

COPY

KOCHVILLE TOWNSHIP, SAGINAW COUNTY, MICHIGAN

ORDINANCE NO. 14-10

AN ORDINANCE AMENDING TITLE XV, LAND USAGE, CHAPTER 154: DOWNTOWN DEVELOPMENT AUTHORITY AS SET FORTH IN THE KOCHVILLE TOWNSHIP, MICHIGAN CODE OF ORDINANCES

Purpose:

An Ordinance amending Title XV, Land Usage, Chapter 154: Downtown Development Authority as set forth in the Kochville Township, Michigan Code of Ordinances ("Code"). This amendment is to the Development/Tax Increment Financing Plan to allow the Kochville Township Downtown Development Authority ("DDA") the time it needs to complete most of the projects and finance most of the projects in order to correct and prevent deterioration in the DDA district, encourage historic preservation, promote economic development, and any other purpose as stated in Act 197 of the Michigan Public Acts of 1975, as amended ("Act 197").

KOCHVILLE TOWNSHIP ORDAINS:

SECTION 1. AMENDMENTS

1.1 The definition of "Ordinance 89-6(DDA)" as stated in § 154.35 of the Code shall be amended to read as follows:

ORDINANCE 89-6(DDA). Kochville Township Ord. 89-6(DDA), as amended by Ords. 93-4(DDA), 02-02(DDA), 06-05(DDA), and 06-09(DDA), and any future amendments to those ordinances. This subchapter.

1.2 The definition of "TAX INCREMENT FINANCING PLAN" as stated in § 154.35 of the Code shall be amended to read as follows:

TAX INCREMENT FINANCING PLAN. The information set forth in § 154.38 and the township's DDA development plan and tax increment financing plan as amended or modified in the future by ordinance of the governing body and attached to the ordinance codified herein as Exhibit B and is incorporated by reference hereto.

1.3 Section 154.37(C)(1) of the Code shall be amended to read as follows:

(C) A description of existing improvements to be demolished, repaired or altered in the development area, as amended and an estimate of the time for completion.

(1) Finish realignment and reconstruction Davis Road. Estimated time to complete: 50 years from March 31, 2014.

1.4 Section 154.37(D)(1), (D)(2), (D)(3), and (D)(4) of the Code shall be amended to read as follows:

(D) *Location, extent, character and estimated costs of improvements contemplated for completion.* The following is proposed:

(1) Land use and traffic study of development area with a particular emphasis on the need for improved traffic circulation within the development area. Estimated time to complete: 50 years from March 31, 2014; estimated cost: cannot be determined at this time;

(2) Negotiation and acquisition of easements sufficient to make road improvements as indicated by (1) above. Estimated time to complete: 50 years from March 31, 2014; estimated cost: cannot be determined at this time;

(3) Implementation of additional road system and traffic improvements within the district and maintain such additional roads and traffic improvements. Estimated time to complete: 50 years from March 31, 2014; estimated cost: cannot be determined at this time. Costs of time to complete other public improvements will be established as they are contemplated;

(4) Construction, repairing, replacement and maintaining and/or improving public utilities within the district or as authorized by the Act, including, but not limited to:

(a) Improving lighting and landscaping;

(b) Constructing streetscapes;

(c) Constructing multi-use paths;

(d) Constructing sidewalks; and

(e) Creating a public park. Estimated time to complete: 50 years from March 31, 2014; estimated cost: cannot be determined at this time.

1.5 Section 154.37(I) of the Code shall be amended to read as follows:

(I) *Estimate of the cost of the development and a statement of the proposed method of financing the development and the ability of the Authority to arrange the financing.* At this time, the Authority's best estimate of the cost of the development set forth above is \$60,265,000, plus the any new amounts established herein, as amended or modified in the future by ordinance of the

governing body and attached to the ordinance codified herein as Exhibit B and is incorporated by reference hereto. The moneys currently on deposit with the Authority are not sufficient to pay for the development. The Authority intends to apply for grants from public and/or private sources and to accept in-kind donations as they become available, to supplement the tax increment revenues available to finance the development set forth above. Notwithstanding the foregoing, the Authority will, in its discretion, with the approval of the governing body, levy an ad valorem tax pursuant to M.C.L.A. § 125.1662, not to exceed two mills on real and tangible personal property not exempt by law located within the development area. The Authority believes that as it begins work on the development plan set forth that tax values will increase and that the aforesaid millage together with the aforesaid grants and in-kind donations will supplement the tax increment financing which in turn will make financing possible. The Authority may also issue revenue bonds, capital improvement bonds, or utilize any other legal method of financing to pay for all or a part of the development set forth above.

1.6 Section 154.38(C)(1) of the Code shall be amended to read as follows:

(C) *Bonded indebtedness*

(1) The maximum amount of bonded indebtedness to be incurred solely by the DDA for all bond issues, for projects listed in the development plan, or loans, including payments of capitalized interest, principal and required reserve shall be \$8.2 million. This \$8.2 million limitation only applies to bonds issued solely in the name of the DDA and bonds issued jointly with the township or any other governmental unit or agency may exceed this limitation if allowed by the financial advisor and bond counsel. Actual bonded indebtedness to be incurred will be limited by the amount of revenues anticipated to be received each year that will be available for serving the debt load. The bonded indebtedness proceeds will be sufficient to pay the established costs of the development, plus any associated costs of accompanying professional services prior to March 31, 2064. The township must approve any bonds or indebtedness, which pledge the full faith and credit for the township. The Township Board may deny approval of loans or bonding for the projects in the township's name within any legal recourse by the DDA.

1.7 Section 154.38(D) of the Code shall be amended to read as follows:

(D) *Duration of the program.* The development/tax increment financing plan as amended by this chapter shall expire at the end of DDA fiscal year 2064. The Township Board may amend or modify the duration of the program in time in the future as allowed by law. As future development activities are within all or part of the development district are needed or identified, are feasible and meet the eligibility requires of the Act, this term may be extended by an amendment to this

Code and an amendment to the township's DDA development plan and tax increment financing plan as amended or modified in the future by ordinance of the governing body and attached to the ordinance codified herein as Exhibit B and is incorporated by reference hereto.

1.8 Section 154.39 of the Code shall be amended to read as follows:

The following exhibits that are attached to the ordinance codified herein and incorporated by reference:

- (A) Exhibit A: Legal Description of the Development Area;
- (B) Exhibit B: The Kochville Township DDA Development Plan and Tax Increment Financing Plan;
- (C) Exhibit C;
- (D) Map 1: DDA Area;
- (E) Map 2: Kochville Township Existing Land Use by Tax Classification DDA Areas;
- (F) Map 3: Kochville Township Future Land Use DDA Areas;
- (G) Kochville Township Sub-Area Plan #1; and
- (H) Kochville Township Sub-Area Plan #2;

1.9 Exhibit (B) set forth in § 154.39 of the Code shall hereby be replaced with a new Exhibit (B) attached hereto and incorporated by reference.

SECTION 2. REPEAL

All ordinances or part of ordinances of the Township inconsistent or in conflict with this Ordinance are repealed.

SECTION 3. INVALIDITY

If any section, paragraph, sentence, clause, phrase or part of this Ordinance shall be declared invalid for any reason whatsoever, such a decision shall not affect the remaining portions of this Ordinance which shall remain in full force and effect and to this end the provisions of this Ordinance are hereby declared severable.

SECTION 4. EFFECTIVE DATE

This Ordinance will become effective immediately upon its adoption and publication as required by law in a paper of general circulation in the township.

SECTION 5. WHERE ORDINANCE CAN BE INSPECTED

A copy of this Ordinance can be obtained from the Clerk of Kochville Township at the Township offices located at 5851 Mackinaw Road, Saginaw, Michigan.

SECTION 6. PUBLICATION

This Ordinance upon adoption is ordered to be given publication as required by law.

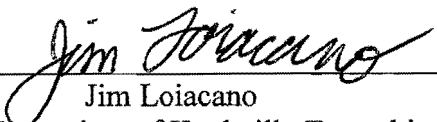
Motion by Trustee Thon, seconded by Supervisor Loiacano to adopt Ordinance 14-10.

Ordinance 14-10 was adopted by the following roll call vote:

Vote:

<u>Yes</u>	Supervisor Loiacano
<u>Yes</u>	Clerk Machata
<u>Yes</u>	Treasurer Brewster
<u>Yes</u>	Trustee Ferrell
<u>Yes</u>	Trustee Thon

The foregoing Ordinance was duly adopted at a regular meeting of the Kochville Township Board held on the 25th day of November, 2014.



 Jim Loiacano
 Supervisor of Kochville Township



 Kevin Machata
 Clerk of Kochville Township

I, Kevin Machata, Clerk of Kochville Township, do hereby certify that the above is a true and exact copy of the Ordinance heretofore passed by the Township Board for Kochville Township, Saginaw County, Michigan voted.

This Ordinance was given publication in the Township Times on the 10th day of December, 2014.



Kevin Machata
Clerk of Kochville Township

**KOCHVILLE TOWNSHIP, SAGINAW COUNTY MICHIGAN
ORDINANCE NO. 14-10**

Summary of Ordinance No. 14-10, An Ordinance amending Title XV, Land Usage, Chapter 154: Downtown Development Authority as set forth in the Kochville Township, Michigan Code of Ordinances. This amendment is to the Development/Tax Increment Financing Plan ("TIF Plan") which, along with other amendments, extends the duration of the TIF Plan until the end of the DDA fiscal year 2064 to allow the Kochville Downtown Development Authority time complete most of the projects and finance most of the projects in order to correct and prevent deterioration in the DDA district, encourage historic preservation, promote economic development, and any other purpose as stated in Act 197 of the Michigan Public Acts of 1975, as amended ("Act 197"). Ordinance No. 14-10 was adopted by Kochville Township Board of Trustees at its regular meeting on November 25, 2014.

A copy of Ordinance No. 14-10 can be obtained at Kochville Township Hall, 5851 Mackinaw Road, Saginaw, Michigan 48604 from the Clerk of Kochville Township.

KEVIN E. MACHATA
KOCHVILLE TOWNSHIP CLERK