990, the Township Board of the Charter Township of Monitor, did by the adoption of Ordinance 36-A approve the

Downtown Development Authority's Amended Tax Increment Financing Plan and Amended Development Plan.

- (3) That on September 27, 2004, by the adoption of Ordinance 34-A the Township Board of the Charter Township of Monitor did expand the previously established Downtown Development District by the inclusion of additional land within the existing District.
- (4) That the DDA Board thereafter submitted a proposed Development Plan and Tax Increment Financing Plan to the Township, where upon the Township did on March 27, 2007, after such notice as required by the Act, conduct a public hearing concerning the proposed plans as approved by the DDA Board.
- (5) The Township Board of the Charter Township of Monitor determined that the Amended Development Plan and the Amended Tax Increment Financing Plan as submitted by the DDA Board constituted reasonable efforts and direction towards the furtherance of public purposes, and after giving due consideration to these factors as set forth in subsections (a) through (l) of Section 19 of the Act determined that the plans as submitted did comply with all statutory criteria.
- (6) The Township Board did approve the Amended Development Plan and the Amended Tax Increment Financing Plan previously submitted to the Township Board.
- (7) The Township Board of the Charter Township of Monitor determined that once the terms, conditions, development and obligations owing to Northern Michigan Land Development, L.L.C. pursuant to a Development Agreement dated June 13, 2006, as thereafter amended, were completed. That the Township Board of the Charter Township of Monitor pursuant to the said agreement did adopt on July 27, 2015 Ordinance 36-E which effectively repealed Ordinance 36-D effective as of December 31, 2016. That Ordinance 36-E is hereby rescinded by the adoption of this Ordinance.
- (8) That the DDA Board has requested that an amendment to the Development Plan and Tax Increment Financing Plan which extends the time frame for the annual capture of all tax collections due on or before December 31, 2026 should be adopted as the DDA continues to have projects and infrastructure to complete which were contemplated and described in the Development Plan and Tax Increment Financing Plan as amended and adopted by Ordinance 36-D. The Charter Township of Monitor determines that by extending the time frame for the annual capture of all tax collections due on or before December 31, 2026 should be adopted in order for the DDA to continue to be able to capture tax increment funds pursuant to the Tax Increment Financing Plan. That until an eligible project is approved and the Plans are amended, 100% of the Tax Increment Revenues will be passed through to all taxing

jurisdictions. By capturing the tax increment revenues, the DDA will be able to finance the improvements set forth in the Development Plan. The Township Board held a meeting on December 19, 2016, after such notice as required by the Act, did conduct a public hearing concerning the extension of the Development Plan and the Tax Increment Financing Plan as previously approved by the Township by Ordinance 36-D to December 31, 2026.

- (9) The Township Board of the Charter Township of Monitor determined that extending the Amended Development Plan and the Amended Tax Increment Financing Plan as submitted by the DDA Board to December 31, 2026 constitutes reasonable efforts and direction towards the furtherance of public purposes, and after giving due consideration to these factors as set forth in subsections (a) through (l) of Section 19 of the Act determines that the plans as they exist but extended to December 31, 2026 does comply with all statutory criteria.
- (10) The Township Board does accordingly approve the Development Plan and the Tax Increment Financing Plan as previously amended with the proviso that the time in both Development Plan and Tax Increment Financing Plan as amended for the annual capture of all tax collections by the DDA which are due on or before December 31, 2026. The Clerk shall keep copies of said Plans on file with the Township for review by the public.
- (11) In all other respects the Development Plan and Tax Increment Financing Plan adopted by Ordinance 36-D remain unchanged.

SECTION II

This Ordinance, once adopted, shall be filed with the Secretary of State of the State of Michigan and shall be published once in The Valley Farmer on or before December 22, 2016 and shall be effective upon publication.

Roll call vote:

Yes: Brandt, Pike, Arnold, Malkin, Miller

No: Kowalski, Kochany

Absent: None

Motion carried.

R-2016-024 Resolution to Authorize and confirm Distribution of Excess DDA Funds

Motion by Reder supported by Walsh to adopt Resolution R-2016-024, a resolution to authorize and confirm distribution of excess DDA funds as follows:

RESOLUTION TO AUTHORIZE AND CONFIRM DISTRIBUTION OF EXCESS MONITOR DDA FUNDS

WHEREAS, the Monitor Township DDA, County of Bay, and the Charter Township of Monitor agreed to extend the DDA's Tax Increment and

Financing Plan (TIF Plan) and it's Development Plan through 2026, unless terminated sooner; and

WHEREAS, a portion of the Agreement with the County of Bay, the Charter Township of Monitor, and its DDA was that the current cash proceeds held by the DDA at the end 2016 would be approximately \$480,000, and that the sum of \$80,000 would be retained by the DDA resulting in a distribution to the County of Bay, the Charter Township of Monitor, and other taxing jurisdictions; and

WHEREAS, the Agreement further requires the DDA to treat all taxing jurisdictions equally and to pay all taxing jurisdictions the respective share of funds on hand at the end of 2016, by January 31, 2017; and

WHEREAS, the DDA has indicated that it expects to have funds in excess of \$480,000 at the end of 2016, which was the number utilized within said Agreement, and the Agreement specifically allows the DDA to retain \$80,000 with all excess funds to be paid to all taxing jurisdictions proportionately; and

WHEREAS, this Township did previously adopt a motion requiring a 75% passthrough of the December 1, 2015 taxing statements, but did not specifically require a passthrough of the 2015 Summer tax collection at a rate of 75%, which would create an inequitable distribution to taxing jurisdictions; and

WHEREAS, the previously adopted motion by this Township resulted in a 75% passthrough to the County of Bay as the sole taxing jurisdiction to have a Summer tax collection, and it will be necessary to "true up" the deficiencies to the County of Bay.

NOW THEREFORE BE IT RESOLVED:

1. That the Treasurer in conjunction with the DDA, determine as of December 31, 2016 the total amount of cash that the DDA has on hand, free and clear of all claims and expenses.
2. That the DDA pursuant to the above-referenced Agreement will retain the sum of \$80,000 and will pay the taxing jurisdictions all sums in excess of \$80,000 pursuant to 1975 PA 197, the Tax Increment Financing Plan and the Ordinances of the Township.
3. That the DDA will pay all taxing jurisdictions their proportionate share no later than January 31, 2017.
4. That in conjunction with this distribution, the Treasurer shall work with the County Treasurer and DDA to ensure that the proportional share is equal for all taxing jurisdictions and remove any inequitable distribution that

may have been created by previous motion of the Charter Township of Monitor, calling for 75% distribution for the December 1, 2015 tax collection, not having made payment to the County of Bay for the Summer tax collection of 2015.

Roll call vote:

Yes: Brandt, Kowalski, Pike, Arnold, Malkin, Miller

No: Kochany

Absent: None

Motion carried.

The meeting adjourned at 7:07 p.m.

Cindy L. Kowalski, Clerk

Ken Malkin, Supervisor