

BYLAWS
of
THE TAX INCREMENT FINANCE AUTHORITY
CITY OF EAST TAWAS, MICHIGAN

ARTICLE I: PURPOSE

Section I. Statement of Purpose

A. Purpose:

The purpose of the Tax Increment Finance Authority of the City of East Tawas (“TIFA”), established in 1984, is to act in accordance with what is now Part 3, Act 57 of 2018, the Recodified Tax Increment Financing Act, MCL §175.4101 *et seq.* (the “Act”), as amended, as such statute may from time to time be amended; including, particularly, to correct and prevent deterioration in the TIFA District; to increase property tax valuation; to encourage renovation or reuse of vacant or unsightly property; to create and implement development plans in the TIFA District; to promote the economic growth of the City of East Tawas; and to encourage the expansion of commercial and other contributing enterprises in the TIFA District. The TIFA supplies the funding for the public and private sector leadership to provide for the future success and viability of the TIFA District.

B. Powers of the TIFA:

The Tax Increment Finance Authority of the City of East Tawas (“TIFA”) may:

- a. Prepare an analysis of economic changes taking place in the City of East Tawas and its environs as those changes relate to urban deterioration in the Development Area.
- b. Study and analyze the impact of growth upon the TIFA District.
- c. Plan and propose the construction, 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 TIFA, aids in the revitalization and growth of the Development Area.
- d. 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, being MCL §§ 175.1501 *et seq.*
- e. Develop long-range plans, in cooperation with the Planning Commission of the City of East Tawas, which is chiefly responsible for planning in the City, designed to halt the deterioration of the property values and to promote the

economic growth of the TIFA District and take such steps as may be necessary to implement the plans to the fullest extent possible.

- f. Implement any plan of development in the TIFA Development Area necessary to achieve the purposes of Part 3 of Act 57 of 2018, in accordance with the powers of the TIFA as granted by Part 3 of Act 57 of 2018.
- g. Make and enter into contracts necessary or incidental to the exercise of its powers and the performance of its duties.
- h. Acquire by purchase or otherwise, on terms and conditions and in a manner the TIFA considers proper, own, convey, demolish, relocate, rehabilitate, or otherwise dispose of, or lease as lessor or lessee, land and other property, real or personal, or rights or interests therein which the TIFA determines is reasonably necessary to achieve the purposes of Part 3 of Act 57 of 2018, and to grant or acquire licenses, easements, and options with respect thereto.
- i. Improve land, prepare sites for buildings including the demolition of existing structures, construct, reconstruct, rehabilitate, restore, preserve, equip, improve, maintain, repair, and operate any building, including any type of housing, and any necessary or desirable appurtenances to that property within the TIFA District for the use, in whole or in part, of any public or private person or corporation, or a combination thereof.
- j. Fix, charge and collect fees, rents, and charges for the use of any building or property under its control, or a facility in the building or on the property, and pledge the fees, rents, and charges for the payment of revenue bonds issued by the TIFA.
- k. Lease any building or property under its control or any part of a building or property.
- l. Accept grants and donations of property, labor, or other things of value from a public or private source.
- m. Acquire and construct public facilities.
- n. Incur costs in connection with the performance of its authorized functions, including, but not limited to costs for administration, architects, engineers, legal, and accounting fees.

C. Goals:

- a. Improve communication and processes between the City and businesses and other institutions.
- b. Increase awareness of the TIFA District.

- c. Improve the physical and visual appearance of the TIFA District (district) through various enhancements within the district which include:
 - **Continued entranceway improvements**
 - **Softening the appearance of the commercial areas**
 - **Improving vehicular and pedestrian circulation to reduce conflicts**
 - **Addressing parking needs in the district and adjacent residential areas**
 - **Encourage renovation or reuse of vacant or unsightly property and/or conditioned improvements of facades.**
- d. Improve the efficiency and effectiveness of the operating board, staff, and volunteers.
- e. Nurture community pride in and support of the TIFA District and the City.
- f. Promote the TIFA District through marketing, public relations, and communications strategies.
- g. Establish a coordinated effort among various organizations and agencies to support the revitalization of the TIFA District.
- h. Promote economic growth and increase property values in the TIFA District and to eliminate the causes of deterioration.
- i. Enhance the image of the TIFA District.
- j. Expand and diversify the mix of profit and non-profit enterprises and ownership thereof in the TIFA District.
- k. Strengthen residential development and renovation.
- l. Maintain and increase private sector investment and expansion.
- m. Encourage business excellence and quality in merchandise, services, and building appearance.
- n. Create a business district that is unique, diverse, friendly, comfortable, active, urban, cutting edge, accessible, creative, and cultural.

D. Goals Will be Achieved Through Long Term Commitment to the Following Areas:

- a. Design.
- b. Economic restructuring.
- c. Promotions.
- d. Organization.
- e. Financial Planning.

E. Funding Procedures:

Requests for project funding must be submitted to the TIFA Board.

ARTICLE II: OFFICES

Section I. Offices

The TIFA may have such offices as the TIFA Board may determine or the affairs of the TIFA may require from time to time.

ARTICLE III: BOARD MEMBERS

Section I. General Powers of the TIFA Board

The affairs of the TIFA shall be managed by its Board members

Section II. Number, Tenure, and Qualifications

The TIFA Board shall consist of seven (7) members, in addition to a City Council Representative. Each member’s term shall be four (4) years, and which shall be staggered in accordance with the terms of existing members as follows:

<u>Board Member</u>	<u>Current Term Expiration</u>
Rebecca Buchanan	December 31, 2022
Kevin Jungquist	December 31, 2023
Aimee O’Connor	December 31, 2023
Allen Tubbs	December 31, 2024
Jennifer Ladley	December 31, 2024
Zachary Sigulinsky	December 31, 2025
Martin Brummeler	December 31, 2025

At least a majority of the members shall be persons who have a vested interest in business real property located in the TIFA District. If the District has one hundred or more persons residing within it, then at least one of the members shall be a resident of the District. Each member shall take the constitutional oath of office prior to taking his/her position on the Board, and/or prior to the commencement of a new term.

Section III. Selection of Board Members

The Mayor, with the approval of the City Council, shall appoint the members of the TIFA Board. All terms shall commence effective January 1 immediately following the expiration of the preceding term.

In the event of a vacancy prior to the end of the corresponding term, the new appointee shall serve until the end of that term.

The TIFA Board may assist the Mayor and Council in recommending candidates for vacancies or future positions on the TIFA Board, which recommendations shall be based upon the Board's consideration of the needs of the TIFA Board, the needs of the TIFA District, and a review of applicants.

Section IV. Officers

The Chairperson, Vice Chairperson and Secretary of the TIFA Board shall be elected by the TIFA Board at the first meeting in January.

Section V. (Reserved)

Section VI. Removal

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 Council.

Section VII. Disclosure of Interests

A Board Member who has a direct financial interest in any matter before the TIFA Board shall disclose his or her interest prior to the TIFA Board taking any action with respect to the matter, which disclosure shall become a part of the record of the TIFA Boards official proceedings. Board Members shall be subject to the provisions of MCL §15.321, *et. seq.* (Conflict of Interest as to Contracts), MCL §15.341, *et. seq.* (Standards of Conduct and Ethics), and any applicable provisions of the City's Charter and Code of Ordinances.

Section VIII. Regular Meetings

Regular meetings of the TIFA Board of Directors shall be held on the second Tuesday of every other month beginning in January with a start time determined by the Board. All meetings of the TIFA Board shall be open to the public and shall be conducted in compliance with the Open Meetings Act (MCL§15.261 *et. seq.*).

Section IX. Special Meetings

Special meetings of the TIFA Board may be called by or at the request of the City Council, the Board Chairperson, or any three (3) TIFA Board Members.

Section X. Notice of Meetings

At the first meeting in January, the TIFA board will approve a meeting schedule for that year. This schedule will be posted on the calendar of the City's website and physically at City Hall. All other non-scheduled meetings called by the TIFA Board shall be preceded by a public notice in accordance with the Open Meetings Act as amended.

Section XI. Quorum and Voting

A majority of the members of the TIFA Board then in office shall constitute a quorum for the transaction of business. In the event that effective membership is reduced because of Disclosure of Interests (Article III, Section VII), a majority of the remaining members of the TIFA Board shall constitute a quorum for the transaction of business.

The vote of a majority of members present at a meeting at which a quorum is present shall

constitute the action of the TIFA Board unless the vote of a larger number is required by statute or elsewhere in these rules.

Section XII. Public Meetings

The meetings of the TIFA Board shall be open to the public and the TIFA Board may adopt rules consistent with the Open Meetings Act governing its procedures and the holding of meetings subject to the approval of City Council.

Section XIII. Compensation of Members

Members of the TIFA Board shall serve without compensation, but shall be reimbursed for actual and necessary expenses, subject to authorization by a vote of two-thirds of the majority of the Board Members.

Section XIV. Minutes of all Meetings

The minutes of any meeting of the TIFA Board will be available to all members of the TIFA Board for their review within five calendar days of the meeting and will be approved at the next regular scheduled meeting. Minutes will be posted on the City’s website after TIFA Board approval of those minutes. Minutes of the proceedings of regular or special meetings shall be prepared at the request of and provided to any member of the TIFA Board or the City Council. Minutes of closed meetings shall be maintained in conformity with and shall be subject to the provisions of the Open Meetings Act (MCL §15.261 *et. seq.*).

Section XV. Legal Counsel.

The TIFA Board may, in its discretion, retain legal counsel to advise in all of its matters and affairs.

ARTICLE IV: CONTRACTS, CHECKS, DEPOSITS, AND FUNDS

Section I. Contracts

The TIFA Board shall approve all contracts entered into by the TIFA Board with final approval of the City Council.

Section II. Gifts

The TIFA Board may accept, on behalf of the TIFA, any contribution, gift, bequest, or device for the general purposes or for any special purpose of the TIFA. The City Treasurer shall inform the TIFA Board of the receipt of such gifts.

Section III. Budget

The City Treasurer shall prepare and submit for the approval of the TIFA Board a budget for the operation of the TIFA for the ensuing year. The TIFA Board shall set goals and objectives annually in April to develop and approve a budget for the fiscal year beginning the first day of October. The TIFA Board shall approve an annual budget in May for inclusion in the annual budget presentation to City Council for City approval in June.

ARTICLE V: BOOKS AND RECORDS

The TIFA shall keep correct and complete books and records of account, shall also keep minutes of the proceedings of the TIFA Board, and shall keep at the City Clerk's office a record giving the names and addresses of the Board Members. All books and records of the Authority shall be open to the public at all times.

The Treasurer shall provide the TIFA Board and City Council with regular financial reports of the activities of the revenues received and expenditures made by the TIFA.

ARTICLE VI: FISCAL YEAR

The fiscal year of the TIFA shall begin on the first day of October and end the last day of September each year. However, the annual reporting for the Michigan Department of Treasury shall begin from the first day of May and end the last day of April.

ARTICLE VII: REPORTING

Section I.

- (1) Annually, on a form and in the manner prescribed by the Michigan Department of Treasury, the TIFA shall submit a report on the status of TIFA account. This report required by the Michigan Department of Treasury will be provided to the City Council, the governing body of a taxing unit levying taxes subject to capture by the TIFA, and the Michigan Department of Treasury on the status of the tax increment financing account. The report shall include all of the following:
 - (a) The name of the TIFA.
 - (b) The date the TIFA was formed, the date the tax increment financing plan is set to expire or terminate, and whether the tax increment financing plan expired during the immediately preceding fiscal year.
 - (c) The date the TIFA began capturing tax increment revenues.
 - (d) The current base year taxable value of the TIFA District.
 - (e) The amount and source of revenue in the account, including the amount of revenue from each taxing jurisdiction.
 - (f) The amount in any bond reserve account.
 - (g) The amount and purpose of expenditures from the account.
 - (h) The amount of principal and interest on any outstanding bonded indebtedness.
 - (i) The initial assessed value retained by the TIFA by property tax classification.

- (j) The captured assessed value retained by the TIFA by property tax classification.
 - (k) The tax increment revenues received for the immediately preceding fiscal year.
 - (l) Whether the TIFA amended its Development Plan or its tax increment financing plan within the immediately preceding fiscal year and if the TIFA amended either plan, a link to the current development plan or tax increment financing plan that was amended.
 - (m) Any additional information the City or the Michigan Department of Treasury considers necessary.
- (2) The report described in Section 1 above, shall be filed with the Michigan Department of Treasury as the annual financial report filing under Section 4 of the Uniform Budgeting and Accounting Act, MCL §141.424.

ARTICLE VIII: AMENDMENTS TO BYLAWS

These by-laws may, in whole or in part, be altered, amended, or repealed, and new by-laws may be adopted by a majority of the members appointed and serving if written notice is given of any intention to alter, amend, or repeal or to adopt new bylaws at such meeting. The full nature of the by-law change shall be included in the notice. Adoption of by-law changes shall require affirmative votes by no less than six members of the TIFA Board and subsequent approval by the City Council.

ARTICLE IX: POLITICAL CAMPAIGN ACTIVITY

The TIFA shall not expend funds of the TIFA or otherwise contribute to the advocacy of any political candidate or ballot question.

ARTICLE X: PARLIAMENTARY AUTHORITY

The rules contained in the current edition of *Robert's Rules of Order Newly Revised* shall govern the TIFA Board in all cases to which they are applicable and in which they are not inconsistent with these by-laws and any special rules of order the TIFA Board may adopt.

Adopted by the TIFA on October 5, 2022

Adopted by the City of East Tawas on October 17, 2022