

Elected and Appointed Officers

Hart City Council

Mayor William Wells
Mayor Pro Tem Mitch Johnson
Lyle Gale
Denny Powers
Betty Root
Al Seyfred
Robert Steen

Tax Increment Finance Authority Board

Chair Lester Schaner
Treasurer Denny Powers
Secretary Stuart Knox
Hugh Bengtsson
Bill Hegg
Cheri Michael
Doug Springstead

City Manager Scott Huebler
Clerk/Treasurer Louise Stevens
City Assessor Frank LeTarte
City Engineer Mark Lee
(Prein & Newhof)
City Auditor Al Ringquist
(Brickley DeLong)

Table of Contents

Resolution of Intent.....	1
Notice of Hearing.....	2
Resolution Establishing Authority.....	3
Board Establishment, Powers, and Duties.....	4
Director, Employee, Retirement, and Insurance.....	5
Board Power and Duties.....	6
Authority as Instrumentality of Political Subdivision.....	8
Taking, Transfer, and Use of Private Property.....	8
Financing.....	8
Borrowing, Issuance of Revenue Bonds.....	9
Tax Increment Financing Plan.....	9
Tax Increment Bonds.....	14
Development Plan.....	15
Development Plan or Tax Increment Financing Plan Hearing.....	22
Approval, Amendments, and Conclusiveness.....	23
Notice to Vacate.....	24
Development Area Citizens Council.....	24
Authority Budget.....	24
Historical Preservation of Public Buildings.....	25
Authority Dissolution.....	25
Annexing or Consolidation.....	25
Map of Tax Increment Finance Authority District.....	16

Resolution of Intent

City of Hart
Resolution 97-56
Extension of TIFA

- Whereas, In 1983, the Hart City Council created a Tax Increment Finance Authority (TIFA) by adopting a Development Plan and Tax Increment Finance Plan, and
- Whereas, Creation of the TIFA was deemed necessary to halt the decline in property values, increase property tax valuation, eliminate the causes of the decline in property values, and to promote growth within a designated area of the City, and
- Whereas, Following passage of Public Act 145 of 1993, TIFA experienced a 40% loss in generated revenues, and
- Whereas, Due to the significant loss in revenues, a number of projects were eliminated or placed on hold, and
- Whereas, State law allows for the extension of a TIFA under the same conditions and procedures establishing the original TIFA, and
- Whereas, The Hart City Council determines that it is in the best interest of the public to extend the duration of the TIFA in order to halt the decline in property values, increase property tax valuation, eliminate the causes of the decline in property values, and to promote growth within a designated area of the City.

Now Therefore Be It Resolved

That the Hart City Council hereby declares its intent to extend the duration the City of Hart Tax Increment Finance Authority for an additional 15 years.

Be It Further Resolved

That the Hart City Council will hold a public hearing on Tuesday, October 28, 1997 commencing at 7:00 p.m. regarding its intent to adopt a proposed resolution to extend the duration of the City of Hart TIFA.

Be It Further Resolved

That said TIFA shall encompass an area bounded on the south by Polk Road, the east by Dryden and Griswold Streets, the north by Hart Lake, and the west by Courtland and Water Streets.

Moved by Powers, and supported by Root, and thereafter adopted at a regular meeting held on Tuesday, September 23, 1997.

Ayes 6, Nays 0, Absent 1

Notice of Hearing

City of Hart Notice of Public Hearing

The Hart City Council will conduct a public hearing in the City Hall Council Chambers, 407 State Street, on Tuesday, October 28, 1997, commencing at 7:00 p.m. The purpose of the hearing is to hear from all interested parties concerning the extension of the Tax Increment Finance Authority for an additional 15 years. The TIFA District will include an area bounded on the south by Polk Road, the east by Dryden and Griswold Streets, the north by Hart Lake, and the west by Courtland and Water Streets. A copy of the development and tax increment financing plan is available for review in the City Clerks Office, 407 State Street.

Resolution Establishing Authority

City of Hart
Resolution 97-63
TIFA Establishment

- Whereas, On Tuesday, October 28, 1997, the Hart City Council held a public hearing on a development plan and tax increment financing plan for the Hart Tax Increment Finance Authority Development Area pursuant to Public Act 450 of 1981, and
- Whereas, The City has given the Hart Area School District, Oceana County, Intermediate School District, and Public Library an opportunity to meet with the City Council regarding the Plan, and
- Whereas, An ordinance has been adopted by the Council approving the plan, and
- Whereas, The Council has determined that the formation of a development area citizens council is not necessary, the plans meet all requirements, the method of financing is feasible, the Authority has the ability to arrange for financing, the development is reasonable and necessary to carry out the purposes of Act 450, land to be acquired is reasonably necessary, efficient, and economic, the development plan is in accord with the city's master plan, public services will be adequate, and changes in zoning, streets, street levels, intersections, and utilities are necessary.

Now Therefore Be It Resolved

That the hart City Council hereby adopts the 1997 TIFA Development and Tax Increment Financing Plans and extends the duration of the previously created TIFA for another 15 years.

Be It Further Resolved

That the bonding of the Director shall be covered by the same bonding required of the City Manager.

Moved by Root, and supported by Steen, and thereafter adopted at a regular meeting held on Tuesday, October 28, 1997

Ayes 6, Nays 0, Absent 1

Board Establishment, Powers, and Duties

The Authority shall be under the supervision and control of a seven member board appointed by the Mayor subject to the approval of the Council. Of the members currently appointed, two terms shall expire in 1998, one term shall expire in 1999, two terms shall expire in 2000, and two terms shall expire in 2001. Each member shall hold office until their successor is appointed. Each member shall serve four year terms. Appointments to fill any vacancies shall be made by the Mayor for the unexpired term only. Members of the Board shall serve without compensation, but shall be reimbursed for actual and necessary expenses.

The Chair, Treasurer, and Secretary of the Board shall be elected by the Board.

The Treasurer shall keep the financial records of the Authority, and together with the Director, shall approve all vouchers for the expenditure of funds. The Treasurer shall perform other duties as delegated by the Board and shall furnish bond in an amount prescribed by the Board.

The Secretary shall maintain custody of the official seal, records, books, documents, or other papers not required to be maintained by the Treasurer. The Secretary shall attend meetings of the Board, keep a record of its proceedings, and perform other duties as delegated by the Board.

Before assuming the duties of office, a member shall qualify by taking and subscribing to a constitutional oath of office.

The Board shall adopt rules governing procedure, subject to approval of the Council, and schedule meetings. Special meetings may be held when called in the manner provided in the rules of the Board. Meetings of the Board shall be open to the public in accordance with Public Act 267 of 1976.

Pursuant to notice and an opportunity to be heard, a member of the Board may be removed before the expiration of their term for cause by the City Council. Removal of a member is subject to review by the circuit court.

All expense items of the Authority shall be publicized annually and the financial records shall be open to the public pursuant to Public Act 442 of 1976.

Director, Employees, Retirement, and Insurance

The Board may employ and fix the compensation of a Director subject to approval of the 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. The Director shall furnish bond posting in a sum determined in the resolution establishing the Authority. The premium on the bond shall be considered an operating expense of the Authority.

The Director shall be the chief executive officer of the Authority. Subject to approval of the Board, the Director shall supervise and be responsible for the preparation of plans and the performance of the Authority. The Director shall attend meetings of the Board and shall render to the Board and to the Council a regular report covering the activities and financial condition of the Authority. The Director shall furnish the Board with information or reports governing the operation of the Authority as required.

If the Director is absent or disabled, the Board may designate a qualified person as Acting Director to perform the duties of the Director. Before entering upon the duties of the office, the Acting Director shall take and subscribe to the constitutional oath and furnish bond as required of the Director.

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

The Board may employ other personnel considered necessary.

Employees of the Authority may be eligible to participate in retirement and insurance programs of the City as if they were employees of the City.

Board Powers and Duties

Prepare an analysis of economic changes taking place in the City and its environs as they relate to urban deterioration in the development area.

Study and analyze the impact of growth upon development area.

Plan and propose the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of public facilities, existing buildings, or multiple family dwelling units.

Plan, propose, and implement improvements to public facilities within the area to comply with barrier free design requirements of the State.

Develop and implement long range plans, in cooperation with the Hart Planning Commission, designed to halt the decline of property values and to promote the growth of the development area.

Implement any plans in the development area necessary to achieve the purpose of Act 450 in accordance with the powers of the Authority.

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 own, convert, demolish, relocate, rehabilitate, dispose of, or lease land, other property, rights, or interest which the Authority determines is necessary to achieve the purposes of Act 450, and to grant or acquire licenses, easements, and options.

Improve land, prepare sites including the demolition of existing structures, construct, reconstruct, rehabilitate, restore, preserve, equip, improve, maintain, repair, and operate any building within the development area for use by any public or private person or corporation.

Fix, charge, and collect fees, rents, and charges for the use of any building or property 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.

Accept grants and donations of property, labor, or other things of value.

Acquire and construct public facilities.

Incur costs in connection with the performance of its authorized functions, including but not limited to, administrative, architectural, engineering, legal, and accounting.

Authority as Instrumentality of Political Subdivision

The Authority shall be considered an instrumentality of the City of Hart for purposes of Public Act 227 of 1972.

Taking, Transfer, and Use of Private Property

The City of Hart may take private property under Public Act 87 of 1980 for the purpose of transfer to the Authority for use as authorized in the development plan on terms and conditions it considers appropriate. The taking, transfer, and use shall be considered necessary for public purposes and for the benefit of the public.

Financing

The activities of the Authority shall be financed from one or more of the following sources:

1. Contributions to the Authority for the performance of its functions.
2. Revenues from any property, building, or facility owned, leased, licensed, or operated by the Authority or under its control, subject to the limitations imposed upon the Authority by trusts or other agreements.
3. Tax increments received pursuant to a tax increment financing plan.
4. Proceeds of tax increment bonds.
5. Proceeds of revenue bonds.
6. Money obtained from any other sources approved by the Council.

Borrowing, Issuance of Revenue Bonds

The Authority may borrow money and issue its negotiable revenue bonds pursuant to Public Act 94 of 1933. Revenue bonds issued by the Authority shall not, except as provided, be considered a debt of the City or of the State of Michigan.

The City by majority vote of the Council may pledge its full faith and credit limited tax to support the Authority's revenue bonds.

Tax Increment Financing Plan

- (1) Statement of the reasons that the Plan will result in the development of captured assessed value which could not otherwise be expected.

The Plan will result in the development of captured assessed values by allowing TIFA to invest in public improvements that are necessary to induce and accommodate additional private development. One focus of the TIFA will be on an undeveloped area in the south central portion of the City characterized by dirt roads lacking city water and sewer. There has been a lot of recent residential and industrial developmental interest in this area. This area will not properly develop without the typical city infrastructure.

The TIFA has spurred a lot of new development in the downtown business district and southern industrial district, resulting in increased assessed values. TIFA lost \$200,000 following adoption of Act 145 of 1993, which reformed school financing and drastically reduced the amount of millage captured by TIFA's. The extension of TIFA will allow the timely completion of projects originally anticipated and continued growth in assessed valuations through private investment..

- (2) Estimate of the captured assessed value for each year of the Plan, commencing with the 1997 base year of \$2,995,300 and assuming an annual growth of 4% based upon the historical average annual growth of 4%.

1998	\$3,115,100	2006	\$4,263,200
1999	\$3,239,700	2007	\$4,433,800
2000	\$3,369,300	2008	\$4,611,100
2001	\$3,504,100	2009	\$4,795,600
2002	\$3,644,200	2010	\$4,987,400
2003	\$3,790,000	2011	\$5,186,900
2004	\$3,941,600	2012	\$5,394,400
2005	\$4,099,300		

- (3) Estimated tax increment revenues for each year of the Plan, based upon a present millage rate of 22 mills. Total accumulated taxes for the 15 year period is estimated at \$1,372,200.

1998	\$68,500	2006	\$93,800
1999	\$71,300	2007	\$97,500
2000	\$74,100	2008	\$101,400
2001	\$77,100	2009	\$105,500
2002	\$80,200	2010	\$109,700
2003	\$83,400	2011	\$114,100
2004	\$86,700	2012	\$118,700
2005	\$90,200		

- (4) Detailed explanation of the tax increment procedure.

A tax increment finance authority may propose, through the development of a plan, to finance developments revitalization of a designated area. The plan is then forwarded to the city council for adoption following consultation with other taxing jurisdictions and a public hearing.

The TIFA invests in public improvements and may also lease facilities to stimulate private investment. Investments may be made in response to a declining business climate and tax base or to protect and develop a stable business climate and tax base.

Bonds may be issued to finance the improvements. Should tax increment funds be sufficient to warrant the selling of bonds, these bonds are retired in a manner prescribed by the authority.

Taxes generated from subsequent growth in the tax base of the district are retained and utilized by the authority. This tax base growth is called the captured assessed value. Captured assessed value is the difference between the state equalized value (SEV) of the district at any point in time and the SEV of the district at the time the plan was adopted.

Taxes which are potentially available to the authority include all of the taxes normally levied by the local taxing jurisdictions on the captured assessed value of the district. The plan may provide for the use of part or all of the captured assessed value. The authority may enter into agreements with the taxing jurisdictions to share any portion of the captured assessed value. Should the authority find it necessary to use all of the captured assessed value, it shall be clearly stated in the plan.

When the plan is accomplished, the captured assessed value is released and the taxing jurisdictions receive all taxes levied on it from that point on.

Taxing jurisdictions continue to receive their full tax levy on the tax base in existence when the plan is adopted. Any taxes generated beyond the amount required by the plan are returned each year to the taxing jurisdictions. The Hart TIFA will capture real property tax revenues resulting only from new assessed valuation due to construction, remodeling, or additions minus losses due to fire, demolition, or removal. Any future losses charged against TIFA shall not be any greater than the original new of the property. Inflation will not be captured or likewise figured into plus and minus adjustments for TIFAs captured assessed valuation.

Tax increment financing is based on the expectation that all or portions of the captured assessed value which is created would not have occurred without stimulation by public investment. Short term investments made by the taxing jurisdictions in forgoing part of the initial growth is repaid by the long term benefit of substantially greater taxes realized from a stronger tax base.

- (5) Maximum amount of bonded indebtedness to be incurred.

The maximum amount of bonded indebtedness to be incurred by the Authority shall be \$1,000,000.

- (6) Amount of operating and planning expenditures of the Authority and City, amount of advances extended for indebtedness incurred by the City, and amount of advances by others to be repaid from tax increment revenues.

Operating and planning expenditures of the Authority will be an in kind expense covered by the City. There has been no advances or indebtedness incurred.

- (7) Costs of the plan anticipated to be paid from tax increment revenues as received.

Costs of the Plan will be minimal and covered by the City as an in kind match.

- (8) Duration of the Development Plan and Tax Increment Plan.

Both shall last for fifteen years, expiring in October, 2012.

- (9) Estimate of the impact of tax increment financing on the revenues of all taxing jurisdictions in which the development area is located.

Tax increment financing generates revenue based only on the captured SEV over and above an established level. Each taxing jurisdiction will continue to levy taxes against the original SEV of \$4.7 Million. Any unused captured revenue may be redistributed to the taxing jurisdictions.

The Authority will only capture new valuation minus any losses. Inflation, including the original \$4.7 Million, the \$2.9 Million in new since 1983, and any additional new over the next 15 years, will not be captured and will thus be available for use by the taxing jurisdictions.

The impact upon other taxing jurisdictions is negligible because only new increases in property taxes will be captured.

Approval of the tax increment financing plan shall be in accordance with notice, hearing, disclosure, and approval provisions. When the development plan is part of the tax increment financing plan, only one hearing and approval procedure is required.

Before the public hearing, the City shall provide a reasonable opportunity to the taxing jurisdictions in which the development is located to express their views and recommendations regarding the tax increment financing plan. The Authority shall fully inform the taxing jurisdictions about the fiscal and economic implications of the proposed tax increment financing plan. The taxing jurisdictions may present their recommendations at the public hearing. The Authority may enter into agreements with the taxing jurisdictions and the City to share the captured assessed value.

The amount of tax increment to be transmitted to the Authority shall be that portion of the tax levy of all taxing jurisdictions paid each year on real and personal property in the area on the captured assessed value. That portion of a commercial facilities tax levied pursuant to Public Act 255 of 1978, industrial facilities tax levied pursuant to Public Act 198 of 1974, and specific taxes levied under Public Act 224 of 1985, Section 21 which is attributable to the captured assessed value of the facility shall be included as part of the tax increment to be transmitted to the Authority.

The Authority shall expend the tax increment revenues only in accordance with the Plan. Surplus funds may be retained for the payment of outstanding bonds or for other purposes that are determined to further the Plan. Any surplus funds not used shall revert proportionately to the respective taxing jurisdictions. These revenues shall not circumvent existing property tax laws or the local charters which provide maximum authorized tax levy rates. The City may abolish the tax increment financing plan when it finds that the purposes for which the plan was established are accomplished.

The Plan may not be abolished until bonds have been paid off or funds sufficient to make such payments have been segregated.

The Authority shall submit to the Council an annual financial report. The report shall include the amount and source of revenues, 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, the initial assessed value of the development area, the captured assessed value retained by the Authority, and any additional information the Council considers necessary.

Tax Increment Bonds

By resolution of its Board, the Authority may authorize, issue, and sell tax increment bonds to finance a development program. The bonds shall mature in not more than 30 years and shall be subject to Public Act 202 of 1943.

The Authority may pledge for annual debt service requirements in any one year not more than 80% of the estimated tax increment revenue to be received from the Area for that year. The total aggregate amount of borrowing shall not exceed an amount of 80% of the estimated tax increment revenue.

Bonds issued under this section shall be considered a single series.

The City Council may pledge the City's full faith and credit for the payment of the principal and interest on the Authority's tax increment bonds.

Development Plan

- (1) Designation of the boundaries of the Development Area in relation to the boundaries of the Authority District and any other development areas.

The Development Area shall encompass the entire Tax Increment Finance Authority District.

- (2) Designation of the boundaries of the Area in relation to highway and streets.

The Area is bounded on the south by Polk Road, on the east by Dryden and Griswold Streets, on the north by Hart Lake, and on the west by Water and Courtland Streets.

- (3) Location and extent of existing streets and other public facilities within the Area. The location, character and extent of land uses existing and proposed for the Area.

Polk Road from western city limit to Griswold Street, Hanson Street from State Street to Dryden Street, Chatagua Street from Water Street to Dryden Street, Wigton Street from Courtland Street to Dryden Street, Wood Street from Courtland Street to Dryden Street, Jefferson Street from Courtland Street to Dryden Street, Johnson Street from Courtland Street to Dryden Street, Church Street from Water Street to Dryden Street, Lincoln Street from Water Street to Dryden Street, Washington Street from Water Street to Hart Street, Main Street from Water Street to Chippewa Creek, Mechanic Street from Water Street to Courtland Street, Water Street from Church Street to Hart Lake, Courtland Street from Chatagua Street to Mechanic Street, State Street from Polk Road to Hart Lake, Dryden Street from Polk Road to Washington Street, Hart Street from Washington Street to Main Street, Parmington Street from Polk Road to its dead end, and Griswold Street from Polk Road to a point 1,350 feet north of Polk Road.

The Area includes several public facilities, including Hart City Hall and Police Department, State Street Gym, Jaycee Park, Hart Area Public Library, Hart Area Fire Department, City Public Works Garage, Hart Hydro Department and Diesel Plant, Hart-Montague State Rail Trail Park, Oceana County Council on Aging Bus and County Ambulance Garage, Oceana County Building and Sheriffs Department.

The Area is characterized by a mixture of land uses, predominantly zoned and utilized for industrial and commercial businesses. The northern third of the Area constitutes the downtown district, the middle third is a mix of light commercial activities, and the southern third is industrial. Future land uses, as adopted in the 1995 City of Hart Master Plan, retains the downtown district while minimizing the industrial sector for greater residential and commercial development.

- (4) A description of improvements to be made. A description of any repairs and alterations necessary to make those improvement. An estimate of the time required for completion of the improvements. The location, extent, character, and estimated cost of the improvements contemplated for the Area. An estimate of the time required for completion.

The *Mobile Gas Station Reuse* plan is for possible use as a public or private facility to include public rest rooms for the downtown district. The need for public restrooms in the downtown area has been identified by the Authority, Council, Chamber of Commerce, and downtown business owners. This project will take one winter to complete. The reuse of the gas station may include charging a nominal rental fee to cover operating and renovation expenses. Station renovations will cost approximately \$50,000, take six months to complete and will be scheduled for completion in 1998.

The *Courtland Street Rebuild*, from Johnson to Mechanic Streets, including Mechanic Street, will include resurfacing, water and sewer improvements, sidewalk upgrades, landscaping, and signing. This project will take one summer to complete at an estimated \$292,000 and should be completed by fall of 1999.

The *Dryden Street Rebuild & Extension*, from Wigton Street to Polk Road, will involve resurfacing existing pavement, upgrading dirt roads to paved, connection of southern and northern portions of Dryden Street, water and sewer improvements and installations, sidewalk upgrades and installations, landscaping, and signing. This project may take two summers to complete. This project is estimated at \$355,420 and may take as long as the fall of 2003 to complete.

The *Waterfront Boardwalk* project consists of construction of a wooden, all-weather boardwalk with fishing and viewing areas from the downtown business district to Veterans Memorial Park. The Authority's portion of this project will cost approximately \$100,000 and requires outside sources to connect this and the existing boardwalk in the area lying outside of the Development Area. This project will take one summer to complete and is projected for completion by 2005.

Reuse of the State Street Gym may result in a new public facility such as a library, athletic center, or meeting facility. The facility is presently owned by the Hart Area Schools. Future use by the Authority is dependent upon continued ownership and need by the Schools. This project may cost up to \$200,000. Completion will take one year and is projected for 2009. Should the Hart Area Public Library desire to relocate in the gym prior to 2009, TIFA may be willing to assist in those relocation costs.

Nonvehicular Traffic Improvements will be made throughout the district during the next 15 years. Such improvements will be made on an annual basis as determined by the Board. Available funds and need will be the basis for determining which, if any, improvements are made. TIFA has spent up to \$25,000 for annual improvements. This figure may continue with total costs as yet undetermined.

Streetscape Lighting will continue down State Street and other major corridors as deemed appropriate by the Board. Lighting will be on an as needed basis with funds left over from the above higher prioritized projects. No specific completion date is available and cost should not exceed \$100,000.

- (6) A statement of the construction or stages of construction planned. The estimated time of completion of each stage.

Stage 1	Mobile Gas Station Reuse	Winter 1998
Stage 2	Courtland Street Rebuild	Fall 1999
Stage 3	Dryden Street Rebuild	Fall 2002
Stage 4	Dryden Street Extension	Fall 2003
Stage 5	Waterfront Boardwalk	Fall 2005
Stage 6	State Street Gym Reuse	Fall 2009

Floating Nonvehicular Traffic Improvements
Streetscape Lighting

- (7) A description of any parts of the development area to be left as open space and the use contemplated for the space.

Limited open space is intended for selected areas within the Area. The high demand for commercial and industrial activities along with future residential development within the Area do not lend themselves towards large open spaces.

Public open spaces will be used passively for lighting, seating, trash receptacles, and landscaping. Private open spaces, through zoning requirements, will be primarily characterized by landscaped buffer strips.

- (8) A description of any portions of the development area which the authority desires to sell, donate, exchange, or lease to or from the municipality and the proposed terms.

The Authority may sell, donate, exchange, or lease to or from the City the Mobile Gas Station or State Street Gym. The proposed terms have not as yet been developed.

- (9) A description of desired zoning changes and changes in streets, street levels, intersections, and utilities.

The Hart Planning Commission has established a future land use map which includes the Development Area. Any desired zoning changes will conform to this map. Streets will be changed by improving the surface quality, leveling intersections, and improving pedestrian facilities. The southern and northern portions of Dryden Street will be connected to provide a continuous north/south route through areas of undeveloped lands. Utilities will be improved where needed.

- (10) An estimate of the cost of the development. A statement of the proposed method of financing the development. The ability of the authority to arrange financing.

The entire development cost is estimated at \$895,420. The developments will be financed by capturing new improvements in the Area minus any losses at the time of the improvement or loss for the remaining duration of the Authority. Inflation, positive adjustments, and negative adjustments will not be captured. These funds in addition to any donations, grants, special assessments, or assistance from other outside agencies will be used to fund the projects either on a pay as you go method or through debt retirement. The Authority will have the ability to arrange financing either on its own or with the full faith and credit of the City pledged.

- (11) Designation of the person or persons, natural or corporate, to whom all or a portion of the development is to be leased, sold, or conveyed. For whose benefit the project is being undertaken, if that information is available to the authority.

The Authority may enter into a lease with the Hart-Silver Lake Chamber of Commerce for use of the Mobile Gas Station. The Chamber will use this facility as a public information center, meeting facility, and rest rooms to benefit the general public while focusing on the tourism industry.

The Authority may also lease the State Street Gym depending upon its availability, reuse, and need. This may benefit either the general public, non-profit agencies, special interest groups, or private entities.

- (12) The procedures for bidding for the leasing, purchasing, or conveying of all or a portion of the development upon its completion, if there is no express or implied agreement between the authority and persons that all or a portion of the development will be leased, sold, or conveyed to those persons.

Bidding procedures will follow the same guidelines as established by the Council and will most likely include sealed bids in instances where there is no expressed or implied agreement. There is already an implied agreement between the TIFA and Hart-Silver Lake Chamber of Commerce that the Mobile Gas Station will be leased to the Chamber following obtainment of title and renovations. Lease payments will be based upon the cost of acquisition and renovation.

- (13) Estimates of the number of persons residing in the development area and the number of families and individuals to be displaced.

Less than 100 persons live within the Area and none are anticipated to be displaced.

- (14) A plan for establishing priority for the relocation of persons displaced by the development in any new housing in the development area.

There will be no displacement.

- (15) Provision for the costs of relocating persons displaced by the development, and financial assistance and reimbursement of expenses, including litigation expenses and expenses incident to the transfer of title, in accordance with the standards and provisions of the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.

There will be no displacement.

- (16) A plan for compliance with Michigan Compiled Laws Sections 213.321 and 213.332 of Public Act 227 of 1972.

The Authority intends to fully comply.

- (17) Other material which the authority, local public agency, or governing body considers pertinent.

No other pertinent material is available at this time.

Development Plan or Tax Increment Financing Plan Hearing

The City Council, before adoption of a resolution approving the development and tax increment financing plans, shall hold a public hearing. Notice of the time and place of the hearing shall be given by publication twice in a newspaper of general circulation. The first of which shall not be less than 20 days before the hearing. Notice shall also be mailed to all property taxpayers of record in the development area not less than 20 days before the hearing.

Notice of the time and place of hearing on the plans shall contain a description of the proposed development area, a statement that all pertinent information is available for public inspection at a place designated in the notice, a statement that all aspects of the plans will be open for discussion at the public hearing, and other information that the Council considers appropriate.

At the time set for the hearing, the Council shall provide an opportunity for interested persons to be heard and shall receive and consider written communications. The hearing shall provide the fullest opportunity for expression of opinion, for argument on the merits, and for introduction of documentary evidence pertinent to the plans.

Development Plan or Tax Increment Financing Plan Approval, Amendments, and Conclusiveness

The City Council, after a public hearing on the development and tax increment financing plans, shall determine whether the plans constitute a public purpose. If the Council determines that the plans constitutes a public purpose, the Council shall then approve, reject, or approve the plans with modifications, by resolution based upon the following considerations:

1. Whether the plans meet the requirements set forth,
2. Whether the method of financing is feasible and the Authority has the ability to arrange the financing.
3. Whether the development is reasonable and necessary to carry out the purposes of Public Act 450.
4. Whether the amount of captured assessed value estimated to result from adoption of this plan is reasonable.
5. Whether the land to be acquired within the development area is reasonably necessary to carry out the purposes of the plans and the purposes of Public Act 450.
6. Whether the plans are in reasonable accord with the approved master plan of the City.
7. Whether public services are or will be adequate to service the area.
8. Whether changes in zoning, streets, street levels, intersections, and utilities are reasonably necessary for the project and for the municipality.

Amendments to an approved plan must be submitted by the Authority to the Council for approval or rejection following the same notice and hearing provisions that are necessary for the original plan. Notice and hearing shall not be necessary for revisions in the estimates of captured assessed value and tax increment revenues.

The procedure, adequacy of notice, and findings with respect to purpose and captured assessed value shall be conclusive unless contested in a court of competent jurisdiction within 60 days after passage of the resolution adopting the plan.

Notice to Vacate

There will be no displacements.

Development Area Citizens Council

There is no requirement for a Development Area Citizens Council.

Authority Budget

The Director shall prepare and submit for Board approval a budget for the operation of the Authority for the ensuing fiscal year. The budget shall be prepared in the manner and contain the information required of city departments. Before the budget may be adopted by the Board, it shall be approved by the City Council. Funds of the City shall not be included in the budget of the Authority except those funds authorized by Act 450 or by the Council.

The Council may assess a reasonable pro rata share of the funds for the cost of handling and auditing the funds against the funds of the Authority, other than those committed for designated purposes, which cost shall be paid annually by the Board pursuant to an appropriate item in its budget.

Historical Preservation of Public Buildings

A public facility, building, or structure which is determined by the City to have significant historical interest shall be preserved in a manner necessary by the City in accordance with laws relative to the preservation of historical sites.

The Authority shall refer all proposed changes to the exterior of sites listed on the State Register of Historic Sites and the National Register of Historic Places to the applicable historic district commission created under Public Act 169 of 1970 or the Secretary of State.

Authority Dissolution

When the Authority has completed the purposes for which it was organized, it shall be dissolved by resolution of the City Council. The property and assets of the Authority remaining after the satisfaction of the obligations shall belong to the City.

Annexing or Consolidation of Authority District with Another Municipality

If an authority district is part of an area annexed to or consolidated with another municipality, the authority managing that district shall become an authority of the annexing or consolidated municipality. All obligations of that authority incurred, all agreements related to the plans, and bonds issued shall remain in effect following annexation or consolidation.