

RICHFIELD TOWNSHIP ORDINANCE No. 54

AN ORDINANCE TO ADOPT AND APPROVE A DEVELOPMENT PLAN AND A TAX INCREMENT FINANCING PLAN FOR THE RICHFIELD TOWNSHIP DOWNTOWN DEVELOPMENT AREA PURSUANT TO THE PROVISIONS OF ACT 197, PUBLIC ACTS OF MICHIGAN OF 1975 AND TO PROVIDE FOR ALL MATTERS RELATED THERETO

THE TOWNSHIP OF RICHFIELD;

Section 1. Definitions. The terms used in this ordinance 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 Section 4 of this ordinance.

“Captured Assessed Value” means generally the amount in any one year by which the current assessed value as finally equalized of all taxable property in the Development Area exceed the Initial Assessed Value. The State Tax Commission shall prescribe the method for calculating captured assessed value.

“Development Plan” means the Tax Increment Financing and Development Plan for Richfield Township dated March 8, 2011 transmitted to the Township Board by the Richfield Township Downtown Development Authority for public hearing as amended by the Township Board, copies of which are on file in the office of the Township Clerk.

“Downtown Development Authority” means the Richfield Township Downtown Development Authority.

“Initial Assessed Value” means the most recently assessed value as finally equalized of all the taxable property within the boundaries of the Development Area at the time of adoption of this ordinance, as calculated using the criteria in Section 1(q) of the Downtown Development Authority Act.

“Development Fund” means the Downtown Development Authority Development Fund established pursuant to Section 6 of this ordinance.

“Taxing Jurisdiction” shall mean each unit of government levying an ad valorem property tax on property in the Development Area.

Section 2. Approval and Adoption of Development Plan. Based on the following determinations, the Development plan is hereby adopted and approved:

- a. The Development Plan and all expenditures therefore constitutes a public purpose.
- b. The Development Plan meets the requirement Section 17 (2) of Act 197, Public Acts of Michigan of 1975 as amended.
- c. The proposed method of financing the development is feasible and the Downtown Development Authority has demonstrated the ability to arrange the necessary financing.
- d. The proposed development is reasonable and necessary to carry out the purposes of this act.

- e. The land included within the development area to be acquired is reasonably necessary to carry out the purposes of the plan and of the Downtown Development Authority Act in an efficient and economically satisfactory manner.
- f. The Development Plan is in reasonable accord with the Land Use Plan of Richfield Township.
- g. Public services, such as fire and police protection and utilities, are or will be adequate to service the project area.
- h. Changes in zoning, streets, street levels, intersections, and utilities are reasonably necessary for the project and Richfield Township.

Section 3. Boundaries of Development Area. The boundaries of the Development Area as set forth in the Development Plan are hereby adopted and confirmed.

Section 4. Preparation of Base Year Assessment Roll.

- a. Within 60 days of the effective date of this ordinance, the Township Assessor shall prepare the initial Base Year Assessment Roll. The initial Base Year Assessment Roll shall list each Taxing Jurisdiction in which the Development Area is located, the Initial Assessed Value of the Development Area on the effective date of this ordinance and the amount of tax revenue derived by each Taxing Jurisdiction from ad valorem taxes on the property in the Development Area.
- b. The assessor shall transmit copies of the initial Base Year Assessment Roll to the Township Treasurer, County Treasurer, Downtown Development Authority and each Taxing Jurisdiction, together with a notice that the assessment roll has been prepared in accordance with this ordinance and the Tax Increment Financing Plan contained in the Development Plan approved by this ordinance.

Section 5. Preparation of Annual Captured Assessment Value Assessment Roll. Each year within 15 days following the final equalization of property in the Development Area, the Assessor shall prepare an Assessed Captured Value Assessment Roll. The updated Captured Assessment Roll shall show the information required in the initial Year Assessment Roll and in addition, the captured Assessed Value for that year. Copies of the annual Captured Assessed Value 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 this ordinance and the Development Plan.

Section 6. Establishment of Development Fund: Approval of Depository. The Treasurer of the Downtown Development 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 Township Treasurer of Richfield Township to be designated Downtown Development Authority Development Fund. All moneys received by the Downtown Development Authority pursuant to the Development Plan shall be deposited in the Development Fund. All moneys in that fund and earnings thereon shall be used only in accordance with the Development Plan and this ordinance.

Section 7. Payment of Tax Increments to Downtown Development Authority. The Township and County Treasurer shall, as ad valorem taxes are collected on the property in the Development Area, pay that proportion of the taxes except for penalties and collection fees that constitutes the Captured Assessed Value to the Treasurer of the Downtown Development Authority for deposit in the Development Fund.

The payments shall be made on the date or dates on which the Township and County Treasurers are required to remit taxes to each of the taxing jurisdictions.

Section 8. Use of Moneys in the Development Fund. The money credited to the Development Fund and on hand therein from time to time shall annually be used in the following manner and following order of priority:

- a. To pay the cost of the public improvements provided in the Development Plan.
- b. To pay administrative and operating costs of the DDA to the extent provided in the annual budget of the DDA.
- c. To reimburse the Township of funds advanced to acquire property, clear land, make preliminary plans and improvements necessary for the development of the Development Area in accordance with the Development Plan.
- d. Any tax increment receipts in excess of those needed under the preceding paragraphs shall revert proportionately to the Taxing Jurisdiction,

Section 9. Annual Report. Within 90 days after the end of each fiscal year, the Downtown Development Authority shall submit to the Township Board with copies to each Taxing Jurisdiction, a report on the status of the Development Fund. The report shall include the amount and source of revenue in the account, the amount and purpose of expenditures from the account, the initial Assessed value of the Development Area, the Captured Assessed Value of the Development Area the Tax Increments received and the amount of any surplus from the prior year and any additional information requested by the Township Board or deemed appropriate by the Downtown Development Authority. The secretary of the Downtown Development Authority shall cause a copy of the report to be published once in full in a newspaper of general circulation in the Township.

Section 10. Section Headings. Section headings are provided for convenience and are not intended to be part of this ordinance. If any portion of this ordinance shall be found to be unlawful, the remaining portions shall remain in ordinances in conflict herewith are hereby repealed.

Section 11. This ordinance shall take effect twenty (20) days after the final passage thereof.

All previous ordinances or parts of ordinances inconsistent with any of the provisions of this ordinance are hereby repealed,

This ordinance enacted by the Township Board of Richfield Township, Michigan at the regular meeting held at the Board Chambers in said Township on the 15<sup>th</sup> of March , 2011.

Yeas: SCOTT, VANWORMER, SCROGGIN, RIELI Nays: ALEXANDER  
Absent \_\_\_\_\_

Signed \_\_\_\_\_

Signed \_\_\_\_\_

I, Pam Scott, Clerk of the Township of Richfield, do hereby certify the above Ordinance is a true and correct copy of an Ordinance passed by the Township Board of Richfield Township, Roscommon County, Michigan, at the regular meeting on the 15<sup>TH</sup> DAY OF MARCH, 2011  
In Testimony Whereof, I have hereunto set my hand and the seal of the Township of Richfield this 15<sup>th</sup> day of MARCH, 2011.