

RESOLUTION NO. 2006-27
RESOLUTION APPROVING
TAX INCREMENT FINANCING AND DEVELOPMENT PLAN

Charter Township of Ypsilanti
County of Washtenaw, State of Michigan

Minutes of a Regular Meeting of the Township Board of the Charter Township of Ypsilanti, County of Washtenaw, State of Michigan (the "Township") held in the Township, on the 5th day of September, 2006, at 7:00 o'clock p.m. prevailing Eastern Time.

PRESENT: Members Eldridge, Currie, Sizemore, Ostrowski, Jannick, Stumbo and Doe.

ABSENT: Members None

The following preamble and resolution were offered by Member Stumbo and seconded by Member Eldridge.

WHEREAS, the Local Development Finance Authority of the Charter Township of Ypsilanti (the "Authority") has prepared and recommended for approval a Tax Increment Financing and Development Plan (the "Plan"); and

WHEREAS on August 15, 2006, the Township Board held a public hearing on the Plan pursuant to Act 281, Public Acts of Michigan, 1986 (the "Act"); and

WHEREAS the Township Board has given the taxing jurisdictions in which the Eligible Property (hereinafter defined) is located an opportunity to meet with the Township Board and to express their views and recommendations regarding the Plan, as required by the Act.

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. Definitions. Where used in this Resolution the terms set forth below shall have the following meaning unless the context clearly requires otherwise:

"Base Year Assessment Roll" means the base year assessment roll prepared by the Township Assessor in accordance with this Resolution.

"Captured Assessed Value" shall have the meaning described in the Act.

"Eligible Property" shall have the meaning described in the Act.

"Initial Assessed Value" shall have the meaning described in the Act.

"Plan" means the "Tax Increment Financing and Development Plan" prepared by the Authority, as transmitted to the Township Board by the Authority for public hearing, confirmed

by this Resolution, copies of which Plan are on file in the office of the Township Clerk.

“Project Fund” means the Local Development Finance Authority Project Fund established pursuant to this Resolution.

“Taxing Jurisdiction” shall mean each unit of government levying an ad valorem property tax on the Eligible Property which taxes are subject to capture by the LDFA.

“Local Development Finance Authority”, “LDFA” or “Authority” means the Local Development Finance Authority of the Charter Township of Ypsilanti.

2. Review Considerations. As required by the Act, the Township Board has in reviewing the Plan taken into account the following considerations:

(a) The Development Plan included in the Plan meets the requirements set forth in section 15(2) of the Act and the Tax Increment Financing Plan included in the Plan meets the requirements set forth in section 12(1), (2) and (3) of the Act.

(b) The proposed method of financing the public facilities is feasible and the Authority has the ability to arrange the financing.

(c) The development is reasonable and necessary to carry out the purposes of the Act.

(d) The amount of Captured Assessed Value estimated to result from adoption of the Plan is reasonable.

(e) The land to be acquired under the Development Plan, if any, is reasonably necessary to carry out the purposes of the Plan and the purposes of the Act.

(f) The Development Plan is in reasonable accord with the master plan of the Township.

(g) Public services, such as fire and police protection and utilities, are or will be adequate to service the property described in the Plan.

(h) Changes in zoning, streets, street levels, intersections, and utilities, to the extent required by the Plan, are reasonably necessary for the project and for the Township.

3. Public Purpose. The Township Board hereby determines that the Plan constitutes a public purpose.

4. Best Interest of the Public. The Township Board hereby determines that it is in the best interests of the public to eliminate the conditions of unemployment, underemployment, and joblessness and to promote economic growth in the Township to proceed with the Plan.

5. Approval and Adoption of Plan. The Plan as submitted by the Authority is hereby approved and adopted. A copy of the Plan and all amendments thereto shall be maintained on

file in the Township Clerk's office.

6. Boundaries of Project Area. The boundaries of the Project Area as set forth in the Plan are hereby adopted and confirmed.

7. Preparation of Base Year Assessment Roll.

(a) Within 60 days of the adoption of this Resolution, the Township Assessor shall prepare the initial Base Year Assessment Roll. The initial Base Year Assessment Roll shall list each Taxing Jurisdiction in the Project Area on the effective date of this Resolution and the amount of tax revenue derived by each Taxing Jurisdiction from ad valorem taxes on the Eligible Property, excluding millage specifically levied for the payment of principal and interest of obligations approved by the electors or obligations pledging the unlimited taxing power of the local governmental unit.

(b) The Township Assessor shall transmit copies of the initial Base Year Assessment Roll to the Township Treasurer, County Treasurer, Authority and each Taxing Jurisdiction which will have Tax Increment Revenues captured by the Authority, together with a notice that the Base Year Assessment Roll has been prepared in accordance with this Resolution and the tax increment financing plan contained in the Plan approved by this Resolution.

8. Preparation of Annual Base Year Assessment Roll. Each year within 15 days following the final equalization of property in the Project Area, the Township Assessor shall prepare an updated Base Year Assessment Roll. The updated Base Year Assessment Roll shall show the information required in the initial Base Year Assessment Roll and, in addition, the Tax Increment Revenues for each Eligible Property for that year. Copies of the annual Base Year Assessment Roll shall be transmitted by the Assessor to the same persons as the initial Base Year Assessment Roll, together with a notice that it has been prepared in accordance with the Plan.

9. Establishment of Project Fund; Approval of Depository. The Treasurer of the Authority shall establish a separate fund which shall be kept in a depository bank account or accounts in a bank or banks approved by the Treasurer of the Township, to be designated Local Development Finance Authority Project Fund. All moneys received by the Authority pursuant to the Plan shall be deposited in the Project Fund. All moneys in the Project Fund and earnings thereon shall be used only in accordance with the Plan.

10. Payment of Tax Increment Revenues to Authority. The Township Treasurer and the County Treasurer shall, as ad valorem taxes are collected on the Eligible Property, pay the Tax Increment Revenues, as defined in the Act, to the Treasurer of the Authority for deposit in the Project Fund. The payments shall be made on the date or dates on which the Township Treasurer and the County Treasurer are required to remit taxes to each of the Taxing Jurisdictions.

11. Use of Moneys in the Project Fund. The moneys credited to the Project Fund and on hand therein from time to time shall be used annually in the following manner and following

order of priority:

First, to pay into the debt retirement fund, or funds, for all outstanding series of bonds issued pursuant to the Plan, an amount equal to the interest and principal coming due (in the case of principal whether by maturity or mandatory redemption) prior to the next collection of taxes, less any credit for sums on hand in the debt retirement fund.

Second, to establish a reserve account for payment of principal and interest on bonds issued pursuant to the Plan to the extent required by any resolution authorizing bonds.

Third, to pay the administrative, auditing and operating costs of the Authority and the Township pertaining to the Project Area.

Fourth, to reimburse the Township for funds advanced by it pursuant to the Plan.

Fifth, to pay the cost of completing the remaining public improvements as set forth in the Plan to the extent those costs are not financed from other sources.

Sixth, to repay amounts advanced by the Township for project costs, including costs for preliminary plans, and fees for other professional services.

12. Annual Report. Within 90 days after the end of each fiscal year, the Authority shall submit to the Township Board and the State Tax Commission, a report on the status of the tax increment financing plan. The report shall include the amount and source of tax increment revenues received, the amount in any Bond Reserve Account, the amount and purpose of expenditures of tax increment revenues, the amount of principal and interest on any outstanding bonded indebtedness of the Authority, the Initial Assessed Value of the Eligible Property within the Project Area, the Captured Assessed Value of the Eligible Properties within the Project Area retained by the Authority, the number of jobs created as a result of the implementation of the Plan and any additional information requested by the Township Board or the State Tax Commission deemed appropriate by the Authority.

13. Refund of Surplus Tax Increments. Annual tax increment revenues in excess of estimated tax increment revenues or the actual costs of the Plan to be paid by tax increment revenues may be retained by the Authority only for purposes that by resolution of the Authority's Board are determined to further the development program in accordance with the Plan. Any surplus money in the Project Fund at the end of a year, as shown by the annual report of the Authority, shall be paid by the Authority to the Township Treasurer or the County Treasurer, as shown by the annual report of the Authority, as the case may be, and rebated by each to the appropriate Taxing Jurisdiction.

14. Repealer. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members Eldridge, Currie, Sizemore, Ostrowski, Jamnick, Stumbo and Doe.

NAYS: None

RESOLUTION DECLARED ADOPTED.

Dorenda D. Stumbo
Township Clerk

I hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the Township Board of the Charter Township of Ypsilanti, County of Washtenaw, State of Michigan at a Regular Meeting held on September 5, 2006, 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.

Dorenda D. Stumbo
Township Clerk