

BYLAWS: RULES GOVERNING THE ELK RAPIDS DOWNTOWN DEVELOPMENT AUTHORITY

ARTICLE I. PURPOSES AND POWERS

The purpose or purposes for which the Authority is organized are as follows: To act as a Downtown Development Authority in accordance with Act 197 of the Public Acts of 1975, as amended, including, but not limited to: to correct and prevent deterioration in the Downtown Development District, to encourage historic preservation, to create and implement development plans, and to promote economic growth. In furtherance of these purposes, the Authority shall have all the powers which now or hereafter maybe conferred by law on Authorities organized under Act 197, Public Acts of 1975 as amended; and Public Law 91-646, being the Federal Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970. The power or authority given under Public Act 197 as follows:

- a) Prepare an analysis of economic changes taking place in the downtown district.
- b) Study and analyze the impact of metropolitan growth and greater area growth upon the downtown district.
- c) Plan and propose the construction, the renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a public facility, an existing building, or a multi-family dwelling unit which may be necessary or appropriate to the execution of a plan which in the opinion of the board, aids in the economic growth of the downtown area.
- d) Develop long range plans, in cooperation with the Planning Commission of the Village of Elk Rapids, designed to halt deterioration of property values in the downtown district, and take such steps as may be necessary to persuade property owners to implement the plans to the fullest extent possible.
- e) Implement any plan of development in the downtown district necessary to achieve the purposes of this act, in accordance with the powers of the authority as granted by this act.

- f) Make and enter into contracts necessary or incidental to the exercise of its powers and the performance of its duties.
- g) Acquire by purchase or other means on terms and conditions and in a manner the Authority deems proper or own, convey, or otherwise dispose of, or lease, or lease as lessor or leasee, and land and other property, real or personal, or rights of interest therein, which the Authority determines is reasonably necessary to achieve the purposes of this act, and to grant or acquire licenses, easements, and options with respect thereto.
- h) Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve maintain, repair and operate any building including multi-family dwellings, and any necessary or desirable appurtenances – thereto, within the downtown district for the use, in whole or in part, of any public or private person or corporation, or a combination thereof.
- i) Fix, charge, and collect fees, rents, and charges for the use of any building or property -under its control or part thereof, or facility therein, and pledge the fees, rents, and charges for the payment of revenue bonds issued by the Authority.
- j) Lease any building or property under its control, or any part thereof.
- k) Accept grants and donations of property, labor, or other things of value from a public or private sources.
- l) Acquire and construct public facilities.

ARTICLE II. BOARD

Section 1. General Powers

The Authority shall be under the supervision and control of the Board.

Section 2. Number, Tenure, and Qualifications

The Board of the Authority shall consist of at least nine Persons. The Chief Executive Officer of the Village of Elk Rapids and eight to twelve members. The members shall be appointed for the term of four

years except that 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. At least five of the members 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 if it has one hundred or more persons residing within it.

Section 3. Selection of a board member

The Chief Executive Officer of the Village of Elk Rapids with the advice and consent of the Village Council shall appoint the members of the Board. Subsequent board members shall be appointed in the same manner as the original appointments at the expiration of each member’s term of office. Before assuming the duties of the office, a member shall qualify by taking and subscribing to the constitutional oath of office.

Section 4. Compensation of members

Members of the board shall serve without compensation, but shall be reimbursed for actual and necessary expenses.

Section 5. Expiration of term, Continuation in Office, Reappointment, and Filling Vacancies.

Members whose terms of office have expired shall continue to hold office until a successor has been appointed. If a vacancy is created by the death, resignation, or removal of a member, a successor shall be appointed by the Village President with the advice and consent of the Village Council within thirty days to hold office for the remained of the term vacated.

Section 6. Removal

Pursuant to proper notice and an opportunity to be heard, a member may be removed from office for neglect of duty including nonattendance at meetings, misconduct, malfeasance, or other good cause by a majority vote of the Village Council. Removal of a member is subject to review by the Circuit Court.

Section 7. Disclosure of Interest

A Board member who has a direct interest in any matter before the Authority shall disclose his interest prior to the Authority taking any action with respect to the matter and such disclosure shall become a part of the record of the Authority's official proceedings. Further, any member making such disclosure shall then refrain from participating in the Authority's decision-making process to such matter.

ARTICLE III Officers

Section 1. Officers

The officers of the Authority shall be a Chairman, Vice Chairman, and Secretary.

Section 2. Removal of Officers

An officer may be removed by the board whenever in its judgement the best interest of the Authority would be served.

Section 3. Filling of vacancies

A vacancy may be filled by the board for the unexpired portion of the term.

Section 4. Chairman

The Chairman shall preside at all meetings of the board and shall discharge the duties of a presiding officer.

Section 5. Vice Chairman

In the absence of the chairman or in the event of his inability or refusal to act, the Vice Chairman shall perform the duties of the Chairman and when so acting shall have all the powers and be subject to all restrictions of the Chairman.

ARTICLE IV. MEETINGS

Section 1. Annual Meeting

The Annual Meeting shall be held at the regular day and time of the April Meeting in the Elk Rapids Governmental Center. The election of officers shall occur at the annual organizational meeting. If the election of officers should not occur on the day designated, or any adjournment thereof, the board shall

cause the election to be held at a regular or special meeting of the board within ninety days of the Annual Meeting. An Annual report of the Authority to the Village Council is held at the Council's first meeting in May.

Section 2. Regular Meetings

Regular meetings of the board shall be held at 6:30PM on the 2nd Wednesday of each month in the Elk Rapids Government Center. In the event the meeting day shall fall on a holiday, the meeting will occur on the following day. The financial records shall always be open to the public. Any regularly scheduled meeting may be canceled for a lack of quorum.

Section 3. Special Meetings

Special meetings of the board may be called by the Chairman, by the Vice Chairman in the absence of the Chairman, by the Executive Director, by any three members, or by the Village Council by giving twenty-four hour's notice of the meeting stating the purpose and by posting the notice eighteen hours prior to the meeting.

Section 4. Notice of Meeting

All meetings shall be preceded by public notice posted eighteen hours prior to the meeting in accordance with the Open Meetings Act (ACT 267 of the Public Acts of 1976, as amended). Notice to the members of the board and to the public shall be the responsibility of the Secretary.

Section 5. Quorum and Voting

A majority of members of the board in office shall constitute a quorum for the transaction of business. No action shall be taken except upon concurring vote of five members of the board, unless a higher number is required by statute or these rules. In the event that effective membership is reduced because of disclosure of interest (Article II, Section 7), a majority of the remaining members eligible to vote shall constitute the action of the board.

ARTICLE V. EMPLOYMENT OF PERSONNEL

Section 1. Executive Director

The board may employ or contract and fix compensation of a director, subject to the approval of the Village Council. The director shall serve at the pleasure of the board. A member of the board is not eligible to hold the position of director. Before entering upon the duties of the office the director shall take and subscribe to the constitutional oath, and furnish bond, by posting a bond in the penal sum determined in the ordinance establishing the Authority, payable to the Authority for the use and benefit of the Authority, approved by the board, and filed with the Village Clerk. The premium on the bond shall be deemed an operating expense of the Authority, payable from funds available to the Authority for expenses and operation. The director shall be the chief executive officer of the Authority. Subject to the approval of the board, 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 197 of Public Acts of 1975, as amended. The director shall attend the meetings of the board, shall render to the board and to the Village Council a regular report covering the activities and financial condition of the Authority. If the director is absent or disabled, the board may designate a qualified person as acting director to perform the duties of the office. Before entering upon the duties of the office, the acting director shall take and subscribe to the oath, and furnish bond, as required of the director. The director shall furnish the board with information or reports governing the operation of the Authority as the board requires. The director shall not be a full-time Village employee.

Section 2. Treasurer

The board may employ and fix compensation of a Treasurer if he or she is not a board member, who shall keep the financial records of the Authority and who, together with the director, shall approve all vouchers for the expenditures of funds of the Authority. The Treasurer shall perform such other duties as may be delegated by the board and shall furnish bond in an amount prescribed by the board.

Section 3. Secretary

The board may employ and fix compensation of a secretary, who shall maintain custody of the official seal of the records, books, documents, or other papers not required to be maintained by the controller. The Secretary shall attend meetings of the board and keep a record of its proceedings, and shall perform such other duties delegated by the board.

Section 4. Legal Council

The board may retain legal counsel to advise the board in the proper performance of its duties. The legal counsel shall represent the Authority in actions brought by or against the Authority.

Section 5. Other Personnel

The board may employ other personnel deemed necessary by the board.

ARTICLE VI. COMMITTEES AND ADVISORY BOARDS

Section 1. Committees

The board by resolution may designate and appoint one or more committees to advise the board. The committee chair shall be members of the Authority. The Chairman of the Authority shall appoint the members and select the chairman. The committees may be terminated by a vote of the Authority. At the annual meeting the committees will be evaluated and reappointed or dissolved. A majority of the members committee shall constitute a quorum. A majority of the members present at the meeting at which a quorum is present shall be the act of the committee.

ARTICLE VII. CONTRACTS AND FUNDS

Section 1. Contracts

The board may authorize the Executive Director or an agent or agents of the Authority to enter into any contract or execute and deliver any instrument on behalf of the Authority within the limits authorized by Public Act 197. The authorization may be general or confined to specific instances.

Section 2. Funds

All checks, drafts, or orders for the payment of money, notes, or other evidence of indebtedness issued in the name of the Authority shall be approved by the Authority and dispensed by the Village.

Section 3. Contributions or Gifts

The Authority will follow Village Resolution 11-107 regarding the acceptance of gifts, donations, grants, memorial recognition requests.

ARTICLE VIII. BOOKS AND RECORDS

Section 1. Books and Records

The Authority shall keep correct and complete records of books and accounts and minutes of the meetings. The records shall be kept at the principal office of the Authority which will have a record of the names and addresses of the members of the Authority. All books and records of the Authority shall be open to the public. An annual audit by an independent certified public accountant will be conducted.

Section 2. Fiscal Year

The fiscal year of the Authority shall at all times conform to the Fiscal Year of the Village of Elk Rapids.

ARTICLE IX. RAISING OF FUNDS

Section 1. Ad Valorem Tax

The Authority with the approval of the Village Council may levy an ad valorem tax on the real and tangible property not exempt by law and as finally equalized in the downtown district. The tax shall be collected by the Village of Elk Rapids. The Village shall collect the tax at the same time and in the same manner as it collects its other ad valorem taxes. The tax shall be paid to the treasurer of the Authority and credited to the general fund of the Authority for purposes of financing only the operations of the Authority.

Section 2. Borrowing Money Prior to Collection of Taxes

The Village may at the request of the Authority borrow money and issue its notes therefor pursuant to Act 202 of the public Acts of 1943, as amended, being sections 131.1 and 138.2 of the Michigan Compiled Laws, in anticipation of collection of ad valorem tax authorized in this section.

Section 3. Revenue Bonds

The Authority may borrow money and issue its negotiable revenue bonds therefor pursuant to Act 94 of the Public Acts of 1933, as amended being sections 141.101 to 141.139 of the Michigan compiled laws. Revenue bonds issued by the Authority shall not except as hereinafter provided be deemed a debt of the Village of Elk Rapids or the State of Michigan. The Village Council by a majority vote of the members may pledge its full faith and credit to support the Authority's revenue bonds.

Section 4. Tax Increment Financing

When the Authority determines that it is necessary for the achievement of the purposes of Act 197, Public Acts of 1975, the Authority shall prepare and submit a tax increment financing plan to the Village Council. The plan shall include a development plan as provided in Section 17, Act 197 Public Acts of 1975 with a detailed explanation of the tax increment procedure, the amount of bonded indebtedness to be incurred, the duration of the program, and shall be in compliance with Section 15 of that Act. The plan shall contain a statement of estimated impact of tax increment financing on the assessed values of all taxing jurisdictions in which the development area is located. The plan may provide for the use of part or all of the captured assessed value, but the portion intended to be used by the authority shall be clearly stated in the tax increment financing plan.

ARTICLE X. DISTRICT BOUNDARIES

The Authority shall exercise its power within the Downtown Development District of the Village of Elk Rapids so determined by ordinance of the Village Council.

ARTICLE XI. AMENDMENT TO RULES

These rules may be altered, amended, or repealed and new rules adopted by a majority of the members present at any regular meeting.

Amended and Approved by the Board of Directors at a regular meeting April, 2017

Adopted by the Board of Directors as recommended by Attorney Stanley Burke 1985.

Approved by Elk Rapids Village Council at a regular Village Council Meeting 2/18/85