

**CHARTER TOWNSHIP OF VAN BUREN
LOCAL DEVELOPMENT FINANCE AUTHORITY
AGENDA**

Regular Meeting: Tuesday, July 09, 2019 – 2:00 p.m., Denton Room

CALL TO ORDER

ROLL CALL

Chairman Dotson	_____	Doug Peters	_____
VACANT	_____	John Delaney	_____
Leonard Armstrong	_____	James Williams	_____
Chuck Covington	_____	Sara Cortese	_____
Scott Medlen	_____	David Schreiber	_____
Supervisor McNamara	_____		

Recording Secretary Grishaber _____

APPROVAL OF AGENDA:

APPROVAL OF MINUTES:

1. Regular Meeting: May 14, 2019

CORRESPONDENCE:

PUBLIC COMMENT:

UNFINISHED BUSINESS:

1. Marketing/Community Outreach Update

NEW BUSINESS:

1. Potential Bylaw Updates
2. Agreement between the Local Development Finance Authority and the Charter Township of Van Buren regarding the bond payment shortfall

NON-AGENDA ITEMS:

ADJOURNMENT:

CLOSED SESSION:

ADJOURNMENT:

If you are unable to attend this meeting, please notify Secretary Grishaber at 734.699.8913

**HARTER TOWNSHIP OF VAN BUREN
LOCAL DEVELOPMENT FINANCE AUTHORITY
AGENDA
TUESDAY, MAY 14, 2019**

CALL TO ORDER: Chairman Dotson called the meeting to order at 2:03pm.

ROLL CALL:

Present: Dotson, Covington, Medlen, Williams, Delaney, Peters, Cortese, Schreiber, Delaney, McNamara.

Absent/Excused: Armstrong

Staff: Director: Akers, Recording Secretary: Tina Grishaber.

APPROVAL OF AGENDA:

Motion: Delaney support Peters to approve May 14, 2019 Agenda.

Motion: Delaney support Peters to approve the Special Meeting & Closed Session May 16, 2019.

Motion Carried.

APPROVAL OF MINUTES:

Motion: Peters, support Delaney to approve the March 12, 2019 Regular Meeting Minutes.

Motion Carried

CORRESPONDENCE: NONE.

PUBIC COMMENT: NONE.

UNFINISHED BUSINESS:

1. Marketing/Community Outreach Update: Township staff indicated that they promoted Grace Lake at the Wayne County Development Summit which was held in Detroit. There was a discussion on ways to inform the community the great amenities Grace Lake has to offer.

NEW BUSINESS:

1. Potential Bylaw Updates: Director Akers discussed with the committee the by-laws officer's duties and responsibilities for the officers LDFA Board. There was discussion regarding a potential change the titles to, Chairman, Vice Chairman & potentially Deputy Vice Chair. Director Akers was given direction to review some other potential officer names and review PA 57 to ensure that the LDFA is meeting the requirements of the law.

2. Website Update Proposal: Discussion was held regarding the a proposal to update the website. It was the consensus of the Board of Director's that this item should be removed from the agenda as it is an unnecessary expense.

NON-AGENDA ITEMS: Supervisor McNamara past out documents to the members concerning the Michigan Supreme Court Order for their review.

ADJOURNMENT:

Motion by Delaney support Covington to adjourn the meeting at 2:47pm.

Respectfully Submitted,
Account Secretary
Tina Grishaber.



Memo

TO: Local Development Finance Authority

FROM: Ron Akers, AICP
Director of Planning and Economic Development

RE: Bylaw Revisions

DATE: July 3, 2019

At the May Board of Directors meeting I was asked to look into two (2) items. First, I was asked to look at common titles for the 2nd Vice-Chairperson position and second I was asked to review the Recodified Tax Increment Financing Act (PA 57 of 2018) for relevant sections of the laws regarding officers of the LDFA. My findings are as follows:

Common Titles for the Second Vice-Chairperson – In situations where there are officers of a board where one of the officers has the responsibility of assuming chairperson responsibilities in the absence of the chairperson and vice-chairperson the most common name, I identified was 2nd Vice-Chairperson. This was identified by an online version of Roberts Rules of Order and a few other online bylaws. Based on this I am recommending that we change the Vice-Chairperson title to 1st Vice-Chairperson and the Corresponding Secretary Title to 2nd Vice-Chairperson.

Review of PA 57 of 2018 – The only mention of officers that I could find in the statute was regarding the chairperson position. The statute states, “The chairperson shall be elected by the board.” The statute also requires that the board adopt rules governing its procedure and the holding of regular meetings. Based on this it appears the laws gives us the flexibility to create these additional officer positions.

I have attached to this memo proposed revisions to the bylaws which add general responsibilities to the three elected officers of the board of directors as well as a procedure for electing a temporary chairperson in the event of the absence of all three elected officers. I look forward to your discussion on this item.

LOCAL DEVELOPMENT FINANCING AUTHORITY
OF THE
CHARTER TOWNSHIP OF VAN BUREN

BY LAWS

ARTICLE I

Purpose and powers. The purpose or purposes for which the Authority is organized are as follows: To encourage local development to prevent conditions of unemployment and promote economic growth; to provide for the establishment of local development finance authorities and to prescribe their powers and duties; to provide for the creation and implementation of development plans; to authorize the acquisition and disposal of interests in real and personal property; to permit the issuance of bonds and other evidences of indebtedness by an authority; to reimburse authorities for certain losses of tax increment revenues; and to authorize and permit the use of tax increment financing.

ARTICLE II

Section 1. The business and property of the Authority shall be managed and directed by the board of directors, whom will each take and subscribe to the constitutional oath. The members shall serve four (4) year terms of office from the date of their respective appointment, except as provided for in the ordinance creating the Authority, and shall be non-compensated but reimbursed for actual sanctioned expenses.

Section 2. The board shall include seven (7) members appointed by the Township Supervisor, subject to the approval of the Township Board.

Section 3. The board shall include one (1) member appointed by the county board of commissioners of the county in which the Authority is located. The board shall include one (1) member representing a community or junior college in whose district the Authority is located appointed by the chief executive officer of that community or junior college. The board shall also include two (2) members appointed by the chief executive officer of each local government unit, other than the Township which levied twenty percent (20%) or more of the ad valorem property taxes levied against all property located in the Authority district.

Section 4. The board of directors shall annually at its first regular meeting of the calendar year designate one of its members as chairperson, one of its members as vice chairperson, and one of its members as corresponding secretary. The officers so elected shall serve a term of one (1) year or any part thereof as may be determined, and until his/her successor is designated. No term of office created under this section shall extend beyond the term of the member designated. All officers shall take their respective office at the next regular or special meeting.

- A. *Duties of the Chairperson. The Chairperson retains his or her ability to discuss, make motions, and vote on issues before the board of directors. The Chairperson shall:*
- 1. Preside at all meetings with all powers under parliamentary procedure;*
 - 2. Shall rule out of order any irrelevant remarks; remarks which are personal; remarks about another's race, religion, sex, physical condition, ethnic background, beliefs, or similar topics; profanity; or other remarks which are not about the topic before the board of directors;*

3. *Restate all motions or request the Recording Secretary to restate all motions prior to voting on said motions;*
 4. *Appoint committees;*
 5. *May call special meetings;*
 6. *Review with staff, prior to a board of directors meeting, the items to be on the agenda if he or she chooses to do so;*
 7. *Acts as the LDFA's chief spokesman to represent the LDFA at local, regional, and state government levels;*
 8. *Represent the LDFA, along with the Township Board LDFA member before the Township Board and other boards & commissions;*
 9. *Perform such duties as may be ordered by the board of directors*
- B. Duties of the 1st Vice-Chairperson. The 1st Vice-Chairperson shall:*
1. *Act in the capacity of Chairperson, with all the responsibilities, powers, and duties outlined in these bylaws, in the Chairperson's absence; and*
 2. *Perform such other duties as may be ordered by the board of directors.*
- C. Duties of the 2nd Vice-Chairperson. The 2nd Vice-Chairperson shall:*
1. *Preside at meetings in the absence of the Chairperson and the 1st Vice-Chairperson; and*
 2. *Perform such other duties as may be ordered by the board of directors.*
- D. Absence of Elected Officers. Should neither the Chairperson, Vice-chairperson, nor the Secretary be present at a meeting, a temporary chairperson shall be elected by a majority vote of the members present under the following process:*
1. *Any member of the board of directors may call the meeting to order.*
 2. *The first order of business after calling the roll will be to appoint a temporary chairperson for that evenings meeting. The temporary chairperson will be appointed by a simple majority of the members present.*
 3. *The temporary chairperson shall assume the position immediately following their appointment.*

ARTICLE III

Section 1. All regular meetings shall be held in the Township of Van Buren, County of Wayne, Michigan.

Section 2. A regular meeting of the board of directors will be held at 2:00 PM on the second Tuesday of every other month.

Section 3. Special meetings shall be held whenever called by the direction of the chairperson, director, Supervisor of the Township of Van Buren, or any six (6) members of the board of directors on eighteen (18) hours written notice of the time and place of the meeting.

Section 4. Any six (6) members of the board of directors shall constitute a quorum, and the affirmative or negative vote of six (6) members shall be necessary for the transaction of any and all business or passage or denial of any resolution. Three unexcused absences, by any member, will result in automatic resignation from the LDFA.

Section 5. At meetings of the board of directors, business shall be conducted in accordance with Roberts Rules of Order.

Section 6. Public Comment. Public Comment contains the following imposed regulations:

- The speaker is limited to five (5) minutes;
- There shall be no debate: and
- The speaker is encouraged to provide written copies of his/her comments.

Section 7. Teleconferencing. Any member of the board of directors may attend and participate at a regular or special meeting via teleconferencing. Teleconferencing shall be subject to the following regulations:

- A quorum of the board of directors shall be physically present at the meeting.
- A speaker phone or similar device which allows the public the opportunity to listen and to participate in the meeting shall be provided at the location of the meeting where the members are physically present.
- The telecommuter shall ensure the location they select to telecommute from is quiet and any background noise is limited.
- Meeting minutes shall indicate those physically present and those present through teleconference.
- Requests to participate in a meeting via teleconference shall be made to the Chairperson/designee at least two (2) business days prior to the meeting. The Chairperson/designee shall have discretion to allow or not allow that member to attend via teleconference. The decision of the Chairperson/designee shall be final.
- The member of the board of directors telecommuting and compliant with these regulations shall not be authorized to vote on any items presented to the board of directors. When any members are teleconferencing all votes of the board of directors shall be made via roll call vote to ensure the accuracy of the vote.

ARTICLE IV

Section 1. The chairperson shall preside at meetings of the board of directors and shall do and perform such other duties as may from time to time be assigned to him/her by the board of directors. The vice chairperson shall perform the duties of the chairperson in the chairperson's absence and such other duties as shall from time to time be assigned to him by the board of directors.

Section 2. Director. The board of directors may recommend the employment and compensation of a director, subject to the approval of the Township Board. A member of the board of directors is not eligible to hold the position of director. Before entering upon the duties of his/her office, the director shall take and subscribe to the constitutional oath, and furnish a bond through the Township's existing insurance program by posting a bond in the penal sum determined in the ordinance establishing the Authority, payable to the board of directors, approved by the Township Board, and filed with the Van Buren Township Treasurer. The premium of the bond shall be deemed an operating expense of the Authority, payable from funds available to the board of directors for expenses of operation. The director shall be the executive director of the Authority. Subject to the approval of the LDFA, the director shall supervise, and be responsible for the preparation of plans and performance of the functions of the Authority in the manner authorized by Act 281. The director shall attend meetings of

the board of directors, and shall render to the board of directors and to the Township Board of Trustees a regular report covering the activities and financial condition of the Authority. If the director is absent or disabled, the board of directors may designate a qualified person as acting director to perform the duties of the office. Before entering upon the duties of his/her office, the acting director shall take and subscribe to the oath, and furnish a bond, as required of the director. The acting director shall furnish the board of directors with information or reports governing the operation of the Authority as the board of directors requires.

Section 3. All purchasing shall be in compliance with its adopted policy.

Section 4. The LDFA may authorize the director or an agent or agents of the board of directors to enter into any contract or execute and deliver any instrument on behalf of the Authority within the limits authorized by Act 281. The authorization may be general or confined to specific instances.

Section 5. The LDFA may employ such manual, technical, financial and professional assistance as in its judgment may be necessary and is incidental to carry out the purpose of the Authority when funds are available.

Section 6. The fiscal year shall begin with the first day of January and end on the 31st day of December in each year.

Section 7. The LDFA shall have an annual audit of its business and the result thereof shall be submitted to the governing body of the Township. The audit may be completed as part of the regular audit of the Township. This shall be deemed an operating expense of the LDFA.

ARTICLE V

Section 1. The board of directors shall have power to make, alter or amend the bylaws in whole or in part.

Section 2. These bylaws shall become effective upon approval of the Board of Trustees of the Charter Township of Van Buren. Until such approval, the bylaws shall be temporary bylaws for the Authority.

RECODIFIED TAX INCREMENT FINANCING ACT (EXCERPT)
Act 57 of 2018

125.4405 Board; appointment, qualification, and terms of members; vacancy; reimbursement for expenses; chairperson; oath of office; rules; procedure; meetings; removal of member; publicizing expense items; financial records open to public; subsections (1) and (5) inapplicable to certain authority.

Sec. 405. (1) The authority shall be under the supervision and control of a board of 7 members appointed by the chief executive officer of the city, village, or urban township creating the authority subject to the approval of the governing body creating the authority. The board shall include 1 member appointed by the county board of commissioners of the county in which the authority is located. The board shall include 1 member representing a community or junior college in whose district the authority is located appointed by the chief executive officer of that community or junior college. The board shall also include 2 members appointed by the chief executive officer of each local governmental unit, other than the city, village, or urban township creating the authority, which levied 20% or more of the ad valorem property taxes levied against all property located in an authority district in the year before the year in which the authority district is established. However, those additional members shall only vote on matters relating to authority districts located within their respective local unit of government. Of the members first appointed, an equal number, as near as possible, shall have terms designated by the governing body creating the authority of 1 year, 2 years, 3 years, and 4 years. However, a member shall hold office until the member's successor is appointed. After the first appointment, each member shall serve for a term of 4 years. An appointment to fill a vacancy shall be made in the same manner as the original appointment. An appointment to fill an unexpired term shall be for the unexpired portion of the term only. Members of the board shall serve without compensation, but shall be reimbursed for actual and necessary expenses.

(2) The chairperson of the board shall be elected by the board.

(3) Before assuming the duties of office, a member shall qualify by taking and subscribing to the constitutional oath of office.

(4) The board shall adopt rules governing its procedure and the holding of regular meetings, subject to the approval of the governing body. Special meetings may be held when called in the manner provided in the rules of the board. Meetings of the board shall be open to the public, in accordance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(5) Subject to notice and an opportunity to be heard, a member of the board may be removed before the expiration of his or her term for cause by the governing body. Removal of a member is subject to review by the circuit court.

(6) All expense items of the authority shall be publicized annually and the financial records shall be open to the public pursuant to the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(7) The provisions of subsections (1) and (5) of this section shall not apply to an authority exercising its powers under section 403(3).

History: 2018, Act 57, Eff. Jan. 1, 2019.



Memo

TO: Local Development Finance Authority

FROM: Ron Akers, AICP
Director of Planning and Economic Development

RE: Agreement Between the LDFA and VBT

DATE: July 3, 2019

The following is a proposed agreement which formalizes the roles of the LDFA and Township with regards to the Township advancing funds to assist the LDFA with their bond payments. This agreement has been reviewed by the LDFA's legal counsel Paul Bohn and he has worked with Chairman Dotson to come up with this agreement. In short, this agreement has provisions in which the LDFA agrees that any payments the Township is legally obligated to make to cover shortfalls in tax increment revenues necessary to meet the LDFA's debt service shall be treated as an advance and shall be reimbursed from future tax increment revenues.

I look forward to the LDFA's discussion on this matter and please feel free to contact me with any additional questions.