

The background image shows a large steel truss bridge under construction over a river. A tall crane is visible on the bridge structure. In the foreground, there is a concrete pier or walkway with a metal railing. The sky is clear and blue.

Board Member Welcome & Orientation Packet

City of River Rouge
Downtown Development Authority

Updated 2023

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Introduction and Purpose

Congratulations on your appointment to the City of River Rouge Downtown Development Authority (DDA) Board!

Your demonstrated commitment to the City and its downtown is an asset to the Board and the greater River Rouge community. The guidance and service you'll provide as a member will be vital for bringing about positive changes that will enhance the economic and social vitality of the downtown district.

This packet provides a brief overview of the purpose of DDAs and the financial tools available to aid downtown revitalization efforts. It also outlines goals and objectives specific to River Rouge, describes existing programs supported by the DDA to realize its mission, and provides guidance for your role as a board member.

While **we've included the basics**, this packet is not exhaustive. The River Rouge community is constantly evolving, as are our programs, incentives, and responses to changing policy landscapes statewide and at the federal level. By outlining the principles of DDA functions and the management philosophies guiding our efforts to revitalize downtown River Rouge, this packet aims to give you a solid foundation upon which you can add your unique experiences and insights to build a downtown that is welcoming, accessible, and filled with opportunities for residents, businesses, and visitors alike.

DDA Basics

Purpose and Duties

The overall purpose of the River Rouge DDA is to improve and encourage the long-term economic viability of the Coolidge Highway and Jefferson Avenue corridors. The DDA's duty is to ensure the projects and policies listed in the Development/TIF Plan (the Board's guiding document) are funded and completed. The DDA does this by seeking funding from all potential sources: the DDA's own tax revenue, local millages, State and Federal grants, and private donations.

Other principles which guide the River Rouge DDA are as follows:

- *It is important to undertake projects and programs which will assist and focus on the economic enhancement and marketing of the City.*
- *Every business, regardless of size, is important to the vitality of the DDA.*
- *Small improvements provide large dividends. Good design, architectural compatibility, color coordination and landscaping will assist in creating a vital commercial center.*
- *Aesthetics, streetscape improvements, pedestrian walkways and people comforts are needed to encourage the residents to walk or bike to the commercial district.*
- *Code enforcement and maintenance is necessary to maintain economic viability.*
- *The DDA seeks to retain the economically viable businesses which presently exist and encourage their expansion, as well as recruit a diversity of new businesses.*

Origin of DDAs

DDAs were originally authorized by [Public Act 197 of 1975](#) (and subsequently recodified by [Public Act 57 of 2018](#)) with the express **purpose of correcting and preventing property value decline in municipal business districts**. Additional responsibilities include encouraging historic preservation, creating development plans for the downtown business district, and creating and supporting initiatives to promote economic growth within the district. The enabling legislation authorized the creation of a board with the power and duties to carry out these tasks by managing city-specific programming and incentives. The River Rouge Downtown Development Authority (DDA) was established by Ordinance 423 on December 28, 1999.

The Downtown Development Authority Act provides the legal framework for the River Rouge's leaders to address the needs and encourage economic development within the City of River Rouge. DDAs use this legal mechanism to provide communities with the unique legal, financial, and organizational tools necessary to revitalize our Downtown, either through publicly-initiated and -funded projects or through collaborations with private development projects.

Structure of the River Rouge DDA

The **DDA Board is comprised of the Mayor of River Rouge and eight (8) to twelve (12) other members**, all of whom are appointed by the Mayor and approved by the City Council. The number of members may fluctuate depending on vacancies and interest in serving on the Board. Each member's term lasts four (4) years, after which they are up for reappointment by Council.

Appointees represent important social segments and professional experiences within the River Rouge community (e.g., local business owners, residents in the downtown area, etc.) and people with interests related to the City's development. A majority of members must have an interest in property that is located in the Development Area.

Treasurer: Every DDA selects one member to act as the Treasurer. This is a special role, as the Treasurer has more responsibility than the other members. The Treasurer of the Authority controls and monitors the bank account for the DDA, which is used to store collected tax revenue. *Money in this account and earnings thereon can only be used for DDA projects.*

River Rouge DDA Meetings

Schedule

Regular meetings of the DDA, which are open to the public, take place at 5:00pm on the fourth Wednesday of every month in the Committee Room at City Hall (10600 West Jefferson, River Rouge, MI) unless otherwise noted. As a member, you'll be expected to attend each meeting. Excessive absences may be cause for removal from the DDA.

What to Expect

The normal order of business for each meeting is specified in the DDA bylaws, which are included at the end of this packet. Regular meetings typically involve members discussing ongoing infrastructure projects, upcoming projects, and brainstorming new ideas for how to revitalize downtown. Meetings also involve planning for upcoming events or marketing efforts.

Some months may have less official business to conduct than others. The Chairperson has the authority to cancel a regular meeting if there is nothing on the agenda. Rather than canceling regular meetings due to sparse agendas, we encourage DDA members to use these quieter meetings to host training sessions on development topics of interest.

A **City staff member** is present at all meetings to answer questions and record meeting minutes. City staff also help prepare the meeting agenda and send out the meeting packets the week in advance.

Required Annual Items

Each year* the DDA must:

- 1) Adopt a **budget for the upcoming year**, no later than June 30. This budget must be submitted to City Council for their approval, prior to adoption. The Budget is usually prepared with the help of the City Assessor and Finance Director, who are in-the-know about the DDA's revenue and expenses.
- 2) Submit **an annual report for the past year**, no later than September 28. This report must detail how much revenue the DDA took in, how much money it spent, and on which projects. The report should also summarize how many meeting the DDA held and how many special events, if any.
- 3) Hold **two (2) informational meetings**, which are advertised to the public as an opportunity to come and ask the DDA questions about their current projects.
- 4) Post the **budget, annual report, and meeting agendas/minutes** (every month) on the city's website.

**Years are on the July to July fiscal calendar.*

Each year within 15-days following the final equalization of property in the Development Area, **the City Assessor prepares an updated tax Assessment Roll**. The updated Assessment Roll shows the information required in the initial Base Year Assessment Roll and, in addition, the Captured Assessed Value (**aka the tax increment finance revenue**) for that year. Copies of the annual Assessment Roll are sent by the Assessor to the DDA and all other taxing jurisdictions, together with a notice that it has been prepared in accordance with the Development Plan.

Primary Documents

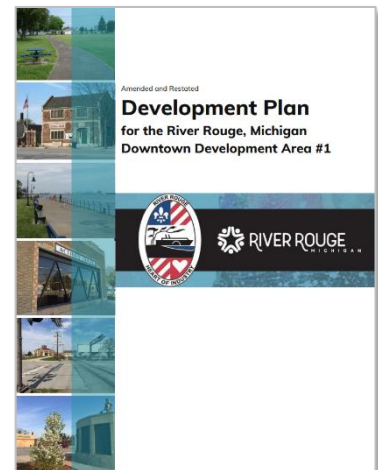
There are several city and state laws, procedures, and documents that inform how the city handles land use planning and development issues. While they are all important and interrelated, some will be more relevant to your role as a member of the DDA than others. This section identifies the primary documents you should familiarize yourself with as you begin your tenure and offers a quick summary of their contents and purpose.

1. River Rouge Development Plan

The Development Plan is the plan for all the projects that the DDA wants to undertake - projects that will help make the City's Downtown District resilient, attractive, and productive for residents, business owners, and visitors alike. These projects are revisited by the DDA Board on an annual basis for strategic planning and budgeting, and to ensure that the River Rouge downtown development strategy is effective and improves the investment environment for private entities.

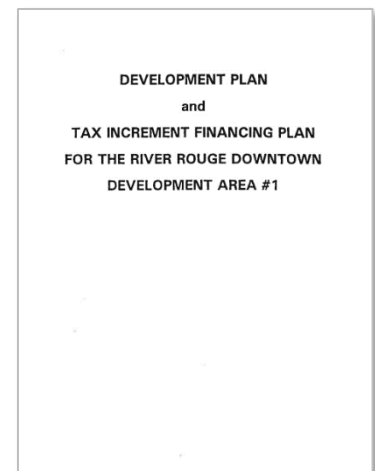
As shown in the Map on the next page, the "Downtown District" is the area from which the DDA collects tax increment revenue (see below for an explanation of tax increment revenue). The "Development Area #1" is the area where the DDA spends this revenue to help make the downtown a better place to live, shop, and play.

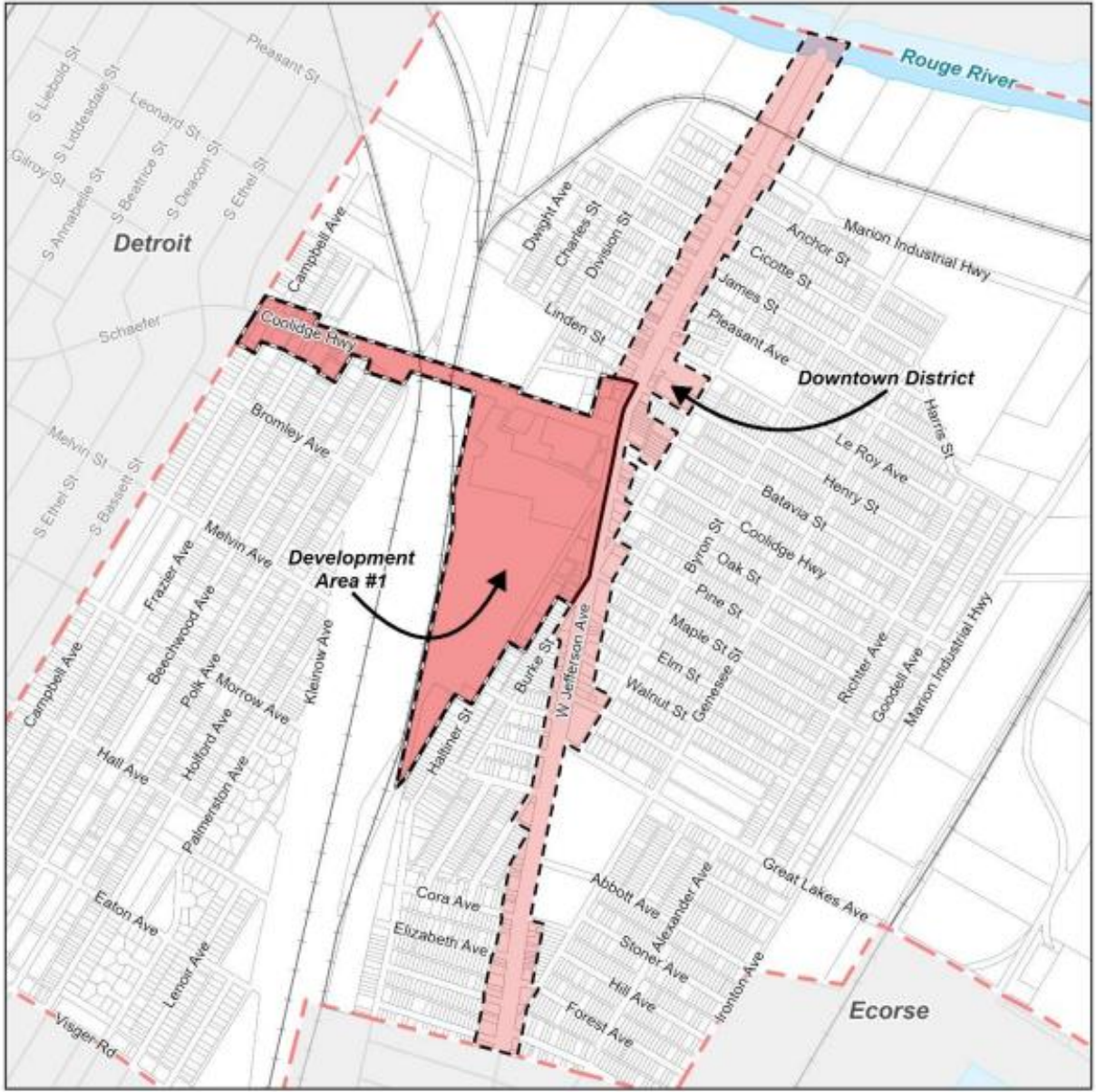
- What projects is the DDA going to work on?
- Where are they located?
- How much will they cost?
- When will each project occur?
- How will they be paid for?



2. River Rouge Tax Increment Financing (TIF) Plan

The TIF Plan is the plan for how the DDA will fund all the projects that it wants to undertake. It is the mathematic support behind the Development Plan. The TIF Plan specifies how much tax revenue will be captured, how long tax revenue will be captured, and the properties from which that tax revenue will be captured. A complete explanation of tax increment financing is included in the pages below. *Tax increment financing does not increase taxes for the taxpayer – rather, it diverts tax revenue away from the County, State, and other jurisdictions, and gives that revenue back to the City to spend downtown.*





DDA Boundaries

City of River Rouge, Michigan

December 21, 2022

LEGEND

- DDA Boundary - Downtown District
- DDA Boundary - Development Area #1
- River Rouge Parcels
- River Rouge Boundary
- Railroads
- Roads



Basemap Source: Michigan Center for Geographic Information, v. 17a. Data Source: River Rouge 2020. McKenna 2022.

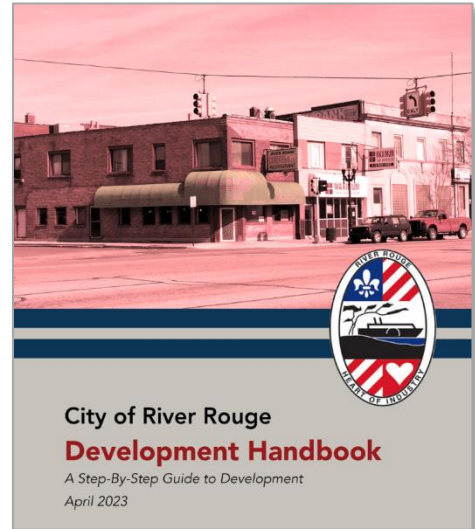


3. River Rouge Development Handbook

The Handbook is the step-by-step guide to starting or expanding a business in River Rouge. The Handbook seeks to help increase the number of small business owners in the city. Its intent is to help business owners and developers understand the review and approval process (i.e., the City's policies, goals, and timelines), from concept through completion. **As a DDA member, this Handbook is here to help you when you meet a business owner interested in locating or expanding in River Rouge – it is a quick and easy guide for you to point to.**

The Handbook:

- Collects and simplifies the laws, documents, and applications that are a part of the River Rouge development process.
- Explains how local, county, and state officials are involved in the development process, and give advice on when their input is needed.
- Highlights current local and State financial incentives, as well as workforce development programs.
- Conveys information in a clear and concise way.

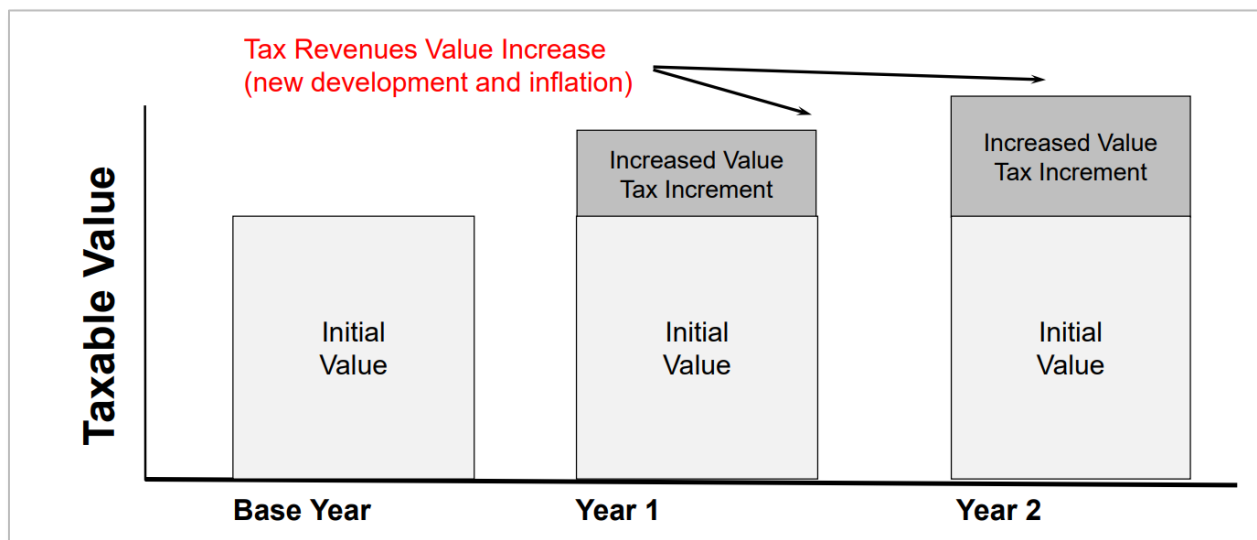


How Does Tax Increment Financing Work?

The Public Act 197 of 1975 also authorized DDAs to use a key revenue source to spur investment, issue bonds, and fund relevant programming. This essential tool is called **Tax Increment Financing**.

TIF is typically one of the first tools used in a community’s economic development toolbox – and for good reason. Rather than levying any additional taxes on residents, customers, or business owners, under P.A. 197, TIF enables DDAs to capture the year-to-year growth in property values, on an annual basis, and reinvest those dollars in development projects or “public facilities,” as defined by the statute, within the designated TIF district. Increases in property value may come from new construction, rehabilitation, remodeling, alterations, additions, or other such factors as the tax assessor may deem appropriate.

When TIF is established in a given district, a base amount of property tax value is determined. This base tax revenue does not change over the lifetime of the TIF plan. As real property values grow over time, the incremental increases above the base level are allocated to the DDA. This added revenue ensures that the DDA can self-finance programs and redevelopment projects that improve the downtown experience.



Some ways that DDAs use TIF funding include:

- Infrastructure improvements projects – Streetscapes, street lighting, floodwall protection, parks and open space etc.
- Historic Preservation
- Marketing and Promotions

Appendix

FAQs

“Where can I get a copy of all these documents you listed?”

These documents are all available digitally and in print. To get a digital copy, please email klaub@cityofriverrouge.org. To get a print copy, please visit Karl’s office on the 2nd Floor of City Hall.

“Where can I learn more about the ethical/legal responsibilities of Board members?”

The Bylaws and the (included with this welcome packet) are the best places to learn about the ethical guidelines and rules you must follow as a Board member. If you are ever worried about the ethics or legality of a particular situation, you can always reach out to City staff for more detailed advice.

“Who do I reach out to for questions about scheduling?”

Karl Laub, Community Development Director - klaub@cityofriverrouge.org or (313) 842-4203 ext 224.

*“I need more **training**, where can I take an online training course?”*

The Michigan Downtown Association offers a podcast series for Board members who want to learn what different DDAs are doing across the state. Available on Spotify and Apple Podcasts:

<https://podcasters.spotify.com/pod/show/michigandowntowns>

The State of Michigan offers a virtual, self-paced, free training on how communities can become development-ready. This “RRC Best Practices” training can be found here:

<https://www.miplace.org/events/>

Bylaws

Bylaws are the rules a Board sets for itself. Bylaws include details about the attendance policy, standard meeting format, and more – please review these carefully before your first day!

Resources for Small Businesses

Wayne County Economic Development Incentives

The Wayne County Department of Economic Development offers a list of local, county, and state incentives that small business owners and developers can apply for. These incentives are subject to change. To view a current list of incentives, please visit the [Incentives page](#) on the Wayne County website. For more information, please contact the Economic Development Manager listed for River Rouge on the [Contact Us page](#) of the Wayne County Department of Economic Development website. You can also visit Wayne County's [Small Business Hub](#) and [Technical Assistance & Financial Resources](#) webpages for more information.

Michigan Economic Development Corporation (MEDC) Incentives

To support economic development in Michigan, the Michigan Economic Development Corporation (MEDC) offers technical assistance and gap financing to help support the development of small businesses. These incentives and their points of contact are subject to change. To view a current list of incentives, please visit MEDC's [MIPlace website](#) and the [Business Incentives webpage](#) of the MEDC website.

MEDC's [Building Strong Communities](#) brochure provides an overview of some of the technical assistance programs and financial incentives some developments may qualify for. It includes eligibility requirements for all place-based community development incentives. Please consult this brochure for more information on MEDC's Community Development Incentives.

Michigan Community Revitalization Program (MCRP)

This program provides community development grants and loans to promote historic preservation and reduce blight and environmental contamination. More information on the MCRP can be found on the [MCRP webpage](#) of MEDC's MIPlace website.

Build MI Community Grant Initiative

This program provides gap financing for small-scale redevelopment projects that revitalize underused spaces. It also encourages participation from developers and property owners with limited experience. More information on this program can be found on the [Build MI Community Grant Initiative webpage](#) on MEDC's MIPlace website.

State of Michigan Small Business Webinars

The Michigan Economic Development Corporation offers a variety of [free webinars](#) for small businesses.

**CITY OF RIVER ROUGE
DOWNTOWN DEVELOPMENT AUTHORITY**

Bylaws

ARTICLE I: AUTHORITY

The rules and procedures of the City of River Rouge Downtown Development Authority Board of Directors are subordinate and subject to the Public Act 197 of the Compiled Laws of Michigan of 1975, as amended (2018), and Ordinances No. 99-423 and 00-424, establishing the Downtown Development Authority.

ARTICLE II: TITLE

The title of the governing body shall be "Downtown Development Authority of the City of River Rouge Board of Directors", or "Board of Directors".

ARTICLE III: MEMBERS

Section 1. Number.

The Board of Directors shall be composed of eight (8) to twelve (12) members, as specified in Ordinance No. 99-423.

Section 2. Terms.

The terms of office of the members of the Board of Directors shall begin on the date of their appointment. The term of office of each member of the Board of Directors shall be four (4) years, except that in the case of the first Board of Directors appointed hereunder, an equal number of which shall be appointed for (4) four years, three (3) years, two (2) years, and one (1) year. The Mayor shall be a member pursuant to his/her office. All members shall hold office until their successors are appointed. Vacancies occurring otherwise than through the expiration of the term shall be filled for the unexpired term by the Mayor, subject to approval by the City Council. A majority of members must have an interest in property that is located in the Development Area.

Section 3. Removal.

Members of the Board of Directors may, after a public hearing, be removed from office in accordance with the provisions of the statute from which these Bylaws are adopted.

ARTICLE IV: OFFICERS

Section 1. Positions.

The officers of the Board of Directors shall be:

A Chairperson, who shall preside at all meetings and shall have such other duties as further

prescribed in the Bylaws, and shall have authority to preside at all Adjourned Meetings and call and preside at all Special Meetings.

A Vice-Chairperson, who shall, in the absence of the Chairperson or his/her inability to act, preside at all Adjourned Meetings, public hearings, and committee meetings of the Board of Directors and shall have the power to function in the same capacity as the Chairperson.

A Secretary, who shall have the authority to execute documents in the name of the Board of Directors and shall perform such other duties as the Board of Directors may, from time to time, determine.

A Treasurer, (who need not be a member of the Board of Directors), who shall distribute the funds of the Downtown Development Authority as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the Board, at the regular meetings of the Board, or whenever they may require, an account of all his/her transactions as Treasurer and of the financial condition of the Authority. The Treasurer shall give the Authority a bond if required by the Board in a sum, and with one or more sureties satisfactory to the Board, for the faithful performance of the duties of the office, and for the restoration to the Authority in case of his/her death, resignation, retirement, or removal from office of all books, papers, vouchers, money, and other property of kind on his/her possession under his/her control belonging to the Authority.

Section 2. Terms.

The officers of the Board of Directors shall be elected each year for a one-year term by the Board of Directors at their first regular meeting in March, and shall hold office until their successors are elected and assume office.

Section 3. Absences.

In the absence of any officer of the Authority, or for any other reason that the Board may deem sufficient, the Board may delegate, from time to time and for such time as it may deem appropriate, the powers or duties, or any of them, of such officer to any other officer, or to any director, provided a majority of the Board then in office concurs.

Section 4. Staff.

The Board of Directors may hire an Executive Director who shall function as Chief Executive Officer and business manager of the Board of Directors. The Executive Director shall supervise the preparation of plans and the performance of the functions of the Downtown Development Authority in the manner authorized by the State Act. The Executive Director shall attend all meetings of the Board of Directors and shall have full right of discussion, but shall not have a vote on any matters. The Executive Director shall be responsible for the preparation of the budget of the Board of Directors and shall render to the Board of Directors and the River Rouge City Council a regular report governing the activities and the financial condition of the Downtown Development Authority.

ARTICLE V: MEETINGS

Regular meetings of the Board of Directors shall be held on the fourth Wednesday of each month at 5:00 p.m. Any Regular Meeting may be adjourned to a definite date,

by a majority vote of a quorum of the members. Adjourned or special Meetings may be held at any time or place established by the Board of Directors. Special Meetings may be held as necessary, subject to the call of the Chairperson or Acting Chairperson or upon the request of a majority of the Board of Directors.

ARTICLE VI: THE ORDER OF BUSINESS

Section 1. Order.

Roll Call
Approval of the Agenda
Approval of Minutes
Public Comment on Non-Agenda Items
Public Hearing(s) (*for a specific agenda item*)
New Business
Unfinished Business
Staff Communications
Board Member Comments
Adjournment

The Chairperson shall have the discretion to change the order of business whenever he or she deems it advisable to do so before the adoption of the agenda for the subject meeting.

Section 2. Parliamentary Procedure.

Parliamentary procedure shall be governed by Robert's Rules of Order.

Section 3. Public Participation.

All meetings, hearings, records, and accounts shall be open to the public, and posted in compliance with PA 267 of 1976, as amended, (being the Michigan Open Meetings Act). All regular and special meetings, hearings, records, and accounts shall be open to the public.

All public comment on all non-agenda items must be presented at the beginning of the meeting where provided in the printed agenda. All public comments on a matter subject to a public hearing shall occur during the designated public hearing where provided in the printed agenda. After that point during the meeting, public comment is normally not allowed; however, sometimes the DDA may direct questions to members of the public or open a subsequent public comment period for a New or Unfinished Business item.

Members of the public shall be allowed a maximum of five (5) minutes for each person wishing to make public comment at a DDA meeting. The Chairperson may ask members of the audience to caucus with others sharing similar positions so they may select a single spokesperson. If a single spokesperson is selected, that individual shall be able to make public comment at the DDA meeting without time limit or an extended time limit.

ARTICLE VII: QUORUM

For the transaction of ordinary business at any Regular Meeting, Adjourned Meeting or a Special Meeting, a simple majority (5-7 members, depending on the number appointed) shall constitute a quorum. An affirmative vote of the majority of the members present shall be

necessary in order to make a decision.

ARTICLE VIII: MINUTES

Section 1. Keeping.

The Board of Directors shall keep a set of Minutes of all Regular and Adjourned Meetings and at Special Meetings where official business is transacted. These Minutes shall become a public record and shall be filed with the City Clerk.

Section 2. Approval.

The Secretary or the Chairperson shall sign all Minutes, after approval by the Board of Directors members, at the following meeting.

Section 3. Retention.

DDA records shall be preserved and kept on file according to the State of Michigan General Retention Schedule and all other applicable state and local laws.

ARTICLE IX: COMMITTEES

The Board may establish special committees as the Board of Directors, from time to time, deems necessary.

ARTICLE X: AMENDMENT OF BYLAWS

These Bylaws may be amended by at least 2/3 vote of the entire membership of the Board, provided notice of the proposed change is given at a previous meeting.

ARTICLE XI: CONTRACTS, LOANS, CHECKS, AND DEPOSITS

Section 1. Contracts.

The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contracts or execute and deliver any instrument in the name of and on the behalf of the Authority and such authority may be general or confined to specific instances.

Section 2. Checks Drafts etc.

All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Authority, shall be signed manually or by facsimile signature such officer or officers, agent or agents of the Authority and in such manner as shall from time to time be determined by resolution of the Board.

Section 3. Deposits.

All funds of the Authority not otherwise employed shall be deposited from time to time to the credit of the Authority in such banks, trust companies, or other depositories as the Board may select.

ARTICLE XII: FISCAL YEAR

The fiscal year of the Authority shall correspond at all times to the fiscal year of the City of the River Rouge.

ARTICLE XIII: CERTIFICATION

The undersigned, being respectively, the duly elected and acting Clerk of the City of the River Rouge, and the duly appointed and acting Chairperson of the Downtown Development Authority of the City of The River Rouge do hereby certify that the foregoing Bylaws were approved at a regular meeting of City Council of the City of River Rouge of the _____ and adopted by the Board of Directors of the Downtown Development Authority for the City of River Rouge at the meeting of the Authority _____.

Economic Development Tools—Downtown Development Authority

Introduction

A Downtown Development Authority (DDA) is designed to be a catalyst in the development of a community's downtown district. The DDA provides for a variety of funding options, including millage and tax increment financing, for public improvements in the downtown district.

Authorizing Legislation

PA 57 of 2018, MCL 125.4101 et seq., allows the governing body of a city, village or township to create a Downtown Development Authority (with one or more separate and distinct geographic areas in a downtown district).

What Is the Purpose of the Act?

The Act provides municipalities with a tool to halt property value deterioration, to increase property tax valuation, to eliminate the causes of the deterioration, and to promote economic growth in their business district.

How Can this Act Be Used?

Specifically, this Act allows Tax Increment Financing (TIF) and millage revenues to be used for any public facility. The power and authority of the Act cannot be used for the personal benefit of a private person or corporation.

How Is this Act Different?

One of the first economic development tools to be enacted by the legislature, a DDA can only be used by a municipality in an area principally zoned and used for business. Only one DDA may be established in each municipality, although more than one geographic area may be defined within the downtown district boundaries.

What Are the Financing Options?

- Tax Increment Revenues
- Millage (up to 2 mills for municipalities with population of less than 1 million; up to 1 mill for municipalities with population over 1 million)
- Special assessments
- Revenue bonds
- Revenues from property owned or leased by the DDA
- Grants and/or donations

Establishment of a DDA

Note: The following steps are offered as general guidelines only. A municipality should consult with an attorney prior to initiating the process of creating a DDA.

1. The governing body finds that:
 - there is a business district area within the municipality which it desires to designate as a “downtown district,”

- within such area the general property values are (and have been) deteriorating,
- property tax valuation must be increased in such area,
- the community must eliminate the causes of deterioration, and
- economic growth must be promoted in such area.

2. A resolution of intent shall set a date for a public hearing on the adoption of a proposed ordinance creating the authority.

3. Notice must be given of the public hearing by publication and posting within the district. It must also be mailed to taxpayers within the proposed district and to the governing body of each taxing jurisdiction levying taxes that would be subject to capture for tax increment revenues.

4. Governing body takes comments at the public hearing.

5. Within 60 days of the hearing, the other taxing jurisdictions may exempt its taxes from capture. Further, taxes levied for public library purposes which are approved by voters after December 31, 2016 are exempt from capture unless a library board or commission allows all or a portion of its taxes to be included as tax increment revenues under the terms of a written agreement with an authority.

6. Not less than 60 days following the hearing, the governing body may adopt a proposed ordinance creating the DDA and designating the boundaries of the DDA district.

7. The ordinance must be published at least once in a local newspaper and filed with the Secretary of State.

8. The governing board of the DDA, consisting of eight to twelve members and including the chief executive officer of the municipality, shall be appointed or may, for municipalities of less than 5,000, be the same as the planning commission.

Reporting Requirements

See p 5-7 (attached to this Fact Sheet) for 2019 reporting and public informational meeting requirements.

Provisions of the Downtown Development Authority Act

- Authorizes a city, village, or township to create a Downtown Development Authority by ordinance after providing notice and holding a public hearing. The local unit shall also designate the DDA district area boundaries by ordinance.
- Provides for the supervision and control of an authority by a board that includes the municipality's chief executive officer and eight to twelve members appointed by the governing body. (The local governing body would decide the size of the authority board.) A majority of the board must be individuals with an ownership or business interest in property in the district and one member must reside in the district if there are more than 100 residents in the district.
- Allows the board to hire a director to serve as chief executive officer of the authority, subject to the approval of the municipality's governing body. Other personnel may be hired as deemed necessary by the board.
- Allows an authority to prepare and submit to the city, village, or township governing body a tax increment financing plan, which must include a development plan for the development area(s). TIF plans and development plans would be subject to public hearings. Affected local taxing jurisdictions must be notified.
- Allows an authority, with the approval of the governing body, to levy up to two mills on real and personal property in the district for municipalities with less than one million in population or up to one mill for municipalities with more than one million population.
- Provides for the financing of authority activities, including borrowing money and issuing bonds. The authority can issue negotiable revenue bonds under the Revenue Bond Act and can, with local unit approval, issue revenue bonds or notes to finance all or part of the costs of acquiring and constructing property.
- Allows an authority to authorize, issue and sell bonds to finance a TIF plan's development program. The municipality can issue limited tax bonds payable from the authority's tax increment revenues or notes with governing body approval but is required to obtain voter approval to pledge its unlimited tax full faith and credit for bonds or notes.
- Allows a city, village, or township to dissolve an authority after it has completed its purpose and provides that the authority's property and assets remaining after the satisfaction of its obligations belong to the local unit.

- Allows the governing body, at the request of the DDA board, to amend either the development or TIF plans. It may also amend the boundaries of the DDA district. However, caution should be taken in amending the DDA district boundaries as the other taxing units (county, schools, etc.) may opt out of the TIF capture.

Downtown Development Authority Board Powers:

- Prepare an analysis of economic changes taking place in the downtown district.
- Study and analyze the impact of metropolitan growth upon the downtown district.
- Plan and propose the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a public facility, an existing building, or a multiple-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 district.
- Plan, propose, and implement an improvement to a public facility within the development area to comply with the barrier free design requirements of the state construction code.
- Develop long-range plans, in cooperation with the agency which is chiefly responsible for planning in the municipality, designed to halt the deterioration of property values in the downtown district and to promote the economic growth of the downtown district, and take such steps as may be necessary to persuade property owners to implement the plans to the fullest extent possible.
- 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.
- Make and enter into contracts necessary or incidental to the exercise of its powers and the performance of its duties.
- Acquire by purchase or otherwise, on terms and conditions and in a manner the authority considers proper or own, convey, or otherwise dispose of, or lease as lessor or lessee, land and other property, real or personal, or rights or interests in property, 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 to that property.
- Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, and operate any building, including multiple-family dwellings, and any necessary or desirable appurtenances to that property, within the downtown district for the use, in whole or in part, of any public or private person or corporation, or a combination of them.
- Fix, charge, and collect fees, rents, and charges for the use of any building, property, or facility under its control and pledge the fees, rents, and charges for the payment of revenue bonds issued by the authority.
- Lease any building or property under its control, or any part of a building or property.
- Accept grants and donations of property, labor, or other things of value from a public or private source.
- Acquire and construct public facilities.
- Create, operate, and fund marketing initiatives that benefit only retail and general marketing of the downtown district.
- Contract for broadband service and wireless technology service in the downtown district.
- Create, fund and operate retail business incubators with preference given to tenants who would provide goods and/or services unavailable or underserved in the DDA area.
- Create, fund and operate a loan program to pay for improvements for existing buildings located in the DDA district in order to make them marketable for sale or lease. Loans could be at or below market rate.

Definitions

Business District: an area in the downtown of a municipality zoned and used principally for business.

Downtown District: part of an area in a business district that is specifically designated by ordinance of the governing body of the municipality pursuant to this act. A downtown district may include one or more separate and distinct geographic areas in a business district as determined by the municipality if the municipality enters into an agreement with a qualified township under section 3(7) or if the municipality is a city that surrounds another city and that other city lies between the two separate and distinct geographic areas. If the downtown district contains more than one separate and distinct

geographic area in the downtown district, the separate and distinct geographic areas shall be considered one downtown district.

Public Facility: a street, plaza, pedestrian mall, and any improvements to a street, plaza, or pedestrian mall including street furniture and beautification, park, parking facility, recreational facility, right-of-way, structure, waterway, bridge, lake, pond, canal, utility line or pipe, building, and access routes to any of the foregoing, designed and dedicated to use by the public generally, or used by a public agency. Public facility includes an improvement to a facility used by the public or a public facility, as defined by 1966 PA 1, which improvement is made to comply with the barrier free design requirements of the state construction code promulgated (PA 230 of 1972, MCL 125.1501).

This publication was written by the law firm of Miller Canfield.

New DDA/TIF Reporting and Public Informational Meeting Requirements Pursuant to the Recodified Tax Increment Financing Act 2018 PA 57 (Effective January 1, 2019)

Introduction: The Recodified Tax Increment Financing Act, 2018 PA 57 (the “Act”), was signed into law on March 15, 2018 and took effect on January 1, 2019. The Act consolidates the legislative authority to create and operate tax increment authorities (other than brownfield redevelopment authorities) into a single statute.

The Act imposes new, uniform reporting requirements on most authorities¹ and their related municipalities, new public informational meeting requirements, authorizes the Department of Treasury to enforce the Act, and prohibits authorities in breach of these reporting requirements from capturing tax increment revenues in excess of the amounts necessary to pay bonded indebtedness and other obligations of the authority for the period of noncompliance.

The new reporting and public informational meeting requirements are set forth below:

What: **Send a Copy of Current TIF Plan to Treasury**
When: No later than April 1, 2019
Why: MCL 125.4912
How: Authority must send a copy or an electronic mail link of its currently adopted development plan or its currently adopted tax increment finance plan, if separate from the development plan, to the Department of Treasury.

What: **Hold Two Informational Meetings Annually**
When: Biannually beginning January 1, 2019
Why: MCL 125.4910(4)
How: The board of an authority shall hold at least 2 informational meetings (which may be held in conjunction with other public meetings of the authority or municipality). Notice must be published on the municipality's or authority's website not less than 14 days before the date of the informational meeting. Notice must also be mailed not less than 14 days before the informational meeting by the authority to the governing body of each taxing jurisdiction levying taxes that are subject to capture. As an alternative to mailing notice, the authority may notify the clerk of the governing body of each taxing jurisdiction by electronic mail.

¹ These requirements apply to Downtown Development Authorities, Tax Increment Finance Authorities, Local Development Finance Authorities, Corridor Improvement Authorities, Water Resource Improvement Authorities, Neighborhood Improvement Authorities, and municipalities incorporating any one of these authorities.

- What:** **Post TIF Information on Municipal Website**
- When:** 180 days after end of authority's current Fiscal year as of Jan. 1, 2019
- Why:** MCL 125.4910(1)
- How:** The municipality must create a website or utilize the municipality's existing website with access to authority records and documents, including all of the following:
- (a) Minutes of all board meetings.
 - (b) Annual budget, including encumbered and unencumbered fund balances.
 - (c) Annual audits.
 - (d) Currently adopted development plan, if not included in a tax increment financing plan.
 - (e) Currently adopted tax increment finance plan, if currently capturing tax increment revenues.
 - (f) Current authority staff contact information.
 - (g) A listing of current contracts with a description of those contracts and other documents related to management of the authority and services provided to the authority.
 - (h) An updated annual synopsis of activities of the authority. An updated synopsis of the activities of the authority includes all of the following, if any:
 - (i) For any tax increment revenues described in the annual audit that are not expended within 5 years of their receipt, a description that provides the following:
 - (A) The reasons for accumulating those funds and the uses for which those funds will be expended.
 - (B) A time frame when the fund will be expended.
 - (C) If any funds have not been expended within 10 years of their receipt, both of the following:
 - (I) The amount of those funds.
 - (II) A written explanation of why those funds have not been expended.
 - (ii) List of authority accomplishments, including progress made on development plan and tax increment finance plan goals and objectives for the immediately preceding fiscal year.
 - (iii) List of authority projects and investments, including active and completed projects for the immediately preceding fiscal year.
 - (iv) List of authority events and promotional campaigns for the immediately preceding fiscal year.

- What:** **Send Annual Report to Treasury, Municipality and Taxing Units**
- When:** 180 days after the end of an authority's fiscal year
- Why:** MCL 125.4911(1)
- How:** An authority that is capturing tax increment revenues must submit a report, on a form to be provided by Department of Treasury, to the municipality, the governing body of each taxing unit levying taxes which are subject to capture by the authority, and the Department of Treasury. The report shall include all of the following:

- (a) The name of the authority.
- (b) The date the authority was formed, the date the tax increment financing plan is set to expire or terminate, and whether the tax increment financing plan expired during the immediately preceding fiscal year.
- (c) The date the authority began capturing tax increment revenues.
- (d) The current base year taxable value of the tax increment financing district.
- (e) The unencumbered fund balance for the immediately preceding fiscal year.
- (f) The encumbered fund balance for the immediately preceding fiscal year.
- (g) The amount and source of revenue in the account, including the amount of revenue from each taxing jurisdiction.
- (h) The amount in any bond reserve account.
- (i) The amount and purpose of expenditures from the account.
- (j) The amount of principal and interest on any outstanding bonded indebtedness.
- (k) The initial assessed value of the development area or authority district by property tax classification.
- (l) The captured assessed value retained by the authority by property tax classification.
- (m) The tax increment revenues received for the immediately preceding fiscal year.
- (n) Whether the authority amended its development plan or its tax increment financing plan within the immediately preceding fiscal year and if the authority amended either plan, a link to the current development plan or tax increment financing plan that was amended.
- (o) Any additional information the governing body of the municipality or the Department of Treasury considers necessary.

Roberts Rules of Order – Simplified

Guiding Principles:

- Everyone has the right to participate in discussion if they wish, before anyone may speak a second time.
- Everyone has the right to know what is going on at all times. Only urgent matters may interrupt a speaker.
- Only one thing (motion) can be discussed at a time.

A **motion** is the topic under discussion (e.g., “I move that we add a coffee break to this meeting”). After being recognized by the president of the board, any member can introduce a motion when no other motion is on the table. A motion requires a second to be considered. If there is no second, the matter is not considered. Each motion must be disposed of (passed, defeated, tabled, referred to committee, or postponed indefinitely).

How to do things:

You want to bring up a new idea before the group.

After recognition by the president of the board, present your motion. A second is required for the motion to go to the floor for discussion, or consideration.

You want to change some of the wording in a motion under discussion.

After recognition by the president of the board, move to amend by

- adding words,
- striking words or
- striking and inserting words.

You like the idea of a motion being discussed, but you need to reword it beyond simple word changes.

Move to substitute your motion for the original motion. If it is seconded, discussion will continue on both motions and eventually the body will vote on which motion they prefer.

You want more study and/or investigation given to the idea being discussed.

Move to refer to a committee. Try to be specific as to the charge to the committee.

You want more time personally to study the proposal being discussed.

Move to postpone to a definite time or date.

You are tired of the current discussion.

Move to limit debate to a set period of time or to a set number of speakers. Requires a 2/3rds vote.

You have heard enough discussion.

Move to close the debate. Also referred to as calling the question. This cuts off discussion and brings the assembly to a vote on the pending question only. Requires a 2/3rds vote.

You want to postpone a motion until some later time.

Move to table the motion. The motion may be taken from the table after 1 item of business has been conducted. If the motion is not taken from the table by the end of the next meeting, it is dead. To kill a motion at the time it is tabled requires a 2/3rds vote. A majority is required to table a motion without killing it.

You believe the discussion has drifted away from the agenda and want to bring it back.
 “Call for orders of the day.”

You want to take a short break.
 Move to recess for a set period of time.

You want to end the meeting.
 Move to adjourn.

You are unsure the president of the board announced the results of a vote correctly.
 Without being recognized, call for a “division of the house.” A roll call vote will then be taken.

You are confused about a procedure being used and want clarification.
 Without recognition, call for "Point of Information" or "Point of Parliamentary Inquiry." The president of the board will ask you to state your question and will attempt to clarify the situation.

You have changed your mind about something that was voted on earlier in the meeting for which you were on the winning side.
 Move to reconsider. If the majority agrees, the motion comes back on the floor as though the vote had not occurred.

You want to change an action voted on at an earlier meeting.
 Move to rescind. If previous written notice is given, a simple majority is required. If no notice is given, a 2/3^{rds} vote is required.

Unanimous Consent:

If a matter is considered relatively minor or opposition is not expected, a call for unanimous consent may be requested. If the request is made by others, the president of the board will repeat the request and then pause for objections. If none are heard, the motion passes.

- **You may INTERRUPT a speaker for these reasons only:**
 - to get information about business –point of information to get information about rules– parliamentary inquiry
 - if you can't hear, safety reasons, comfort, etc. –question of privilege
 - if you see a breach of the rules –point of order
 - if you disagree with the president of the board’s ruling –appeal
 - if you disagree with a call for Unanimous Consent –object

| Quick Reference | | | | | |
|--------------------------|------------------|---------------------|----------------|-----------------------------|----------------------------------|
| | Must Be Seconded | Open for Discussion | Can be Amended | Vote Count Required to Pass | May Be Reconsidered or Rescinded |
| Main Motion | √ | √ | √ | Majority | √ |
| Amend Motion | √ | √ | | Majority | √ |
| Kill a Motion | √ | | | Majority | √ |
| Limit Debate | √ | | √ | 2/3 ^{rds} | √ |
| Close Discussion | √ | | | 2/3 ^{rds} | √ |
| Recess | √ | | √ | Majority | |
| Adjourn (End meeting) | √ | | | Majority | |
| Refer to Committee | √ | √ | √ | Majority | √ |
| Postpone to a later time | √ | √ | √ | Majority | √ |
| Table | √ | | | Majority | |
| Postpone Indefinitely | √ | √ | √ | Majority | √ |