

**WORK SESSION AGENDA**  
**CHARTER TOWNSHIP OF YPSILANTI**  
**TUESDAY, OCTOBER 6, 2009**

**\*\* PLEASE NOTE START TIME \*\***

**5:00 P.M.**

**CIVIC CENTER  
BOARD ROOM  
7200 S. HURON RIVER DRIVE**

1. COBALT SURVEY PRESENTATION  
– WILLIAM SAINTAMOUR
2. UPDATE ON IMPLEMENTATION OF 32 HOUR WORK  
WEEK
3. REVIEW AGENDA
4. OTHER DISCUSSION

# Cobalt Citizen Satisfaction Index

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Charter Township of Ypsilanti 2009



# Study Goals

- Determine residents' perceptions about quality of life
- Reveal levels of satisfaction and importance about current services
- Aid in establishing priorities
- Provide a baseline for tracking community opinions
- Maximize service quality over time
- Respond to Township Support of Potential Police Millage

# Bottom Line

- The Township performed well, especially with “local government” performing well above benchmarks
- No community is perfect, and there are opportunities to further boost service levels to improve community-wide satisfaction
- Perception is a product that drives citizen behaviors – including decisions to stay or recommend the community
- Surveys are helpful for measuring “how much, how many, and to what extent”
- Surveys do not measure “why” or “what to do next”

# Methodology

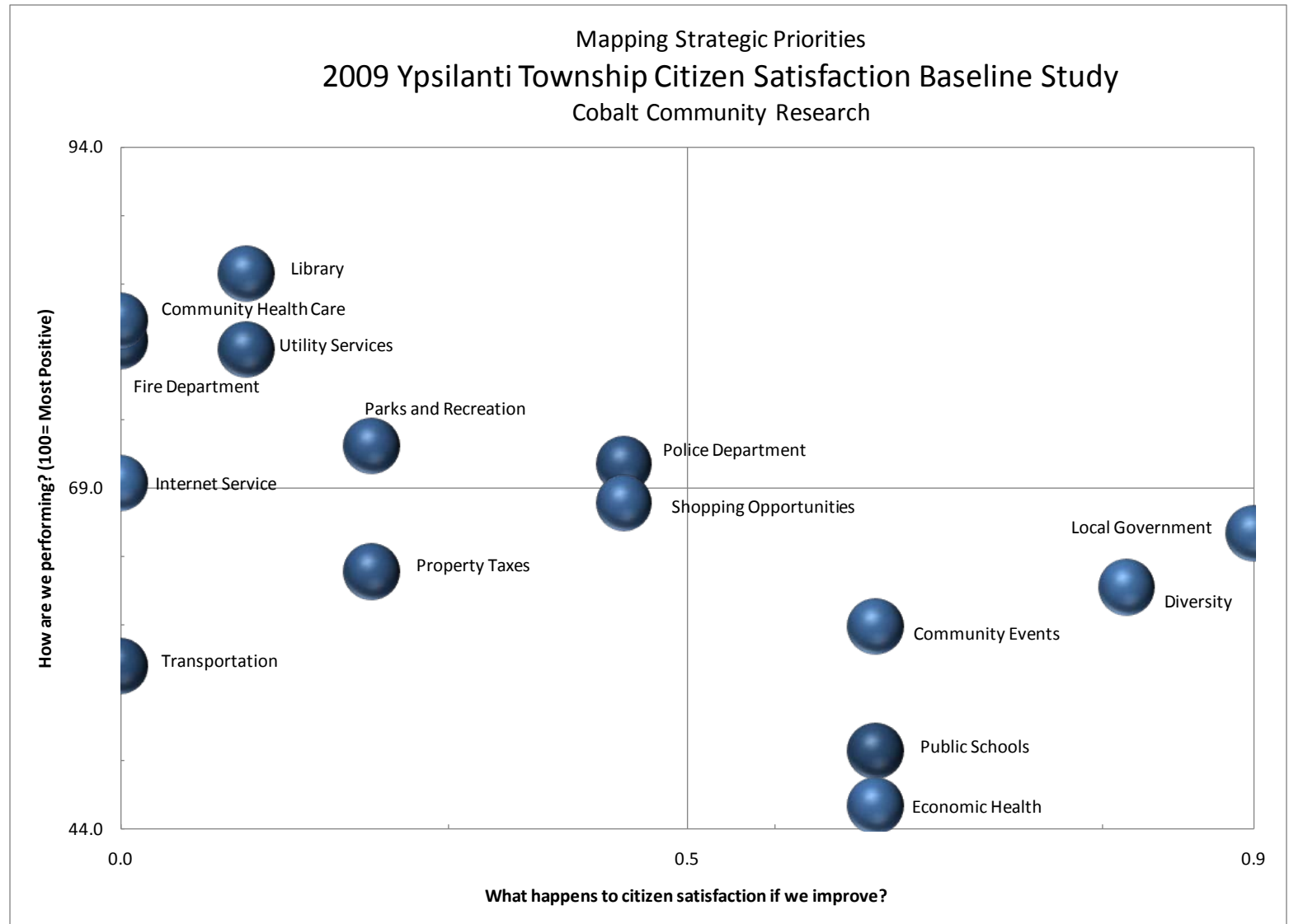
- Random sample of 3000 residents drawn from voter files
- Utilized [www.random.org](http://www.random.org), a well-respected utility used internationally by many universities and researchers to generate true random numbers, based on atmospheric noise.
- Conducted using a single mailing in July 2009
- Response from 608 residents, providing a conventional margin of error of +/- 3.9 percent in the raw data and an ACSI margin of error of +/- 1.8 percent
- Validated responses against overall voter file using ward numbers and gender. Difference is less than 1 percent

# Areas Evaluated Through the Survey (“drivers”)

- Community image
- Local public schools
- Transportation infrastructure
- Fire services
- Police/Sheriff services
- Utility services
- Taxes
- Parks and recreation
- Library services
- Internet services
- Quality of life
- Health services
- Community events
- Economic health
- Behavioral intentions
  - Stay/Recommend
  - Volunteer
  - Support administration
- Township-specific services and programs

# Results

# Drivers of Satisfaction and Behavior: Strategic Priorities



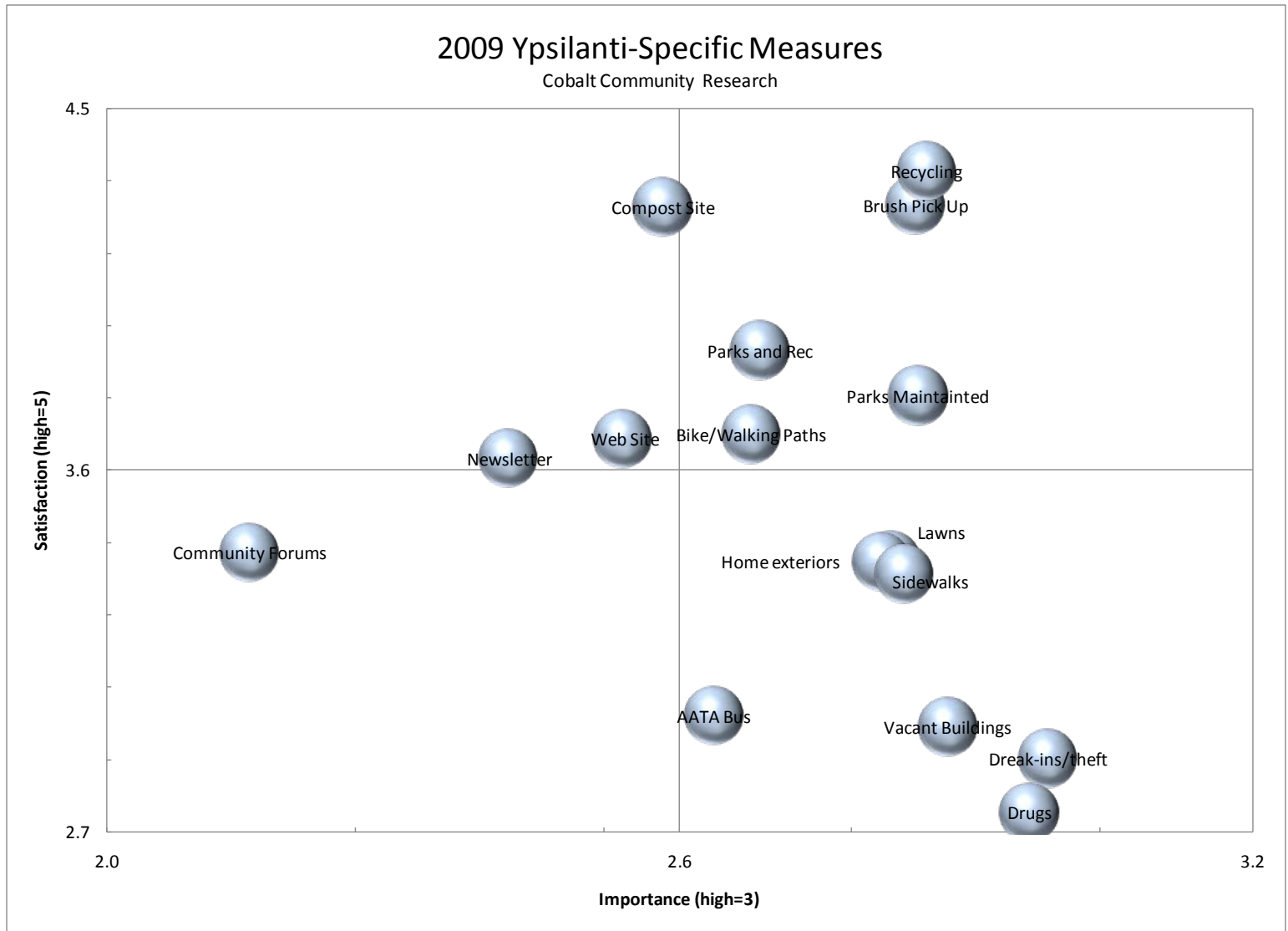


## Standard Portal Analysis:

# Comparing to Outside Organizations

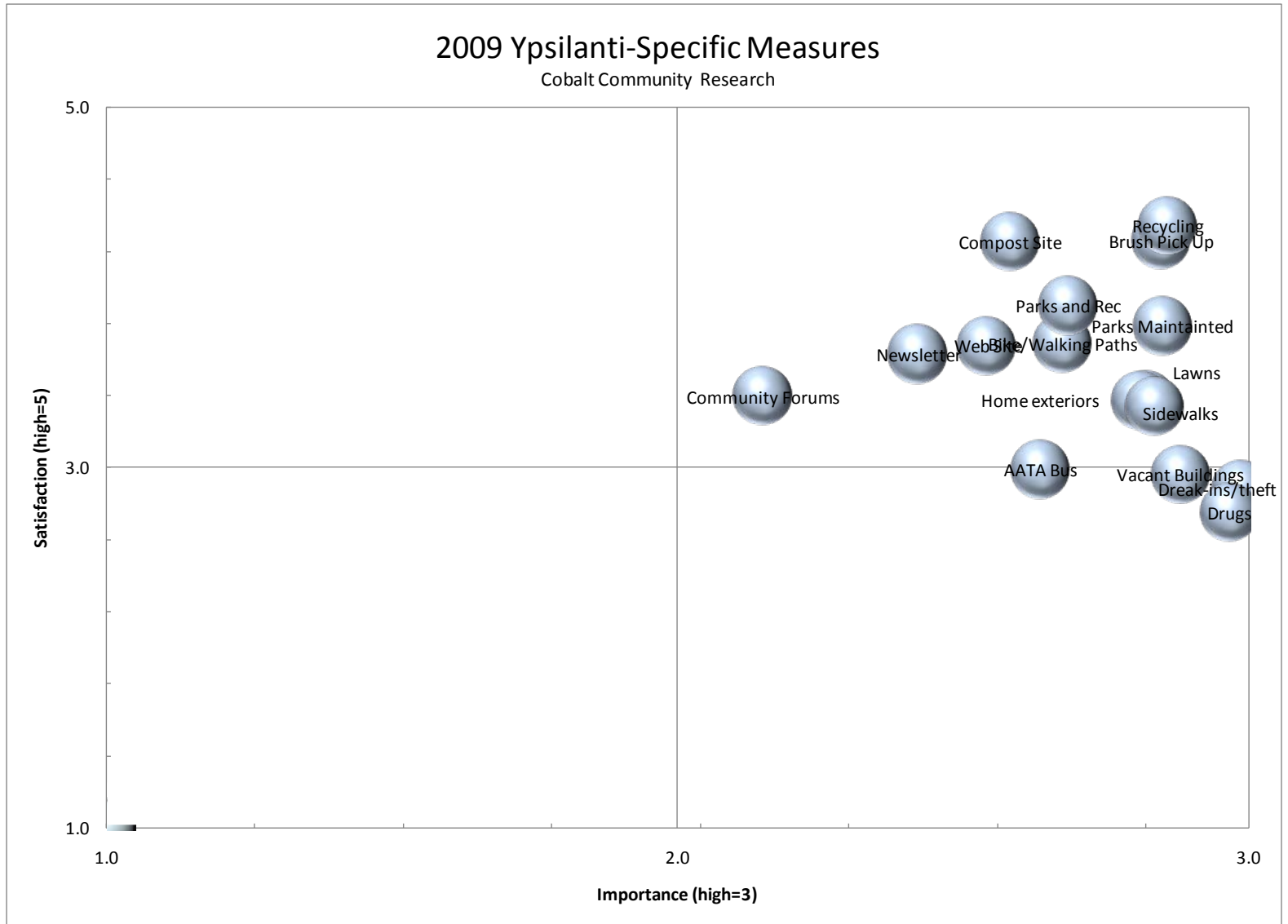
Component	Ypsilanti Township Score	State Benchmark	State Benchmark - Midsize	National Benchmark	National Benchmark - Midsize
Citizen Satisfaction	58.0	59.3	60.7	58.0	60.4
Public Schools	49.7	62.1	63.3	60.9	62.7
Transportation	56.0	55.9	55.6	55.4	55.6
Fire Department	79.8	74.6	77.1	78.0	80.0
Police Department	70.7	70.2	74.8	69.8	70.5
Utility Services	79.1	75.8	78.1	76.2	77.8
Property Taxes	62.9	59.2	60	61.5	60.3
Parks and Recreation	72.0	68.0	71.3	67.4	70.5
Library	84.7	76.2	80.5	76.5	77.0
Community Health Care	81.2	71.7	74.1	72.1	76.5
Shopping Opportunities	67.8	65.8	75.4	66.8	75.2
Local Government	65.6	55.8	58	55.6	60.1
Community Events	58.8	60.0	64.6	60.5	64.9
Economic Health	45.7	46.8	49.9	48.3	50.7
Diversity	61.7	49.1	56.4	52.5	53.7
Internet Service	69.4	60.9	67.8	66.0	69.2
Community Image	58.3	66.3	68.9	66.1	67.7

# Township-Specific Programs Rated by Satisfaction and Importance

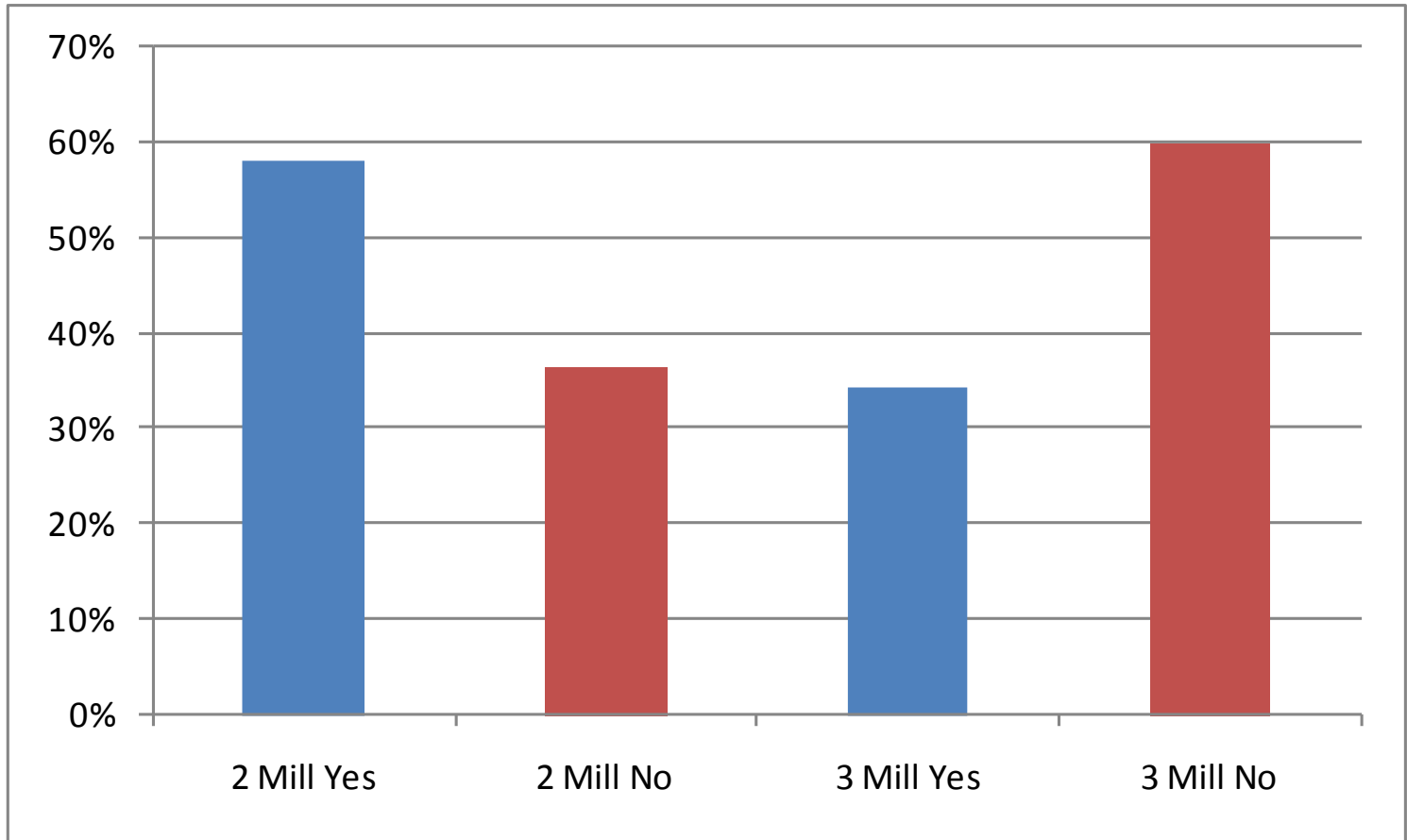


# Township-Specific Programs

(No scale adjustments on graph)

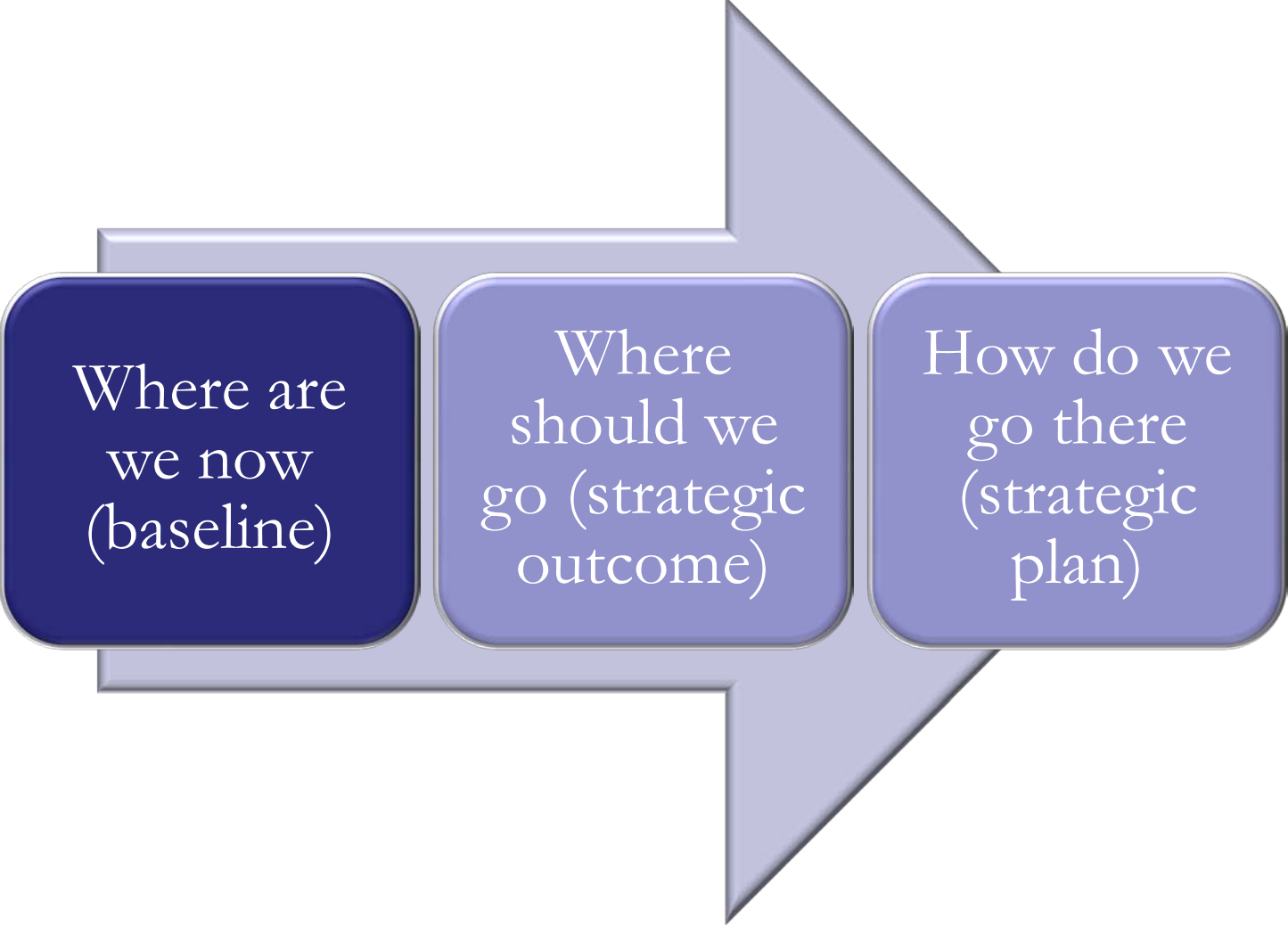


# Township-Specific Police Millage Question



# Action

# Building an Ideal Community



Where are  
we now  
(baseline)

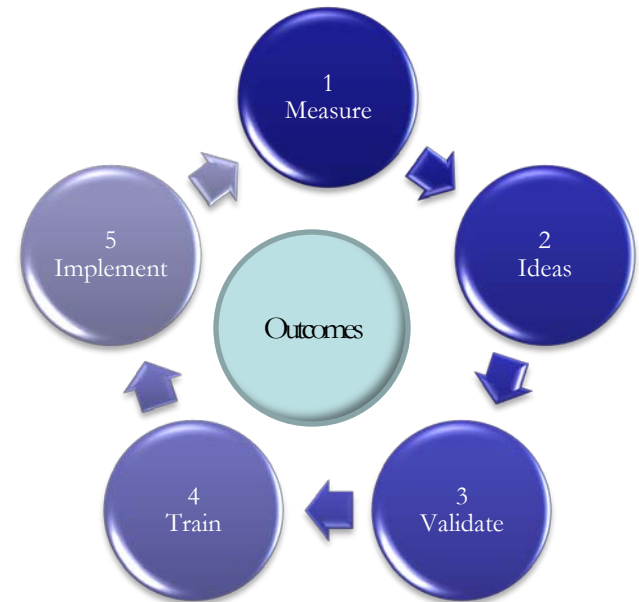
Where  
should we  
go (strategic  
outcome)

How do we  
go there  
(strategic  
plan)

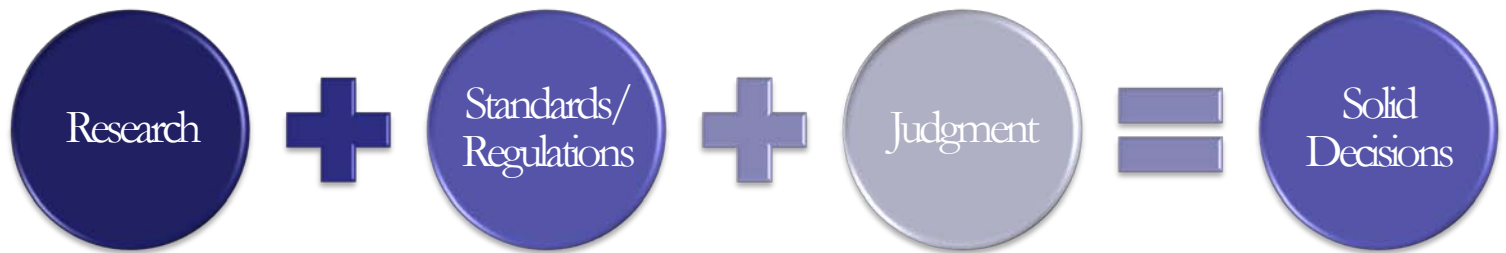
# Strategy is About Action: Improve Performance to Improve Outcomes

The diagram at the right provides a framework for following up on this survey.

- The first step (measurement) is complete. This measurement helps prioritize resources and create a baseline against which progress can be measured.
- The second step is to use internal teams to further analyze the results and form ideas about why respondents answered as they did and potential actions in response.
- The third step is to validate ideas and potential actions through conversations with residents and line staff – do the ideas and actions make sense. Focus groups, short special-topic surveys and benchmarking are helpful.
- The fourth step is to provide staff with the skills and tools to effectively implement the actions.
- The fifth step is to execute the actions.
- The final step is to re-measure to ensure progress was made and track changes in resident needs.

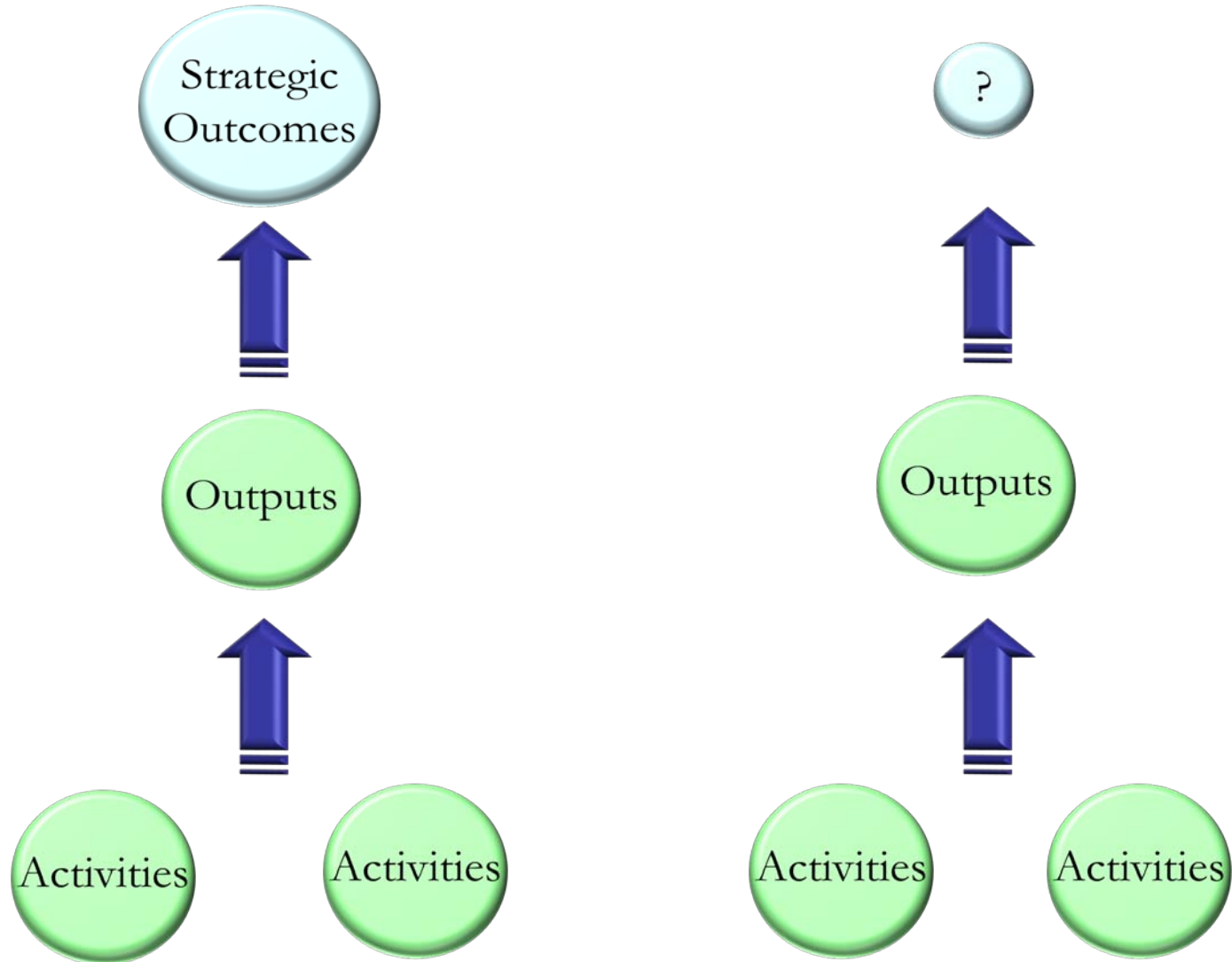


# Balancing Research





# Strategy is About Choices: All Activities are Not Equal



# Strategy is About Decisions: Questions to Consider

- What are the high and low priorities
- How can these priorities be represented in your budget, staff allocations, and measurements
- How will you communicate to ensure residents, staff and community leadership have the same priorities and vision?
- Which messages do you want residents carry to improve and promote your community?
- How do you equip staff and other stakeholders to carry these messages?
- How will you share these results with the community

# Be Clear About Your Strategic Outcomes

What are the characteristics of an ideal community through resident's eyes?

Your residents want you to succeed.



# UPDATE

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A. IMPLEMENTATION OF 32 HOUR WORK WEEK

# REVIEW AGENDA

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- A. SUPERVISOR STUMBO WILL REVIEW BOARD MEETING AGENDA

# OTHER DISCUSSION

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- A. BOARD MEMBERS HAVE THE OPPORTUNITY TO DISCUSS ANY OTHER PERTINENT ISSUES



**CHARTER TOWNSHIP OF YPSILANTI  
REGULAR MEETING  
TUESDAY, OCTOBER 6, 2009**

**BRENDA L. STUMBO, SUPERVISOR  
KAREN LOVEJOY ROE, CLERK  
LARRY J. DOE, TREASURER  
TRUSTEES:  
JEAN HALL CURRIE  
STAN ELDRIDGE  
MIKE MARTIN  
DEE SIZEMORE**

**TIME AND PLACE**

**7:00 P.M.**

**YPSILANTI TOWNSHIP CIVIC CENTER  
BOARD ROOM  
7200 S. HURON RIVER DRIVE**

1. CALL TO ORDER
2. PLEDGE OF ALLEGIANCE AND INVOCATION
3. PUBLIC HEARING
  - A. 7:00 P.M. - SPECIAL ASSESSMENT LEVY, RESOLUTION NO. 2009-30
4. PUBLIC COMMENTS
5. MINUTES
  - A. SEPTEMBER 15, 2009 WORK SESSION, REGULAR MEETING AND EXECUTIVE SESSION
6. SUPERVISOR REPORT
7. CLERK REPORT
8. TREASURER REPORT
9. TRUSTEE REPORT
10. ATTORNEY REPORT
  - A. REQUEST AUTHORIZATION TO INITIATE LEGAL ACTION IN WASHTENAW COUNTY CIRCUIT COURT TO ABATE PUBLIC NUISANCE FOR THE PROPERTY LOCATED AT 7343 SPY GLASS

**OLD BUSINESS**

1. 2<sup>nd</sup> READING OF RESOLUTION NO. 2009-29, PROPOSED ORDINANCE NO. 2009-398 ILLEGAL DISCHARGE OF FIREARMS WITHIN 150 YARDS OF OCCUPIED DWELLING (1<sup>st</sup> reading held at the September 1, 2009 Regular Meeting)

**NEW BUSINESS**

1. BUDGET AMENDMENT #11
2. 1<sup>ST</sup> READING, PROPOSED ORDINANCE NO. 2009-399, ANIMAL CRUELTY INVESTIGATORS

3. RESOLUTION NO. 2009-31, APPROVING PUMP STATION CONTRACT AND AUTHORIZING NOTICE
4. RESOLUTION NO. 2009-32, APPROVING WASTEWATER TREATMENT PLANT CONTRACT AND AUTHORIZING NOTICE
5. REQUEST FROM YCUA TO UTILIZE THE YPSILANTI TOWNSHIP DIVISION RESERVE FOR CONSTRUCTION FUND FOR THE BRIDGE ROAD SOUTH STORAGE TANK FACILITY PROJECT
6. WASHTENAW COUNTY ROAD COMMISSION EASEMENT AGREEMENT FOR HOLMES ROAD PHASE III, FOR STORM AND ROAD DRAINAGE
7. LETTER OF SUPPORT FOR ADOPTION OF NEXT MICHIGAN DEVELOPMENT ACT LEGISLATION, HOUSE BILLS 5346-5351
8. SET PUBLIC HEARING DATE:
  - A. TUESDAY, OCTOBER 20, 2009 AT APPROXIMATELY 7:00 P.M. – REQUEST OF SENSITILE SYSTEMS, LLC, LOCATED AT 1735 HOLMES ROAD IN YPSILANTI TOWNSHIP, FOR AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE

OTHER BUSINESS

AUTHORIZATIONS AND BIDS

STATEMENTS AND CHECKS

# CHARTER TOWNSHIP OF YPSILANTI

## RESOLUTION NO. 2009-30

### SPECIAL ASSESSMENT LEVY

**WHEREAS**, the Charter Township of Ypsilanti Board of Trustees, on October 6, 2009, held a public hearing on the proposed special assessment roll prepared by the Lead Appraiser, a copy of which is on file in the Clerk's Office, after advertising the same in a newspaper of record in the Township, and;

**WHEREAS**, on October 6, 2009, the Ypsilanti Township Board heard comments on said proposed special assessment roll prepared by the Lead Appraiser.

**NOW THEREFORE, BE IT RESOLVED** that the proposed special assessment roll prepared by the Lead Appraiser for the Charter Township of Ypsilanti, a copy of which is on file in the Clerk's Office, be adopted and the amounts set forth on the special assessment roll be levied on the 2009 Winter Tax Roll.

**PUBLIC ACT 188 OF 1954 PROCEEDINGS  
CHARTER TOWNSHIP OF YPSILANTI  
WASHTENAW COUNTY, MICHIGAN  
NOTICE OF PUBLIC HEARING  
ON SPECIAL ASSESSMENT ROLL**

**PLEASE TAKE NOTICE** that the Supervisor and Assessing Officer of the Township has reported to the Township Board and filed in the Office of the Township Clerk for public examination a special assessment roll prepared by the Assessor covering all properties within the Special Assessment Districts benefited by the districts listed below.

**PLEASE TAKE FURTHER NOTICE** that the Assessing Officer has further reported that the assessment against each parcel of land within said district is such relative portion of the whole sum levied against all parcels of land in said district as the benefit to such parcels bears to the total benefit to all parcels of land in said district.

**PLEASE TAKE FURTHER NOTICE** that the Township Board will hold a public hearing at the Ypsilanti Township Civic Center, 7200 S. Huron River Drive, Ypsilanti, MI on October 6, 2009 at approximately 7 p.m. for the purpose of reviewing said special assessment roll and hearing any objections thereto. Said roll may be examined at the office of the Township Clerk during regular business hours of regular business days until the time of said hearing and may further be examined at said hearing. Appearance and protest at the hearing held to confirm the special assessment roll is required in order to appeal the amount of the special assessment to the Michigan Tax Tribunal.

An owner, or partner in interest, or his or her agent may appear in person at the hearing to protest the special assessment, or shall be permitted to file his or her appearance or protest by letter and his or her personal appearance should not be required. (The owner or any person having an interest in the real property who protests in person or in writing at the hearing may file a written appeal of the special assessment with the Michigan Tax Tribunal within 30 days after the confirmation of the special assessment roll.

**THE FOLLOWING ARE THE PROPOSED SPECIAL ASSESSMENT ROLLS TO BE LEVIED ON THE 2008 WINTER TAX ROLL**

<u>SPECIAL ASSESSMENT</u>	<u>CODE</u>
Rawsonville Water	050
Sherman Oaks Water	051

**STREET LIGHT SPECIAL ASSESSMENTS**

<u>DISTRICT</u>	<u>CODE</u>	<u>DISTRICT</u>	<u>CODE</u>
Shady Knoll 1-6	101	Nancy Park 1-3	102
Nancy Park 5-6	103	West Willow #1	104
Ypsi Twp Area	105	West Willow #2	106
Hickory Hill	107	Washtenaw Orchard	108
Washtenaw Ridge	109	Nancy Park #7	111
Rambling Road	112	Hickory Hill #1	113
Onandaga Street	114	West Willow Dist 3	115
S. Devonshire	116	Washtenaw Concourse	117
Delaware Street	118	Washtenaw CC #4	119
Ivanhoe Area	120	Oswego/Cayuga	121
Hawthorne Street	122	Hunt/Hollis	123
Turtle Creek	124	Turtle Creek 2	125
Debby Court	126	Lynne Street	127
West Willow 10&11	129	Johnson Place	130
Huron Hearthside	131	Oakland Estates	132
Washtenaw Clubview	133	Oakland Estates #3	134
Brookside Street	135	Huron Commercial	136
Crestwood Sub	137	Kansas St	138
Hayes Street	139	Ford Lake Village	140
Ford Lake Village #2	141	Streamwood 1-7	142
Deauville Parrish	146	Spruce Falls	147
Bagley Street	148	Partridge Creek #1	149
Georgetown Condos	150	Streamwood #8	151
Smokler Textile	152	Greene Farms #1 & #2	153
Golf Estates	154	Ohio St 2000	155
N. Kansas	156	Russell St	157
Dakota	158	Paint Creek Farms	159
Whispering Meadows #1	160	Amberly Grove	162
Greenfields #1	163	Partridge Creek 2&3	164
Partridge Creek North	165	Campbell St	166
Preserves	167	S Ivanhoe St	168
Clubview Sub	169	Wash Clubview	170
Taft Ave	171	Devonshire & Oregon	172
Greene Farms #3	173	Greene Farms #4	174
Raymond Meadows	175	Tyler Rd	176
Washtenaw Bus Park	177	Whittaker Village	178
Tremont Park #1	179	Tremont Park #2	180
Kirk St	181	Greene Farm 5	182
Greene Farm 6	183	Woodlawn St	184
Greenfields 2 & 3	185	Greene Farms #7	186
Whispering Meadows #2	187	Huron Meadows	188
Rivergrove	189	Aspen Ridge	191
Grove Park	192	Gates Ave	193
Fairway Hills	194	Washtenaw Clubview	196
Bradley Ave	197	Creekside West	198
Creekside South	199		

**KAREN LOVEJOY ROE, CLERK**  
Charter Township of Ypsilanti

The Ypsilanti Township Board will provide necessary reasonable auxiliary aids and services to individuals with disabilities requiring auxiliary aids or services. Individuals should contact the Ypsilanti Township Board by writing or calling the following: KAREN LOVEJOY ROE, CLERK, 7200 S. Huron River Drive, Ypsilanti, MI 48197, PHONE: (734) 484-5156 or E-MAIL: [klovejoyroe@ytown.org](mailto:klovejoyroe@ytown.org)

# PUBLIC COMMENTS

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**CHARTER TOWNSHIP OF YPSILANTI  
WORK SESSION MINUTES OF SEPTEMBER 15, 2009**

**PROPOSED**

The Work Session was called to order by Supervisor Brenda L. Stumbo at approximately 6:00 p.m. in the Civic Center Board Room, 7200 S. Huron River Drive, Ypsilanti Township.

**Members Present:** Supervisor Brenda L. Stumbo, Clerk Karen Lovejoy Roe, Treasurer Larry Doe, Trustees Jean Hall Currie, Stan Eldridge and Mike Martin

**Members Absent:** Trustee Dee Sizemore

**Legal Counsel:** Wm. Douglas Winters (arrived at approximately 6:10 p.m.)

**1. DISCUSS SUPREME COURT RULING – WASHTENAW COUNTY BOARD OF COMMISSIONERS LAWSUIT (This will be discussed in Executive Session)**

Supervisor Stumbo stated that the Board would not go directly into Executive Session since Attorney Winters hadn't arrived yet.

**2. DISCUSS AUTHORIZING THREE FULL-TIME OFFICIALS TO PREPARE A NEWSLETTER AND TO UTILIZE MESSENGER PRINTING FOR DISTRIBUTION**

Clerk Lovejoy Roe explained that she had been in contact with Messenger Printing and they were willing to honor the same bid they provided in March. They could meet the Township's quick deadline and if it was agreeable to the Board, they could add the item to the agenda.

Supervisor Stumbo stated that the purpose of the newsletter was to update the community on the Township's financial situation, as well as on the upcoming police millage. They would also include additional information, as they had done in the past on holiday closures, trash pickup information, etc.

Trustee Currie asked if the Trustees' names would be on the letter.

Supervisor Stumbo replied that they would, and the Board would see the newsletter before it was mailed.

Clerk Roe suggested that the Board could authorize the newsletter at a cost not to exceed \$8,000 for printing and mailing. She would provide the line items to the Board at the meeting. The Board agreed to add the item to the agenda under Other Business.

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SEPTEMBER 15, 2009 WORK SESSION MINUTES  
PAGE TWO**

**3. 1325 COMMONWEALTH**

Clerk Stumbo explained that an issues regarding 1325 Commonwealth had come up and was distributed to Board Members yesterday.

Michael Radzik, Community Standards Director explained that at some point, the owners of the home had dug out the crawl space for a basement. It was done improperly and as a result, the walls were bowed and collapsing. The house was vacant, he believed in foreclosure and the real estate company was trying to auction it with no disclosures. The Township was trying to protect the neighborhood so it would not be sold without the purchaser knowing. According to the estimate of Building Director Ron Fulton, it would be too cost prohibitive to repair the damage and the house would likely have to be demolished.

Supervisor Stumbo stated that if it was agreeable to the Board, they could add this item to the agenda under Attorney Report. The Board agreed.

Supervisor Stumbo stated that Trustee Eldridge would be a few minutes late to the meeting and Trustee Sizemore was recuperating very well and should be back within 30 days.

**4. CIVIC CENTER HOURS OF OPERATION**

Supervisor Stumbo explained that there was also a request to add the Civic Center hours of operation under Other Business. The board discussed implementing the 32 hour work week when they approved the union contract. They were looking at implementing it on October 5, 2009. Since there were only two clerical personnel in some departments, it would be easier to cover the schedule if the building hours were 8:30 a.m. to 4:30 p.m. This had been suggested by managers in the past, as opposed to closing one full day, which would have a greater impact on residents. Discussion followed.

Treasurer Doe asked that if approved, the information be added to the newsletter. The Board agreed to add this item to the agenda under Other Business.

**REVIEW AGENDA**

**UNFINISHED BUSINESS**

2. **2<sup>ND</sup> READING RESOLUTION NO. 2009-27, PROPOSED ORDINANCE NO. 2009-397, AMENDING CODE OF ORDINANCES – ANIMAL CONTROL (1<sup>ST</sup> reading held at the August 18, 2009 Regular Meeting)**

**CHARTER TOWNSHIP OF YPSILANTI  
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PAGE THREE**

Trustee Martin explained that his concern was in Section 6, Paragraph 1. The final sentence stated that dogs may be adopted or euthanized if not claimed by the owner in a manner authorized by the Humane Society. He contacted the Humane Society and asked what their policy was. They told him the only dogs who were euthanized were ones that were sick and couldn't be treated or ones that were not able to be rehabilitated, in other words they were so vicious, there was no chance anyone could adopt them. Every other dog not claimed by the owner was put into the adoption system and would never be euthanized. He asked the Board to change the language to say the dog would be subject to the policy currently in place at the Huron Valley Humane Society. The Humane Society had asked that the Township not include the language regarding euthanizing. Discussion followed. The Board agreed to change the language in Section 6, Paragraph 1, as suggested by Trustee Martin.

Trustee Martin referenced Article 3, Section 2 where it discussed the fees for licensing.

Treasurer Doe explained that currently, the fees for tags purchased from November to the end of February were \$5.00. After February, the fees increased to \$10.00. This issue was discussed and it was agreed the license fee would be changed to \$6.00. Discussion followed.

The Board agreed to leave this language as it was.

Supervisor Stumbo stated that it had been requested that the Board enter into Executive Session to discuss the Supreme Court ruling regarding the Washtenaw County Board of Commissioners lawsuit.

**A motion was made by Trustee Currie, supported by Clerk Lovejoy Roe to enter into Executive Session at approximately 6:18 p.m. The motion carried as follows:**

<b>Martin:</b>	<b>Yes</b>	<b>Eldridge:</b>	<b>Yes</b>	<b>Currie:</b>	<b>Yes</b>
<b>Sizemore:</b>	<b>Absent</b>	<b>Roe:</b>	<b>Yes</b>	<b>Doe:</b>	<b>Yes</b>
<b>Stumbo:</b>	<b>Yes</b>				

The Work Session adjourned at approximately 6:18 p.m.

Respectfully submitted,

Karen Lovejoy Roe, Clerk



**CHARTER TOWNSHIP OF YPSILANTI  
MINUTES OF THE SEPTEMBER 15, 2009 REGULAR MEETING**

**PROPOSED**

The meeting was called to order by Supervisor Brenda L. Stumbo at approximately 7:07 p.m. in the Ypsilanti Township Civic Center Board Room, 7200 S. Huron River Drive, Ypsilanti Township. The Pledge of Allegiance was recited and a moment of silent prayer was observed.

**Members Present:** Supervisor Brenda L. Stumbo, Clerk Karen Lovejoy Roe, Treasurer Larry Doe, Trustees Jean Hall Currie, Stan Eldridge and Mike Martin

**Members Absent:** Trustee Dee Sizemore

**Legal Counsel:** Wm. Douglas Winters

**PUBLIC COMMENTS:**

Public comments were received.

(COMMENTS RELATING TO THE REDUCED WORK WEEK FOR AFSCME EMPLOYEES WERE TRANSCRIBED VERBATIM)

Cheryl Lynn-Bruestle, Chief Steward Local 3451: "I'm not a resident of here, Brenda, but I am an employee. I was a 25 year resident of Ypsilanti Township for the people in the audience, and I'm also a 25 year employee veteran here at Ypsilanti Township and I'm also the Chief Steward of Local 3451. I'm here on behalf of my Union and representing them at this time, because of a notification we got from the Board, stating that they wanted to reduce our hours to 32 hours per week. As of this point, we have not met. We don't know what the reduction entails that you are asking for, but coming out of seven months of negotiations and the concessions we have taken over the next two and a half years, and now take us down to a 20% pay cut is heartless and cruel. I'm here to tell the Board that we are here and we will be here and until we meet and find out what exactly this is going to entail, we want you to know our displeasure at this point with this decision that you have made. And on behalf of the Union people here and our supporters, I would like to know on behalf of the Board, which one of you supports this decision to cut our wages 20%, after all the concessions we have taken and will be taking over the next two years? I would like to know each Board Member by a show of hands, who supports this decision?"

Supervisor Stumbo: "The only thing I do know Cheryl, is that they've set up a meeting with Mr. Winston, the Council Representative for Thursday the 28<sup>th</sup>, to discuss with the Union the decision to move forward."

Cheryl Lynn-Bruestle: "O.K., apparently that was in place and it was changed to this Friday. Is it back to the 28<sup>th</sup>?"

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PAGE 2**

Supervisor Stumbo: "That's my understanding. Our Labor Attorney Mr. Hancock was supposed to contact Mr. Winston to find out...and the contract that was just recently settled, it allowed for a 32 hour work week."

Cheryl Lynn-Bruestle: "It did not allow for them. There was always a point in the contract where there could be a reduction of hours. That language was put in place because it's put in place with various other contracts that Mr. Hancock does service in this vicinity and the vicinities that are the Local 3451 and the reason why it was put in place was if there was ever a temporary need or a drastic need for a reduction. It was not an agreement to reduce our hours to 32 hours per week. It was put in place if there was an absolute need to do it. The language was always in there, we just put the amount of hours in there this time, as comparison to other local contracts. It's never been implemented, that I know of...I've been here 25 years. The language has always been there, Brenda but it's never been implemented."

Supervisor Stumbo: "The page that it had, it was new language."

Cheryl Lynn -Bruestle: "Correct."

Supervisor Stumbo: "So it's never been in there before. This is brand new language...it was inserted into the contract, correct?"

Cheryl Lynn-Bruestle: "The language was always in there under seniority and under seniority, you always had the right to reduce hours, this is correct. Mr. Hancock pointed that out in negotiations, however the language that was implemented in the layoff clause is an addition in its wording that in case of a layoff, that...that language would be put in there, which is in the current YCUA contract and other contracts in the vicinity, which was pointed out to us by your HR people and Mr. Hancock. It's not a given to take us down to 32 hour work weeks. There has to be a really good reason and we're supposed to meet to discuss it first-hand."

Supervisor Stumbo: "Yes."

Cheryl Lynn-Bruestle: "And I just want the Board to know at this point that there are a lot of upset people here and it's caused a lot of anxiety and a lot of grief, and it is so unfair after seven months of negotiations and to get done and to settle a contract...it was ratified, you voted on it, you said it was fine, and now to reduce us to a 32 hour work week. A 20% reduction in pay...that will bankrupt people, Brenda, it will bankrupt people."

Supervisor Stumbo: "It's really not a 20% reduction, Cheryl because employees earn five hours per week. And I think that..."

Cheryl Lynn-Bruestle: "No, that's only employees who have many years of service. Employees will continue to accrue their time as a full-time person as...accordance with

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PAGE 3**

#15 under the layoff clause. However, if you don't have PTO time, you will have to use that time and you can use it to make up the 8 hours."

Supervisor Stumbo: "Correct."

Cheryl Lynn-Bruestle: "However, it's also a way of not letting us accrue any time, nobody will be accruing time because they will have to use it. Nobody will have vacation time left, nobody will have anything left because we will be forced to use it to make up those 8 hours."

Supervisor Stumbo: "Like I said..."

Cheryl Lynn-Bruestle: "I would just...at this point, I would just like to know from the Union stand point, because we have not met...I don't know the specifics, I don't know the structural change that you plan to implement, but what I would like know...who is for this on this Board?"

Clerk Lovejoy Roe: "The whole board voted for the contract."

Cheryl Lynn-Bruestle: "I'd like to know who is for the 32 hour work week on this Board. That's all I'm asking."

Supervisor Stumbo: "Well, I support invoking the contract as negotiated. It was my understanding that you guys completely understood that that was an option."

Cheryl Lynn Bruestle: "That is not true."

Supervisor Stumbo: "Well, I wasn't at the table with the labor attorney and HR. The financial problems that we are facing are great and you know that, and when we meet we will provide the layout, but we have had budget presentations."

Cheryl Lynn Bruestle: "I've been to all those meetings, I've seen the budget presentations."

Supervisor Stumbo: "Yes."

Cheryl Lynn Bruestle: "I know your budget here and backwards and I know where the expenditures go out. The expenditures are on the website, they're open information. They're at the end of the board packets, everyone can look and see how the money is spent every month at the Township. It is the spending...there are other ways to cut. To cut 20% out of our income per week...and you've got people with day care situations, children...they still have to pay full day care. We're going to have to get second jobs, I mean, this a huge, huge thing and I cannot believe...I cannot believe, you can't find other ways to cut corners than to gouge us 20%...I cannot believe it."

Supervisor Stumbo: "Well...and we're cutting in every way that we possibly can, Cheryl and it is hard times and it's terrible to do this, and I thought that...."

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Cheryl Lynn Bruestle: "We know that."

Supervisor Stumbo: "What I thought it was, I thought it was honorable that the union didn't want any layoffs for sixteen months, so in exchange for that, there was a 32 hour work week to save jobs. I thought it was wonderful what you guys did."

Cheryl Lynn Bruestle: "It was a complete package that we agreed upon. We went back and forth, we went back and forth. In the end, it was a complete package that was agreed upon. There were other factors that were involved, it wasn't just wages, it wasn't...but to think that we did that whole contract to cut us to 32 hour work weeks, that's ridiculous."

Supervisor Stumbo: "For no layoffs either for sixteen months."

Cheryl Lynn Bruestle: "Part of the no layoff clause was an agreement for other things that you got in those concessions."

Supervisor Stumbo: "But we will be meeting."

Cheryl Lynn Bruestle: "And that will also be brought up in the meeting, too...but I want to know again...I want to show...see a show of hands. I want to know what Trustees and what Board Members are for the 32 hours. That's all I'm asking."

Supervisor Stumbo: "I don't know if...if that's appropriate. I am supporting implementing the 32 hour work week."

Cheryl Lynn Bruestle: "For how long? I mean, I know we don't...we haven't gone into the structural things of it but you need to know how this is affecting our union. The public needs to know how it's going to affect us."

Supervisor Stumbo: "And until we meet, I think it inappropriate to discuss in a public meeting."

Cheryl Lynn Bruestle: "It is true."

Supervisor Stumbo: "O.K., because that's what the contract calls for."

Cheryl Lynn Bruestle: "We have been notified, I know that Brenda, but until I..."

Supervisor Stumbo: "Who notified you?"

Cheryl Lynn Bruestle: "I'm sorry?"

Supervisor Stumbo: "Who notified you? Who?"

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Cheryl Lynn Bruestle: "Yes, apparently we have not met, and according to the contract under Article 8, Layoff Clause #15, the first step in that is we have to meet with management. Apparently what's been brought up tonight is our employees have already been approached by management and have been provided part-time schedules. We have not even met and had an agreement that we've agreed to reduce and go down to a 32 hour work week. It's against the contract."

Supervisor Stumbo: "And we have to follow the contract."

Cheryl Lynn Bruestle: "Again, I'm asking to see who's for it? Why can't you tell me right now and here...who's for this and who's not? You are apparently."

Supervisor Stumbo: "Yes, I said I was."

Clerk Lovejoy Roe: "Every member of the Board voted for it, Cheryl."

Cheryl Lynn Bruestle: "So everybody's for it?"

Clerk Lovejoy Roe: "With the understanding that you had huge...most people have huge time banks...there were a lot of things that went back and forth, so you know it was a unanimous vote, so I don't understand what you're getting at. The issue for...wherever we were at is...the biggest issue that's facing us is the 1.7 million dollar deficit, I mean it's huge. And you know because you work here how many positions...I think its 26 positions that we haven't filled to date. More people are planning on retiring and we're planning on not filling those and that's still not closing the gap...and I'm with Brenda in terms of...we thought, because I remember because I was out of town and I remember they said that they wanted the no layoff clause. I just thought, well that's honorable. That's a great thing because a lot of unions would go after protecting themselves and the highest seniority and screw the fifteen people at the bottom that are going to face layoff under that, without cutting the hours and using the PTO time. So I mean, that's why and you know...if there was some...we weren't at the table, you know that, we weren't at the table...but the 32 hours and it is all brand new language...it's...maybe it was somewhere else. The entire...everything was red lined and that whole section is red lined as brand new language now and if you had told your people that there was no way that they were getting laid off with you negotiating and bringing that back to the table, which is my understanding...maybe you didn't but my understanding was that the 32 hours was what was brought back from the union. When we asked for 24, you came back and offered 32 and if you told your people that there's no way that there's going to be a layoff or go to 32 hours, then you were wrong because you negotiated that language, and it was there."

Cheryl Lynn Bruestle: "The language..."

Clerk Lovejoy Roe: "That was our understanding and that's why there is no way with what we're facing with the police department and everything...you know how bad it is. There is no way we would have agreed to that kind of...because you know there has to be cuts in labor costs, there has to be, and they have to be substantial and that's what

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we thought you were willing to do to protect your fifteen members that were going to hit the streets and guaranteed a sixteen...where in the world are people getting a sixteen month guarantee on that? And so if there was some misunderstanding between what happened at that table and what came to us, that's a different story but I do know and anybody can look at it, that whole section is brand new and red lined."

Cheryl Lynn Bruestle: "That is brand new, Karen; however, there is a misinterpretation here and apparently that was misconstrued across the table. That language was implemented if there was a dire need to reduce hours."

Clerk Lovejoy Roe: "We're not in a dire need?"

Cheryl Lynn Bruestle: "Of course we are."

Clerk Lovejoy Roe: "O.K."

Cheryl Lynn Bruestle: "But there's other ways to reduce besides cutting 20% of people's wages after the concessions we taken. Again, thank you very much. Other people have something to say and I just would like to thank everybody who showed up in support tonight and this conversation will continue. Thank you so much."

Supervisor Stumbo: "Thank you, Cheryl."

Myla Harris, Township Employee: "I'm an employee of Ypsilanti Township. The address is 8140 Jack Pine Drive and that's in Ypsilanti. I just had one question about the 20% that we will be taking with the 32 hours...reduction in hours. I just want to know how many...if the Board is also taking a 20% cut?"

Clerk Lovejoy Roe: "Actually, I think it's 21%."

Myla Harris: "O.K., can you...in what area are you talking about in 2009 because from our understanding, ours will be what, within 2 weeks. So if you all took a cut, is it effective in 2009 or in 2010...the 21%?"

Supervisor Stumbo: "It's in 2010, the actual reduction from the pensions from the Trustees and the reduction for the full-time officials."

Clerk Lovejoy Roe: "We actually took a pay cut this year, too."

Myla Harris: "How much was it, 2%?"

Clerk Lovejoy Roe: "2.59% at the beginning for all of 2009."

Myla Harris: "I just believe, as an Ypsilanti Township resident, with the 32 hour reduction in hours...like it was mentioned, to piggy back Cheryl's that you know, in order to function, to still be able to pay for day care if...even if it is the recommendation, if it's a half day, whole day...even if it is, you still have to pay for day care. It doesn't allow for

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the employees to get a second job if they need to. The comment about most employees have large PTO Banks, I'm just here to tell you that I am not one of them. You know I have small children, I have three children but my point is, I have no PTO built up because with small kids there is sick time, emergencies, so yes, of course I do have to use PTO and I do know that that is voluntary but if you do the 32 hours and then we have the 5.75 that we can use for PTO, like Cheryl said...where does that leave us if the kids are sick? We still have to go without pay, there's what, 3.25 hours that we will still have to go without pay and if there's more than one day in that week...if your child is sick, you'll be compensated for 5.75 but then it's another day, it's a whole 8 hours of PTO, so, what that's 11 hours? I just wanted to comment that I really don't think it's fair. I do agree that this is hard times, that you all did take a pay cut, but your time is 2010, ours is pretty much immediately and I just don't think that we've had time to prepare and I just don't think it's fair. Thank you so much."

Supervisor Stumbo: "Thank you, Myla."

Dawn Scheitz, Township Employee: "I'm Dawn Scheitz, I live at 7659 Greene Farm Court in Ypsilanti Township. I was on the bargaining committee and I just wanted to say that in the contract, it does say if the need arises. I know that Mr. Hancock never brought in a 24 hour deal as was stated. There was several, several times that we asked to have the Officials and the Board come into our meetings and sit with us and kind of give a back and forth on things and it was refused several times. The other thing I wanted to ask...the 20% cut that you guys are taking for next year...isn't that really the 20% is just not going into your retirement from the taxpayers' money? That it's being cut?"

Supervisor Stumbo: "No, we have to pay into it."

Dawn Scheitz: "Right, the taxpayers' money is not going into your retirement anymore. That 20%, it's actually going to be your money now?"

Supervisor Stumbo: "What's the question?"

Dawn Scheitz: "Before your retirements were funded by the taxpayers' money with that 20%."

Supervisor Stumbo: "Correct, that was part of our salary plan."

Dawn Scheitz: "You're not going to be getting that 20%, so it's really not a 20% cut for you because now you're just going to be putting in money into your retirement. It's really not a 20% cut."

Clerk Lovejoy Roe: "We currently have 20% going in and it does belong to us totally, 100%, and now what's going to happen, as conceptually if what we talked about is adopted, the same as what you have and the Township will be putting in 9%, so it's still 11% cut of cash that were not going to have in our bank accounts. And on top of that, we did take a cut in pay this year, at the beginning of the year from January. You all did

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get your raise and your contract was up in March and you still got it all the way through, so I mean if you want to do a comparison of that...and then on top of that, we now are going to, you know, as a part of MERS you've got to contribute, so that's something that we weren't, you know, that we didn't have the ability to do or that we weren't doing before so that's...that's part, so it is a substantial cut in pay for us."

Supervisor Stumbo: "For everybody."

Clerk Lovejoy Roe: "I think it's about \$15,000 to \$16,000 a year, you know...and we felt that strongly...that the leadership should take that, that we should take that hit and show...and try to show the seriousness of how, the trouble we're in, and you know...figure it out, how much do you make? And how much does anyone make? Just take an average salary, benefit package, and everything...what does it take to get to \$1.7 million? How many people will have to be cut in order to do that? If we go to a 32 hour work week, which is the plan, we are still going to have some pretty major, substantial layoffs in 2011. This is just going to keep some people...we thought, at least I did, that most people can use their time bank and those that don't, it will be going, you know, it will be 5 hours or the average is 4 hours will go into there, and people will keep doing that and so if you calculate out the actual loss in that, it's much, much lower than 20%...and then what we thought was that gives you...because you offered that the 16 months...16 months for the fifteen people that are probably going to hit the street that would hit it right away, gives them time to plan and get ready, you know for when the layoff is going to come in probably, you know in January of 2011 unless someone writes a check to the Township for, you know one and a half million dollars because even though we're working hard on Economic Development and we know that kind of property stuff is starting to flat line, you know how long it takes for the assessments...even if the market goes up, it's going to take a couple of years for those dollars to come to the Township. If we got blessed with some great corporation coming in and going to drop in \$40 million and a new business here, it's still going to take two or three years before that hits our revenue. We're affected, we have the highest foreclosure rate in the county and probably one of the largest ones in the nation and part of that is because we're so tied to Pfizer because that's when it started...and then we're so tied to the auto industry, and so when all those, you know we lost all those jobs and the foreclosures, and you know if you drive down any street, you know what that looks like...and so they're projecting, our projections are a 40% revenue cut. Most SEMCOG (South Eastern Michigan Coalition of Governments) are projecting around a 25...at tops a 25% cut, so we are in a lot worse situation in terms of revenue stream on projections than most communities. The good side is, the only reason why we didn't push to have the layoffs is because we do have some fund balance that is going to get us through the rest of 2009. I mean the interest rates alone, what was it Larry? We made...we're doing 2010 budget or Brenda's presenting it...it was \$300,000 last year which is what we budgeted. Who knew it was going to drop to 0.02 or whatever it is now...down to, how much? \$5,000 we're projecting? So right there's a \$295,000 cut that nobody saw coming. Just like that because the banks are not paying interest on the money that we're collecting. We can go through all those which is what part of the presentation will be, whenever Winston's coming. I don't know if it's the 28<sup>th</sup> or if it's Friday or what. The economic...the dire situation not only is here, it's been here."



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Dawn Scheitz: "We have had a high foreclosure rate, but I think Sharon Frischman gave a very good graph that showed that we did have a good absorption rate with all the foreclosures, so and that's been known...and as far as asking for cuts, you know you look at the budget that is given by the Board, and granted, I love Ypsi Township, I love taking my kids on the bike rides. I look at the bike trails, but I look at the things...and you're giving how much to OHM for bike trails? If we are in such dire need right now, why are we paying \$42,000 for bike trails? If we are in that dire need and you're going to lay all these people off and give us 32 hours, why are we spending that kind of money? Why are we spending money on GPS units on vehicles and paying \$350.00 a month to maintain them? I mean, there is spending out there that's like...what, you're your getting rid of these people but you can really stand here and say I can pay for that stuff when we're in dire times. If my household is in dire times, guess what, we don't get cable. If we're in dire times, I don't think we should have GPS units or worry about bike trails right now. There's more important things to worry about than that type of stuff that I see on some of the budgets. Thank You."

Supervisor Stumbo: "Yes Ma'am, I'm sorry."

Jenny Chapault, Township Resident: "I live at South Eagle Court in Ypsilanti Township. Just a couple of comments...I'm wondering if, and I appreciate all that the Board has done and are doing. I know that it's a lot of work and it's hard work and you're doing a great job...I appreciate everything. But I do wonder how many people know how much these people make per year and also, I'm not sure about statistics but what I heard and read in December, the Board gave themselves a raise, an upfront amount paid at the end of the year, 2% and then in the Ann Arbor News about a month ago, they quoted that because of the hard times, that they will be taking a 2%, I believe a 2.17% decrease, not 20%. I heard it in the newspaper, which basically is the amount that they gave themselves as a raise in December."

Daniella Smith, Township Employee: "My name is Daniella Smith. I live at 1805 South Pasadena. I've been a resident of the Township for 33 years, my whole life. I've also been an employee here for twelve and a half years and I guess I just wanted to make a comment and say that you know, there are a lot of people in our union that are dedicated to helping the residents and obviously, they should definitely come first and with all of these hourly cuts, aren't they going to be the ones that suffer when were not able to answer the phones, which we already have issues upstairs. The phones ring so much, we're picking up now which I have no problem picking up any department's phone or helping anyone, but I mean, they're the ones that are going to suffer in the end and it's like why can't we look at cutting in different spots, you know like the bike trails. I mean they would rather have a senior center or someone there to answer the phone when they call than to have bike trails. I mean, I'm a single mother, my income is it for my household. I drive a 1997 Pontiac Grand AM, I pay for everything myself...well, I can't say that. If my hours are cut 32 hours a week or 8 hours a week, not only am I going to suffer, but my family is as well because they're the ones that have to help me when I'm not able to pay my bills or buy my daughter's prescriptions...and I know that with our healthcare, our prescriptions just went up to \$40.00 for non-generic from \$20.00. My daughter has three non generic prescriptions. That's \$120.00 a month from

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\$60.00, and I'm not trying to get anything that I wouldn't want everyone to have. I just want what's fair and I just want to know that I have a secure income for my daughter so I can take care of her and I think it is so unfair to just...and it's like almost everyone's being sneaky about it, like it's almost so unfair that they're behind closed doors and they won't tell us what's going on. I mean this is our lives here, you know, we have families and kids and parents and maybe elderly parents that need to be taken care of. My grandfather has been a resident of the Township for 70 something years, Wilbur Bagget, and he is just so upset and beside himself, because you know he's helped me tremendously."

Supervisor Stumbo: "Right."

Daniella Smith: "But when I told him what was going on with the hours cut, it was like you know...and I hear people say well you make too much money anyways, you know some people say that and it's like, well how can you say that? We're providing a service. We're being paid to do a service and as far as I'm concerned, I do my job well and I do it with integrity and I help the residents to the best of my ability and I just...I wish I could just ask the Board to just please consider what this will do to not only us, but to our families. My daughter's 10 you know, she wants the best shoes, the best clothes...I can't provide that, because I'm a single Mom. My ex-husband won't even pay his child support, but it's not like I'm living above my means. I just want to make enough to cover the bills that I have, you know acquired, you know...knowing what my income's going to be. And that's all, I'm not trying to attack anyone."

Supervisor Stumbo: "I know."

Daniella Smith: "But I mean this is my life, this is you know, for my daughter. I just want her to grow up and have better than I did coming from a household with a single Mom, with three kids, making \$5.00 an hour. And that's all, that's all I want to say."

Supervisor Stumbo: "Thank You, Daniella."

Clerk Lovejoy Roe: "Thank You, Daniella."

Gary Wencel, Township Resident: "Hi my name is Gary Wencel, I live at 560 Kansas and at one time I was an employee here. I would like to thank the employees that do work here because they were really, really good employees when I was working here and it seems to me like if you're going to do some kind of 20% cut, then you all should do it."

Supervisor Stumbo: "Sir?"

Ed Harris, Township Resident: "Hi my name is Ed Harris, I reside at 8140 Jack Pine Drive. I had two questions. The first one would be centered around the reduction in pay, not only what the union would be taking, but also you guys included. What is the

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projected amount that would be saved in the budget from those union...from those reduction in pay expenses?"

Supervisor Stumbo: "The reduction, it's around \$50,000 for 2010, which is about a 3% average reduction per employee."

Ed Harris: "So are you saving \$50,000 as a whole or \$50,000 per person?"

Supervisor Stumbo: "As a whole."

Ed Harris: "So, everybody's losing eight hours a week and it's going to save the Township \$50,000? (Inaudible)"

Supervisor Stumbo: "Correct and...and they're really not losing eight hours a week because they get...in our contract, we have what's called paid time off and they earn somewhere between 4 and 5 ½ or 5.7...5 ½ I think is the highest amount per week in paid time off, so the 32 hour reduction, per the contract allows them to use that paid time off bank if they choose. They don't have to, only if they choose to supplement the reduction in the hours."

Ed Harris: "Which would mean they get no vacation or sick time or paid leave of absence?"

Supervisor Stumbo: "If they used all of their banks."

Ed Harris: "So if they did what your explaining, the 5.75 a week, applying that to their paycheck instead of allowing that to build up in the bank, then what your saying is they wouldn't...they...is there any stipulation to allow for, if someone did choose to do that, so they're only losing 2.25 hour a week?"

Supervisor Stumbo: "Yes."

Ed Harris: "Is there also an access of that time for sick time or vacation or anything like that?"

Supervisor Stumbo: "No, it's just whatever they have in their PTO, I refer to it as a liability bank, and it's all the total hours of everyone that they have built up over the years in order to save for, actually whatever they want to use it for...for time. So that bank could be applied to this. In the first year, no one is expected to lose actual dollars in 2009. In 2010, the total for AFSCME employees would be somewhere around \$50,000.

Ed Harris: "So...I mean, that's disheartening to be frank, that obviously you know many people that have voiced their concerns, my wife included...you know she really doesn't have any paid time off, so she would see this reduction in pay at this point, as well as others that have made comments about the struggles that everyone is dealing with. It seems to me with...and I don't...and I'm not familiar with all the particulars of the budget

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for the Township, but I'm not clear that in my conscience the \$50,000 is worth that. Now if I may ask one question?"

Supervisor Stumbo: "And now that's an estimate, please don't hold me to that because they have to look at all the PTO liabilities of each person and calculate it out, so that's an estimated amount."

Ed Harris: "Sure. The next question is you also mentioned earlier about the reduction in interest rates, which I'm very familiar with. There's a good possibility that we could see that sustain itself for a period of time. Not only that but probably many people here are very clear about the unemployment rate in this area, which obviously has a big impact on why we're here tonight. That's probably going to sustain itself for...and possibly even decline moving forward in the near term and possibly for even the next couple of years. Since we have such a huge reduction of 40% revenue reduction, what other steps are being taken to, you know, make up for that? I mean just from the interest payments alone from what I heard, going from \$300,000 to \$5,000, you know, has there been a consideration of possibly exploring avenues to increase that interest amount or are there any other outside business investments that are considered coming to the Township to create additional revenue? I mean, where...where are we going to...where does the next shoe drop?"

Supervisor Stumbo: "And that's been our position all along. We cannot cut our way out of this economic spiral we're in. You can't cut enough people, you can't operate a Township, you can't operate a business with that many less people. So, our number one goal is to increase the tax base. That's the only...and to provide jobs for our people. We meet and talk weekly with people and potential investors, like you said. General Motors...no one expected that to happen, it's our number one tax payer."

Ed Harris: "That's been a conversation that's been taking place for the last fifteen years, though. My dad being part of the union, I'm very clear."

Supervisor Stumbo: "Ypsilanti Township never expected General Motors to close. They invested \$600,000,000 in 2006...six hundred million. We thought we were really...that was sign of a good investment and for the future to come and for people to work and a tax base. No one expected that. State shared revenue, \$189,0000, this year alone. We still have September, October, November, and December to go through. We know it's going to be reduced, we just don't know how much. I think what we have going for us is that we do have fund balance...so...to carry us out, to try to just keep operating, keep things open and to, you know, to manage the Township. It's not going to be exactly the same, no one's life is the same right now but we're going to work. We have to work together to get through it."

Ed Harris: "As far as fund balances, how much are you...you considering that is available to maintain that would make up for the 40% gap?"

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Supervisor Stumbo: "We did a presentation that's also on our website, I just don't have it with me."

Ed Harris: "And I apologize."

Supervisor Stumbo: "No, no...I just like to answer accurately...but they did a projection of...we hired a financial advisor doing a projection. 2013, that's when there is no fund balance at all."

Clerk Lovejoy Roe: "Actually, we're at twelve. If we do nothing, if we don't make any of these changes that are so, you know heart rendering, we're at \$12 million in the hole in 2013, and that was before General Motors if I'm not mistaken, so it's \$12 million and then some."

Supervisor Stumbo: "It's like...this is the worst time of my life that I remember as being elected and, you know in almost 21 years. We have never done concession bargaining that I...since I've been on the Board. I don't know...there's been employees here longer than I have, but this is an amazing, difficult time for everybody and what we're trying to do is the least impact...which would have been, there's a sixteen month no layoff...no one is losing their job in AFSCME for sixteen months. Teamsters don't have that, management doesn't have that and non-union members do not have that. So we're trying to do really the least impact, not only on the employees but on the community as well."

Ed Harris: "So after sixteen months, what does that picture look like? Cause hopefully you guys are looking ahead at that and seeing the obviously miniscule impact that the current steps are taking. So what's the next step? Because hopefully..."

Supervisor Stumbo: "I don't even like using the word lay off. I used to say that we would never use that but the reality is, unless there's a miracle, there's going to be layoffs."

Ed Harris: "Have you explored what positions or what...what areas?"

Supervisor Stumbo: "Not yet. It's tough times...I mean, everybody."

Clerk Lovejoy Roe: "2011 is the worst year, kind of flat line on the projections, it flat lines after that...but 2011 right now, with fund balance were expecting a \$1.7 million deficit."

Ed Harris: "For 2011?"

Clerk Lovejoy Roe: "Right."

Ed Harris: "Again, you know part of my concern after this, in the midst of this conversation is...it seems like, and you even mentioned with the Willow Run Plant closing you know that kind of caught everybody off guard but it seems to me like...and I know that some of you weren't in these positions up until the most recent election so it's not directed over to anyone in particular, but it seems like some things have caught

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people off guard and are now causing a lot of other people to suffer that...that really in my opinion should have been projected and expected and even prepared for in advance. So I'm a little concerned, especially my wife being an employee, that you know we've been in this mess for a year now and the Township has been in this mess as far as the reduction in revenue...I'm assuming that General Motors is not the start of the reduction of revenue. I would assume that."

Supervisor Stumbo: "Last year was our first year reduction. 2009 budget was our first reduction of \$300,000."

Clerk Lovejoy Roe: "We've always had 6% growth."

Supervisor Stumbo: "We've always had 6% growth...always."

Clerk Lovejoy Roe: "And because of the way the assessments work, it's like two years behind."

Ed Harris: "Sure."

Clerk Lovejoy Roe: "So you know, I think the Township did know even before I left, I mean...because the fact that they haven't filled...can you imagine how bad it would be right now if they had filled...if we had filled the twenty six positions? So for three years, as people go...do we really need it, who can pick up that work? I mean you can ask a lot of people, including the wonderful employees from AFSCME, everybody's working a whole lot harder because they're picking up everybody's slack across the board, from every single job and occupation or classification that's out there."

Ed Harris: "Well as a Board, what is your projection on getting your arms around, you know, the next steps or you know, whether...whatever other cuts or actions that need to be taken, whether it's, you know actions regarding facilities or labor or whatever costs that may be reduced. You know, do you guys have a time line on when you're getting your arms around...because obviously you have the projections, you know what to expect at least from a revenue base, you know however realistic it may be. So what is the time line, I mean..."

Supervisor Stumbo: "We're in the process of developing a two year budget for the first time in order to, like you said, project out you know, as much as we can. I mean if everyone knew what the stock market was going to do, they wouldn't have invested in it and lost all their money so it's really hard to project but based on the information that we have with the loss in revenue on our housing stock, the decrease in commercial and industrial values and the decrease in state shared revenue, were projecting 20% for next year. We've agreed to no lay off for AFSCME for sixteen months so the 2011 budget will have cuts in it and we, as a Board, will be working together to try and figure out where, that has the least impact on our community and our employees...so it's really a great challenge we have before us."

**CHARTER TOWNSHIP OF YPSILANTI  
SEPTEMBER 15, 2009 REGULAR MEETING MINUTES  
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Clerk Lovejoy Roe: "We have...just if I can add, we also have huge...everybody, every corporation, a lot of homeowners, probably a lot of you all, are all challenged in their assessment...and we're facing...Ford has moved one up, they're, I think our number two taxpayer now."

Supervisor Stumbo: "Yeah, they're number two."

Clerk Lovejoy Roe: "They are challenging and if they win their Tribunal Case, which is on the agenda tonight, first to hire and spend some money to hire professional...you know...professional folks to counteract their appraisal. I think it's another...Larry says he thinks it's another \$600,000 loss to the Township. So I mean...and they're the big one and then there's a million little ones just like that, that are going up to the Tribunal. You know, we try to settle those that we can for, you know, but a lot of them are just really like the Ford one...well, \$600,000...you can't just roll over and say o.k., let's see if we can work and they're not negotiating...like in the past you used to be able to negotiate...your difference was maybe \$50,000 or something...you could negotiate for that but they're taking it to the bank. They've hired expert...nationwide experts to testify that their property is not worth anything...and these are assessments before it even took a drop. This is like, I think 2007 I think, isn't it, Brenda?"

Supervisor Stumbo: "2006 & 2007."

Clerk Lovejoy Roe: "2006 & 2007, so who knows after they settle that...I mean, we're hoping we'll win and then those...there will be more willing to not challenge seven and settle for seven and eight. So I mean there is just a lot of unknowns out there that we're working on and I do have a firm belief...I wrote on a blog in the Ann Arbor.com that I know that it's really, really hard especially if you've never been through it but a lot of these people sitting out here have been through it...and I look at my Mom and Dad and I think about them being born in the depression and how terrible that was and they survived and what came out of that...doesn't make it right, doesn't make it easy. I think about the 70's and 80's where a lot of people were laid off for four and five years from the auto industry and how tough that was, but it takes sticking together and keeping your faith and hope and you know, it might mean that a lot of us have to pick up, you know something else, if you can find it out there, you know to supplement your good job...your real job with something else but my...I think all of us...I think I can speak for the whole Board and all the management team that it's not an easy time. You know it's not and you know that some people you know may lose their car...that is the reality of the situation that we're in. I mean my husband works for Ford and we can all tell those same stories and we lost our tuition. I have three kids in college and we lost our tuition, you know that's over \$5,000 a year there. He took...they don't get any of their payout on their vacations anymore, so they lost that and they've taken over the last four or five years probably about a 20% pay...it's 3% this year and 3% cut that year...and it's just a reality. I think we're impacted so hard because we are so dependent between Pfizer and them...two huge employers and you know a lot of those people lived in Ypsilanti Township because it was a great place to live and it still is. You know we have one of the lowest tax rates around and we're easy accessible and we've got price range on

**CHARTER TOWNSHIP OF YPSILANTI  
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homes and especially now, we have good deals on homes. You know a lot of people that worked at Pfizer, you know lived here and that was kind of the beginning of the downward spiral. You know the County I think, is facing a \$35 million deficit. They're talking about 170-180 employees being laid off and that's just for next year and they're like us, they know...our assessments come out, we'll know the numbers for next year around March and so there again, all...and instead of that 6% growth you know, it's a negative number now, so the value...the taxable value is in the negative. So we're completely upside down, just like many people are in their homes."

Ed Harris: "Were there any stimulus projects that were brought to Ypsilanti Township?"

Supervisor Stumbo: "Yes."

Ed Harris: "As far as government funding, I'm not familiar with how the shell game works but I know the State has been able to make moves as far as averting money from XYZ budget. The stimulus plan is allowed to move, like for instance, to other...move that they made earlier this year, based on the stimulus plan that allowed them to keep some state troopers. By redirecting some money from this budget that they were able to replenish from the stimulus plan and then use the general fund which originally paid for that project and then keep the troopers on force. Has there been consideration for things like that?"

Supervisor Stumbo: "Yes, Mike...do you have a...."

Trustee Martin: "I'm sorry to interrupt. My name's Mike Martin, I'm a Township Trustee, I've been an organizer for the Teamsters, I mean a negotiator for the Teamsters for over thirty years. Matter of fact, I have a 9:15. I had my opinions about the concessions that were made in this contract but not being at the bargaining table, I really couldn't criticize or have an opinion on why the concessions that were made, were made because I wasn't there to see the dynamics of the negotiations. Couple points that I would like to point out...voluntary layoffs preclude you from collecting unemployment. You can't collect unemployment if you accept a voluntary layoff. On scripts, prescription drugs maintenance where it's a monthly prescription...I mean it's probably not much consideration, but they do have a program where you can get three months for the price of two when you do it through the mail, so that can save you some money, but...and you can check into that, I mean it's...it is my understanding it's available...you don't have that? It's my understanding it's available in your medical plan. Something you might want to check into to help save something. But I mean I looked at the stuff that the Teamsters gave up and the stuff that AFSCME gave up and quite frankly, I was amazed at what they gave up. My understanding was that the Board was looking at 3%. When I started looking at these numbers, I'm thinking, this adds up to way more than 3%. They took a wage freeze, they reduced classifications for more flexible scheduling, they modified longevity pay, pension concessions, the prescription co-pays, they put in language for a 32 hour work week. Now we had some discussion with the Board on the interpretation of that language and quite frankly, I was of the opinion that it may be problematic...the Board took a blanket 32 hour work week for everybody because I told



**CHARTER TOWNSHIP OF YPSILANTI  
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them up front that's not how I interrupt that language, that they can do that but I gave my opinion as a Trustee. The retiree insurance modified, PTO time, there was a reduced rate of accumulation of PTO time, floating holidays, new hires came in at \$3.00 an hour less, COLA was frozen, the holiday pay was prorated, the TRV Program Letter of Agreement was deleted from the contract...I mean these were huge concessions that were given by AFSCME and when I looked at this, I couldn't for the life of me figure out why all these concessions were given when my understanding was the Board was looking for 3%...and again, I wasn't at the table...I can't second guess negotiators. You know I've been in some very dynamic negotiations and you know it's quite frankly overwhelmed by...by the final product. As a Township Trustee, once it was ratified, we voted to accept the contract. You asked me...you asked who would endorse the 32 hour work week? I don't endorse the 32 hour work week. I'm a labor representative, I endorse a 40 hour work week. What...because problematic is there's language in here that now calls for a 32 hour work week as a cost savings to the Township and now it has to be determined how that 32 hour work week is going to apply. One of the problems I saw that looked problematic to me was number one, under the reduction of hours, if the need arises for the reduction of hours, management and union will meet to discuss the procedure to be followed. The management reasons for reduction in hours, in my opinion, those...that discussion should have happened at the negotiation table...that the procedure and the qualification should have been clearly outlined. This policy does elude to departmental bumping and it happening sporadically in different areas but...the interpretation of an attorney...a labor attorney can be looked at and say that the Township has the right to reduce the hours across the Board, as long as it was temporary and then it gets to be what is temporary. In a two year contract, is one year temporary? So then that becomes a matter of discussion...maybe a matter of grievance and arbitration if it goes that far...if it can't be remedied at the table...but I think there is an obligation by both sides to sit down and discuss this procedure before the Township implements a 32 hour work week and come to an understanding on the application of that. Now with that being said, I have a few more minutes...I have a 9:50 flight to New York and I'm not trying to beg out, I really didn't expect this conversation today, but I thought the Board Meeting would be done by 8:15 or so, so I could get my business done before I had to leave...but I have an 8:00 meeting tomorrow morning in Long Island that I have to make...I'm part of...I work for the International also...I do some work for them...I have to travel out of town. This is my full time job, what I do...but I did want to throw my thoughts out there and the interpretations of what I saw and what we discussed in the Board Meeting, the previous Board Meeting about this clause because I mean the concessions were...I mean, I told them I was overwhelmed by the concessions that were negotiated...some of them not so financial, not necessarily financially or negatively impact the Bargaining Unit, but they gave the Township some flexibility, like the elimination of some classifications to allow for more flexible scheduling. That's something that saves money without actually taking money out of people's pockets because the way it works...and I understand a lot of it and a lot of the stuff that was negotiated in here is very smart. Some of the things I wondered why quite frankly, why so much was given."

Cheryl Lynn-Bruestle: "I would just like to say thank you for those comments, Mike. It was greatly appreciated and again, I would hope as Dawn had mentioned, we asked

**CHARTER TOWNSHIP OF YPSILANTI  
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many times for the Board to come to the table and speak with us, they did refuse. I hope in the future that it does turn to collaboration and that turns into trust between both parties...and I hope that's going to be the final product. Thank You."

**MINUTES OF THE SEPTEMBER 1, 2009 WORK SESSION, REGULAR MEETING AND EXECUTIVE SESSION**

**A motion was made by Trustee Currie, supported by Treasurer Doe to approve the minutes of the September 1, 2009 Work Session, Regular Meeting and Executive Session. The motion carried unanimously.**

**SUPERVISOR REPORT**

Supervisor Stumbo reported that the part-time position for a level four assessor had been filled. She also provided an overview of the meetings attended by the three full-time officials and staff.

**CLERK REPORT**

Clerk Lovejoy Roe reported that the Clerk's office was preparing for the November Election and gave a review of the ballot language and the millage proposals that are on the ballot. She also stated that the last day to register to vote was Monday, October 5, 2009.

**TRUSTEE REPORT**

Trustee Eldridge gave a brief overview of the AATA Route System and expressed the opposition to the 10% increase from the meeting he attended at the City of Ypsilanti.

**TREASURER'S REPORT**

**A. AUGUST 2009**

Treasurer Doe gave the report for August 2009. The beginning balance was \$30,829,934.66 and the ending balance is 32,969,127.64.

**A motion was made by Clerk Lovejoy Roe, supported by Trustee Eldridge to receive and file the August 2009 Treasurer's report (see attached). The motion carried unanimously.**

**ATTORNEY REPORT**

**A. REQUEST AUTHORIZATION TO INITIATE LEGAL ACTION IN WASHTENAW COUNTY CIRCUIT COURT TO ABATE PUBLIC NUISANCE FOR THE PROPERTY LOCATED AT 1353 ROLLING COURT**

**A motion was made by Clerk Lovejoy Roe, supported by Treasurer Doe to authorize legal action in Washtenaw County Circuit Court to abate the public nuisance for the property located at 1353 Rolling Court. The motion carried unanimously.**

**(The Board agreed at the Work Session to add item B to the agenda)**

**B. REQUEST AUTHORIZATION TO INITIATE LEGAL ACTION IN WASHTENAW COUNTY CIRCUIT COURT TO ABATE PUBLIC NUISANCE FOR 1325 COMMONWEALTH**

**A motion was made by Treasurer Doe, supported by Trustee Eldridge to authorize legal action in Washtenaw County Circuit Court to abate the public nuisance for the property located at 1325 Commonwealth. The motion carried unanimously.**

**(The Board agreed in the Executive Session to add item C to the agenda)**

**C. AUTHORIZATION TO PROCEED WITH THE APPROVAL FOR THE APPEAL FOR WASHTENAW COUNTY VERSUS YPSILANTI TOWNSHIP**

**A motion was made by Trustee Currie, supported by Clerk Lovejoy Roe to approve the appeal for Washtenaw County versus Ypsilanti Township. The motion carried unanimously.**

**OLD BUSINESS**

- 1. 2<sup>nd</sup> READING RESOLUTION NO. 2009- 28, PROPOSED ORDINANCE NO. 2009-396, AMENDING CODE OF ORDINANCES - TRAFFIC AND VEHICLES  
( 1<sup>st</sup> reading held at the August 18, 2009 Regular Meeting)**

**A motion was made by Trustee Eldridge, supported by Trustee Currie to approve the 2<sup>nd</sup> reading of Resolution No. 2009- 28, Proposed Ordinance No. 2009-396, amending the Code of Ordinances - Traffic and Vehicles ( see attached). The motion carried unanimously.**

- 2. 2<sup>nd</sup> READING RESOLUTION NO. 2009-27, PROPOSED ORDINANCE NO. 2009-397, AMENDING CODE OF ORDINANCES-ANIMAL CONTROL (1<sup>st</sup> reading held at the August 18, 2009 Regular Meeting)**

**CHARTER TOWNSHIP OF YPSILANTI  
SEPTEMBER 15, 2009 REGULAR MEETING MINUTES  
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A motion was made by Treasurer Doe, supported by Clerk Lovejoy Roe to approve the 2<sup>nd</sup> reading of Resolution No. 2009-27, Proposed Ordinance No. 2009-397, amending the Code Of Ordinances- Animal Control (see attached). The motion carried unanimously.

**NEW BUSINESS**

**1. BUDGET AMENDMENT #9**

A motion was made by Clerk Lovejoy Roe, supported by Treasurer Doe to approve Budget Amendment #9 (see attached). The motion carried unanimously.

**2. BUDGET AMENDMENT #10**

A motion was made by Clerk Lovejoy Roe, supported by Trustee Currie to approve Budget Amendment #10 (see attached). The motion carried, with Trustee Eldridge voting no.

**3. REQUEST FOR AN UNPAID LEAVE OF ABSENCE FROM JANUARY 20, 2010 THROUGH MARCH 12, 2010**

A motion was made by Clerk Lovejoy Roe, supported by Treasurer Doe to approve the request for an employee to take an unpaid leave of absence from January 20, 2010 through March 12, 2010. The motion carried unanimously.

**4. PROFESSIONAL SERVICES CONTRACT FROM MRV CONSULTING, LLC TO REVIEW FORD RAWSONVILLE PLANT APPRAISALS FOR REAL AND PERSONAL PROPERTY IN THE AMOUNT OF \$42,000, BUDGETED IN LINE ITEM # 101-209-000-811-000**

A motion was made by Clerk Lovejoy Roe, supported by Treasurer Doe to approve the Professional Services Contract from MRV Consulting, LLC to review the Ford Rawsonville Plant Appraisals for Real and Personal Property, in the amount of \$42,000. The motion carried unanimously.

**5. WASHTENAW COUNTY ROAD COMMISSION AGREEMENT FOR WENDELL AVENUE TRAFFIC CALMING DEVICES IN THE AMOUNT OF \$33,696.68, BUDGETED IN LINE ITEM # 212-212-000-810-006**

A motion was made by Treasurer Doe, supported by Clerk Lovejoy Roe to authorize the Washtenaw County Road Commission Agreement for Wendell Avenue Traffic Calming Devices in the amount of \$33,696.68. The motion carried unanimously.

**6. REQUEST TO UTILIZE SPECIAL MAINTENANCE FUNDS HELD BY WATER RESOURCES COMMISSIONER FOR STREAMWOOD DRAIN REPAIRS, NOT TO EXCEED \$200,000.00**

A motion was made by Clerk Lovejoy Roe, supported by Treasurer Doe to approve the request to utilize special maintenance funds held by the Water Resources Commissioner for the Streamwood Drain Repairs, not to exceed \$200,000.00. The motion carried unanimously.

**7. OHM AGREEMENT TO DESIGN, INSPECT AND ENGINEER BORDER TO BORDER TRAIL IN THE AMOUNT OF \$42,600, BUDGETED IN LINE ITEM #211-970-000-997-000**

A motion was made by Clerk Lovejoy Roe, supported by Trustee Currie to authorize the OHM Agreement to design, inspect and engineer the Border to Border Trail in the amount of \$42,600. The motion carried, with Trustee Eldridge voting no.

**8. SET PUBLIC HEARING DATE OF TUESDAY, OCTOBER 6, 2009 AT APPROXIMATELY 7:00 P.M. – SPECIAL ASSESSMENT LEVY**

A motion was made by Trustee Currie, supported by Clerk Lovejoy Roe to set a public hearing date of Tuesday, October 6, 2009 at approximately 7:00 p.m., for the Special Assessment Levy. The motion carried unanimously.

**OTHER BUSINESS**

**1. AUTHORIZATION FOR NEIGHBORHOOD NEWS LETTER, NOT TO EXCEED \$8,000 FROM MESSENGER PRINTING, BUDGETED IN LINE ITEM #101-267-000-730-000 AND LINE ITEM #101-267-000-900-000**

A motion was made by Clerk Lovejoy Roe, supported by Treasurer Doe to authorize the neighborhood news letter, not to exceed \$8,000 from Messenger Printing. The motion carried unanimously.

**2. CHANGE HOURS OF OPERATION FOR TOWNSHIP CIVIC CENTER.**

A motion was made by Clerk Lovejoy Roe, supported by Treasurer Doe to change the hours of operation for the Township Civic Center to 8:30 a.m. to 4:30 p.m., Monday thru Friday, effective Monday, October 5, 2009. The motion carried unanimously.

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SEPTEMBER 15, 2009 REGULAR MEETING MINUTES  
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**AUTHORIZATIONS AND BIDS**

**ACCEPT:**

- A. The recommendation of Chief Copeland to award the bid to Dexter Cabinet & Counters for 21 lockable laminate wardrobe cabinets in the amount of \$12,600, budgeted in line item #206-970-000-980-001

**A motion was made by Clerk Lovejoy Roe, supported by Treasurer Doe to award the bid to Dexter Cabinet & Counters for 21 Lockable Laminate Wardrobe Cabinets in the amount of \$12,600. The motion carried unanimously.**

**STATEMENTS AND CHECKS**

**A motion was made by Treasurer Doe, supported by Clerk Lovejoy Roe to approve Statements and Checks in the amount of \$803,955.34. The motion carried unanimously.**

**ADJOURNMENT**

**A motion was made by Clerk Lovejoy Roe, supported by Treasurer Doe to adjourn the meeting. The motion carried unanimously.**

The meeting adjourned at approximately 9:10 p.m.

Respectfully submitted,

Brenda L. Stumbo, Supervisor  
Charter Township of Ypsilanti

Karen Lovejoy Roe, Clerk  
Charter Township of Ypsilanti

# EXECUTIVE SESSION MINUTES

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THE SEPTEMBER 15, 2009 EXECUTIVE SESSION MINUTES  
WILL BE DISTRIBUTED AT THE WORK SESSION

# SUPERVISOR REPORT

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- A. SUPERVISOR STUMBO WILL REPORT ON MEETINGS ATTENDED BY OFFICIALS AND STAFF



# CLERK REPORT

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THERE IS NO WRITTEN CLERK REPORT

# TREASURER REPORT

---

THERE IS NO WRITTEN TREASURER REPORT

# TRUSTEE REPORT

---

THERE IS NO WRITTEN TRUSTEE REPORT

# McLAIN & WINTERS

ATTORNEYS AND COUNSELORS AT LAW

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YPSILANTI, MICHIGAN 48197  
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September 29, 2009

Brenda Stumbo, Supervisor  
Karen Lovejoy Roe, Clerk  
Larry Doe, Treasurer  
Charter Township of Ypsilanti  
7200 South Huron River Drive  
Ypsilanti, MI 48197

**Re: 7343 Spy Glass Lane, Ypsilanti Township, Michigan**

Dear Township Officials:

On **July 17, 2009**, Township legal counsel's attention was brought to the above property by Township Ordinance Officer Bill Elling. Mr. Elling had received a complaint, the day before, that a

***...neighbor called and said that it has been abandoned and the door is unlocked and sometimes open and there seems to be a really bad smell coming from the home and black mold as well. Is there any way this can be checked out? Thanks!***

On **January 10, 2008**, this property was registered as rental property by an individual by the name of John Hedrick.

Upon receipt of the neighbor's complaint, Ordinance Officer Elling immediately proceeded to the 7343 Spy Glass Lane location whereupon he observed the property to be unsecured and vacant. Mr. Elling noted an open patio door at the rear of the property and an open/broken basement window located on the south side. Mr. Elling obtained numerous photographs of the exterior and interior of the home. These photographs are attached for your review. These photographs depict ***various types of mold, filth, water damage to the structure in addition to the open basement window.***

At the time of his initial visit, Mr. Elling observed a notice on the front door indicating the home had been winterized and locks changed on **March 6, 2009** and immediately suspected the home might be the subject of a ***foreclosure,***

although it is shown on Township records still to be owned by John and Carolyn Hedrick. Armed with this information and the phone number provided for a BAC Field Services, Mr. Elling contacted an individual by the name of Mary. This person admitted that her company ***had been aware of the mold situation since March 6, 2009 and had submitted a proposal to abate the mold and clean out the home but neglected to follow up with Bank of America, the entity either owning the property outright as a result of foreclosure, or in the process of obtaining the title through foreclosure proceedings.***

For the record, titlework obtained by Township legal counsel indicates the property is owned by ***John F. Hedrick and Carolyn A. Hedrick, husband and wife*** and ***subject to a mortgage...to Mortgage Electronic Registrations Systems Inc, as nominee for Countrywide Homes, dated October 23, 2003 in the amount of \$150,329 with a second mortgage issued to the same entity in the amount of \$29,171 executed on the same date.*** Bank of America is the successor in interest to Countrywide.

As you can clearly see by the attached photographs, the mold exhibited on ***July 16, 2009*** was quite significant at that time. Despite the efforts of Mr. Elling in notifying BAC Field Services, representatives of Bank of America, nothing was done to abate the situation. As a result, on ***August 27, 2009***, Township legal counsel wrote Bank of America indicating that unless they immediately addressed the situation to the Township's satisfaction, Township legal counsel would request the Township Board authorize circuit court action to abate what is clearly a growing public nuisance.

Although the mold contamination has not reached the level that was discovered at 2601 Verna, which you will remember was recently burned to the ground by the Township Fire Department, it certainly should not be left to languish and wallow over the upcoming winter months. Although Township legal counsel has been informed by Ordinance Officer Elling that the bank, or someone, has obtained an estimate to remediate the situation; there has been absolutely nothing done and no response from either Bank of America or John and Carolyn Hedrick, who also received copies of the notices.

At this time, Township legal counsel would request that, at its regularly scheduled meeting ***Tuesday, October 6, 2009***, that the Township Board consider

Township Board  
Re: 7343 Spy Glass Lane  
September 29, 2009  
Page 3 of 3

authorizing Township legal counsel to proceed to circuit court and have this property declared a public nuisance before the mold contamination grows any worse and begins affecting the neighbors' health and safety.

Respectively Submitted,

A handwritten signature in cursive script, reading "Dennis O. McLain".

Dennis O. McLain

/drt

enclosures

cc: Trustees Currie/Eldridge/Martin/Sizemore  
Dan Dzierbicki  
Bill Elling  
Ron Fulton  
Joe Lawson  
Mike Radzik

**July 16, 2009**



**7343 Spy Glass Lane, Ypsilanti, MI 48197**















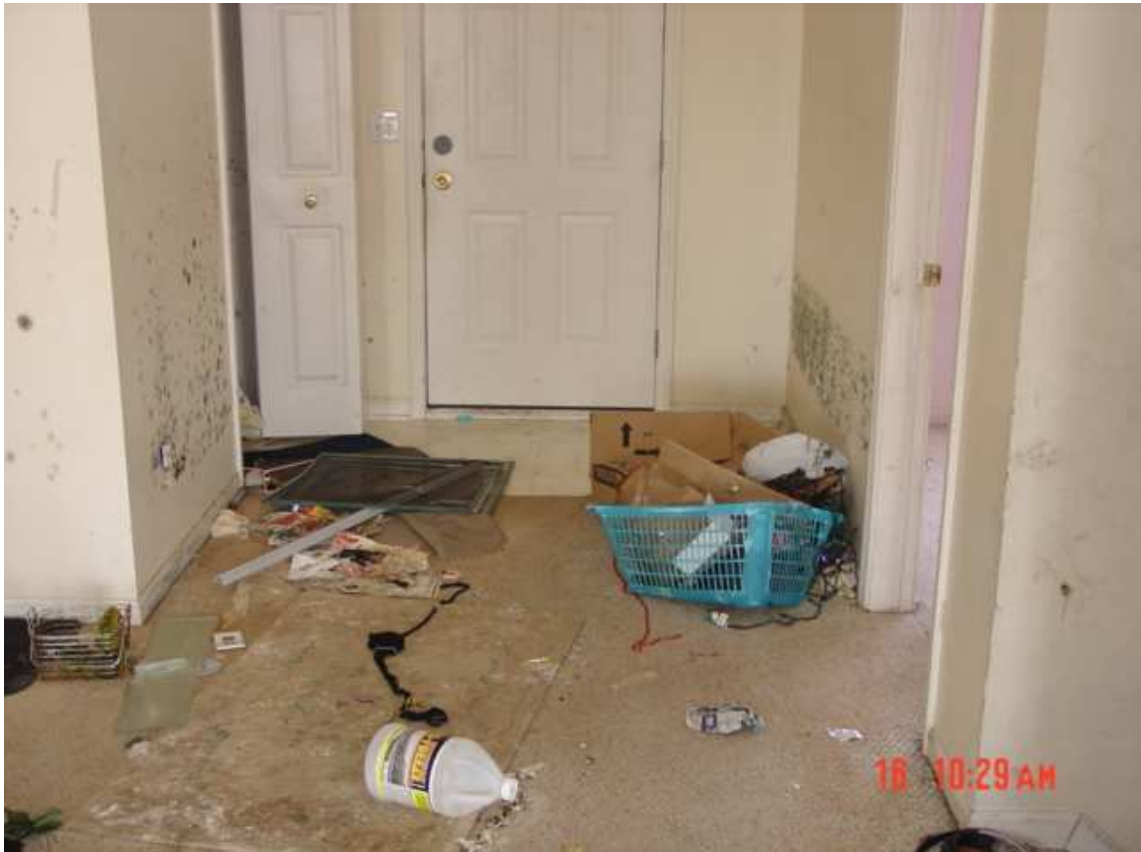




























































**DO NOT REMOVE**

You are hereby notified that this building may not be occupied until you receive written permission from the building inspector at 7200 South Huron River Drive, Ypsilanti, Michigan, because of violation checked.

Date: 7-16-9

Any person, firm or corporation who violates, disobeys, omits or refuses to comply with this order is subject to fine and imprisonment or both. Per Zoning Ordinance of Charter Township of Ypsilanti.

*Kara Fuller*  
CHARTER TOWNSHIP OF YPSILANTI BUILDING INSPECTOR

**NOTICE  
THIS BUILDING IS:**

- OVERCROWDED
- UNSANITARY
- A FIRE HAZARD
- NOT COMPLETED
- UNSAFE TO LIVE IN
- CONDEMNED
- \_\_\_\_\_

**DO NOT ENTER**

16 10:40 AM



## **RESOLUTION 2009-29**

**Whereas**, the discharge of firearms on property within 150 yards of an occupied building, dwelling, house, residence or cabin, or any barn or other building used in connection with a farm operation poses a threat to the safety of persons who live, work and visit these locations; and

**Whereas**, the Charter Township of Ypsilanti Board of Trustees (“Board”) wishes to protect public safety and general welfare; and

**Whereas**, the Board finds that discharging a firearm within 150 yards of an occupied building, dwelling, house, residence or cabin, or any barn or other building used in connection with a farm operation endangers the safety and well-being of persons in the vicinity; and

**Whereas**, the Township Board further finds that discharging an arrow from a bow, crossbow, compound bow, longbow, recurve bow or similar device in a manner that can reasonably be expected to result in the impact of the property of another also endangers the safety and well-being of persons in the vicinity; and

**Whereas**, proposed Ordinance 2009-398, attached hereto and incorporated by reference makes it unlawful to discharge firearms within 150 yards of an occupied dwelling or building; provides exceptions for law enforcement, acts of lawful self defense, lawful defense of others, military ceremonial functions such as funerals and parades, and recognized educational programs; and further, makes it unlawful to discharge an arrow from a bow, crossbow, compound

bow, longbow, recurve bow, or similar device in a manner that can reasonably be expected to result in the impact of the property of another without the express permission of the property owner; and provides that a violation of the ordinance is punishable as a 93 day misdemeanor;

***Now therefore, be it resolved,*** that the Charter Township of Ypsilanti Board of Trustees hereby adopts and incorporates by reference, Ordinance #2009-398 as attached in its entirety, which Ordinance amends Chapter 42, Offenses, in the Township's Code of Ordinances.

**PROPOSED ORDINANCE NO. 2009-398**

*An ordinance amending Chapter 42, Offenses  
in the Code of Ordinances  
for the Charter Township of Ypsilanti,  
Washtenaw County, Michigan*

The Charter Township of Ypsilanti hereby ordains that the following provision be added to the Charter Township of Ypsilanti Code of Ordinances, Chapter 42, Offenses.

**Section 1. Discharge of Firearm.**

It shall be unlawful for any person to discharge a firearm within 150 yards of an occupied building, dwelling, house, residence or cabin, or any barn or other building used in connection with a farm operation.

**Section 2. Exception.**

The following are exceptions to Section (1):

- a) law enforcement officers in the performance of their duties.
- b) a person acting in lawful self defense or lawful defense of others.
- c) military functions such as parades, funerals, firing blank charges.
- d) an established and lawfully permitted educational program properly supervised.

**Section 3.**

It shall be unlawful for any person to discharge an arrow from a bow, crossbow, compound bow, longbow, recurve bow or similar device in a manner that can reasonably be expected to result in the impact of the arrow upon the property of another without the express permission of the property owner. This section exempts bow and arrows considered as toys and intended to release arrows incapable of penetrating a target or surface

**Section 4. Penalty.**

A person who violates Section (1) is guilty of a misdemeanor with a maximum penalty of 93 days in jail and/or \$500 fine.

**Severability**

The various parts, sentences, paragraphs and clauses of this ordinance are severable. If any part, sentence, paragraph, section, or clause is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of the ordinance shall not be affected.

**Publication**

This Ordinance shall be published in a newspaper of general circulation as required by law.

**Effective date**

This Ordinance shall become effective upon publication in a newspaper of general circulation as required by law.

# CHARTER TOWNSHIP OF YPSILANTI

## BUDGET AMENDMENT #11

### OCTOBER 6, 2009

#### 101 - GENERAL FUND

**Total Increase** \$0.00

Budget Increases in expenditures for Elections Department for the November election costs and transfer budgets from the Clerk's Department budget lines.

Expenditures: Elections - Appointed Officials	101.190.000.704.000	\$7,930.00
Elections - Appointed Officials-Schools	101.190.000.704.003	(\$7,930.00)
Elections - Supplies	101.190.000.727.000	\$8,000.00
Elections - Rental	101.190.000.941.000	\$425.00
Clerk - Overtime	101.215.000.709.000	(\$600.00)
Clerk - Health & Dental	101.215.000.719.000	(\$1,400.00)
Clerk - Sick & Accident	101.215.000.719.004	(\$425.00)
Clerk - Life Insurance	101.215.000.720.000	(\$200.00)
Clerk - Ordinance & Zoning Code Books	101.215.000.740.001	(\$2,300.00)
Clerk - Travel	101.215.000.860.000	(\$1,500.00)
Clerk - MERS	101.215.000.876.000	(\$2,000.00)
	Net Expenditures	<u><u>\$0.00</u></u>

Budget an increase in the Assessing Department tax appeals expenditure line due to the large tax appeal cases before the Michigan Tax Tribunal. Fund with various reductions within other Department lines.

Expenditures: Assessing - Tax Appeals	101.209.000.811.001	\$90,000.00
Independent Auditing-Other	101.202.000.803.000	(\$1,500.00)
Legal Services-Labor Consultant	101.210.000.802.002	(\$1,500.00)
Highways & Streets-Drain Costs	101.446.000.818.009	(\$12,000.00)
Res Serv-Parks&Grounds-FLP Temp/Sec	101.774.000.707.775	(\$40,000.00)
Res Serv-Parks&Grounds-Maint Contract	101.774.000.818.775	(\$5,000.00)
Res Serv-Parks&Grounds-Gas & Oil	101.774.000.867.000	(\$7,000.00)
Res Serv-Parks&Grounds-Gas & Oil FLP	101.774.000.867.775	(\$8,000.00)
Res Serv-Parks&Grounds-Utilities	101.774.000.920.000	(\$10,000.00)
Res Serv-Parks&Grounds-Utilities-FLP	101.774.000.920.775	(\$5,000.00)
	Net Expenditures	<u><u>\$0.00</u></u>

#### 206 - FIRE FUND

**Total Increase** \$0.00

Budget higher than anticipated Fire operations expenditures. This will be offset by a reduction in the capital outlay budget

Expenditures: Fire Operations - Overtime	206.206.000.709.000	\$40,000.00
Fire Operations - Holiday Overtime	206.206.000.709.001	\$8,000.00
Fire Operations - Hazardous Response	206.206.000.801.005	\$2,600.00
Fire Operations - Publishing	206.206.000.900.000	\$1,600.00
Capital Outlay - Property Improvements	206.970.000.971.008	(\$52,200.00)
	Net Expenditures	<u><u>\$0.00</u></u>

# CHARTER TOWNSHIP OF YPSILANTI

## BUDGET AMENDMENT #11

### OCTOBER 6, 2009

#### 584 . GOLF COURSE FUND

**Total Increase** \$0.00

Increase budget for Temporary Wages for maintenance. This is to be funded by a reduction in the fertilizer budget.

Expenditures: Wages-Temporary Maintenance	584.584.000.707.001	\$4,000.00
Seed Planting-Fertilizer	584.584.000.783.001	(\$4,000.00)
	Net Expenditures	<u><u>\$0.00</u></u>

#### 893 - NUISANCE ABATEMENT FUND

**Total Increase** \$40,000.00

Increase budget due to higher than expected noxious weed costs. This will be funded by the increased Noxious Weed Revenues and decreases in other Enforcement costs.

Revenues:	Charge for Services-Noxious Weed Reve	893.000.000.626.632	\$8,000.00
	Noxious Weed Revenues-Tax Reimb	893.000.000.672.003	\$32,000.00
		Net Revenues	<u><u>\$40,000.00</u></u>
Expenditures:	Blight Enforcement Costs	893.893.000.806.001	(\$8,000.00)
	Board-Up Enforcement Costs	893.893.000.806.002	(\$2,000.00)
	Noxious Weed Enforcement Costs	893.893.000.806.003	\$50,000.00
		Net Expenditures	<u><u>\$40,000.00</u></u>

Motion to Amend the Budget (#11) for 2009:

Move to approve the General Fund budget department line item changes as outlined,

Move to approve the Fire Fund budget department line item changes as outlined,

Move to approve the Golf Course Fund budget department line item changes as outlined,

Move to increase the Nuisance Abatement Fund budget by \$40,000.00 to \$165,540.00 and approve the department line item changes as outlined.

**PROPOSED ORDINANCE NO. 2009-399**

***An Ordinance to amend the Code of Ordinances of the Charter Township of Ypsilanti.***

The Charter Township of Ypsilanti ordains:

Chapter 40. Municipal Civil Infractions.

Section 40-28. Designation of Authorized Officials is amended to **ADD** the following persons with authority to issue municipal civil infractions for violations of Chapter 14 entitled “*Animals*” of the Ypsilanti Township Code of Ordinances:

Humane Society of Huron Valley Animal Cruelty Investigators.

**Severability**

Should any section, subdivision, sentence, clause or phrase of this Ordinance be declared by the Courts to be invalid, the same shall not affect the validity of the Ordinance as a whole or any part thereof other than the part as invalidated.

**Publication**

This Ordinance shall be published in a newspaper of general circulation as required by law.

**Effective date**

This Ordinance shall become effective upon publication in a newspaper of general circulation as required by law.

**RESOLUTION NO. 2009-31**  
APPROVING CONTRACT  
AND AUTHORIZING NOTICE  
(Pump Stations)

Charter Township of Ypsilanti  
County of Washtenaw, State of Michigan

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Minutes of a regular meeting of the Township Board (the "Governing Body") of the Charter Township of Ypsilanti, County of Washtenaw, State of Michigan (the "Local Unit"), held on the 6<sup>th</sup> day of October, 2009, at 7:00 o'clock p.m., Eastern Standard Time.

PRESENT: Members: \_\_\_\_\_  
\_\_\_\_\_

ABSENT: Members: \_\_\_\_\_

The following preamble and resolutions were offered by Member \_\_\_\_\_  
and supported by Member \_\_\_\_\_:

WHEREAS, it is necessary to acquire and construct certain wastewater system improvements, consisting of the acquisition, construction and installation of improvements to various pump stations, together with all necessary appurtenances and attachments thereto, to serve the Local Unit (the "Wastewater Improvements"); and

WHEREAS, a contract (the "Contract") has been prepared between the Local Unit and the Ypsilanti Community Utilities Authority (the "Authority") whereby the Authority will issue its bonds (the "Bonds") on behalf of the Local Unit to provide for the financing of the Local Unit's share of the cost of the acquisition, construction and installation of the Wastewater Improvements; and

WHEREAS, this Governing Body has carefully reviewed the Contract and finds that it provides the best means for accomplishing the acquisition and construction of the Wastewater Improvements and for providing the needed services.



NOW, THEREFORE, BE IT RESOLVED, THAT:

1. The Contract is hereby approved and the Supervisor and the Clerk of the Local Unit are hereby authorized and directed to execute and deliver the Contract for and on behalf of the Local Unit; provided, however, that Contract shall not become effective until the expiration of forty-five (45) days after the publication of the attached notice as a display advertisement of at least ¼ page in size in the *Ypsilanti Courier*, a newspaper of general circulation within the Local Unit, which manner of publication is deemed by the Governing Body to be the most effective manner of informing the taxpayers and electors of the Local Unit of the details of the proposed Contract and the rights of referendum thereunder.

2. The Clerk is directed to publish the attached notice in the newspaper above designated as soon as possible after the adoption hereof.

3. All resolutions and parts of resolutions in conflict with this resolution be, and the same hereby are repealed.

AYES:           Members: \_\_\_\_\_  
\_\_\_\_\_

NAYS:           Members: \_\_\_\_\_

RESOLUTION DECLARED ADOPTED.

\_\_\_\_\_  
Township Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Township Board of the Charter Township of Ypsilanti, County of Washtenaw, State of Michigan, at a regular meeting held on October 6, 2009, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

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Township Clerk

NOTICE OF INTENT TO EXECUTE  
TAX-SUPPORTED CONTRACT AND OF RIGHT TO  
PETITION FOR REFERENDUM THEREON

TO THE TAXPAYERS AND ELECTORS OF  
THE CHARTER TOWNSHIP OF YPSILANTI,  
WASHTENAW COUNTY, MICHIGAN:

PLEASE TAKE NOTICE, the Charter Township of Ypsilanti (the "Local Unit") has approved by resolution the execution of a contract (the "Contract") with the Ypsilanti Community Utilities Authority (the "Authority") pursuant to Act No. 233, Public Acts of Michigan, 1955, as amended, which Contract provides, among other things, that the Authority will acquire, construct and install certain wastewater improvements, consisting of the acquisition and construction of improvements to the various pump stations, together with all necessary appurtenances and attachments thereto to service the Local Unit and will issue its bonds in the principal amount not to exceed \$1,050,000 to finance the cost of the acquisition and construction of such wastewater improvements for the Local Unit AND THE LOCAL UNIT WILL PAY TO THE AUTHORITY PURSUANT TO THE CONTRACT THE SUMS NECESSARY TO RETIRE THE PRINCIPAL OF AND INTEREST ON SAID BONDS.

LOCAL UNIT'S CONTRACT OBLIGATIONS

It is presently contemplated that the bonds will be in the principal amount of not to exceed \$1,050,000, will mature serially over a period of not to exceed twenty-five (25) years, and will bear interest at the rate or rates to be determined at the time of sale to the Michigan Municipal Bond Authority but in no event to exceed two and one-half percent (2.5%) per annum on the balance of the bonds from time to time remaining unpaid. The Contract includes the Local Unit's pledge of its limited tax full faith and credit for the prompt and timely payment of the Local Unit's obligations as expressed in the Contract. THE LOCAL UNIT WILL BE REQUIRED TO LEVY AD VALOREM TAXES WITHIN APPLICABLE CONSTITUTIONAL, CHARTER AND STATUTORY TAX LIMITATIONS ON ALL TAXABLE PROPERTY WITHIN THE LOCAL UNIT TO THE EXTENT NECESSARY TO MAKE THE PAYMENTS REQUIRED TO PAY PRINCIPAL OF AND INTEREST ON THE BONDS IF OTHER FUNDS FOR THAT PURPOSE ARE NOT AVAILABLE. IT IS THE PRESENT INTENT OF THE LOCAL UNIT TO USE THE REVENUES FROM THE TOWNSHIP DIVISION OF THE AUTHORITY'S SYSTEM TO MAKE THE PAYMENTS REQUIRED TO PAY PRINCIPAL OF AND INTEREST ON THE BONDS.

RIGHT OF REFERENDUM

The Contract will become effective and binding upon the Local Unit without vote of the electors as permitted by law unless a petition requesting an election on the question of the Local Unit entering into the Contract, signed by not less than 10% of the registered electors of the Local Unit, is filed with the Township Clerk within forty-five (45) days after publication of this notice. If such petition is filed, the Contract cannot become effective without an approving vote of a majority of electors of the Local Unit qualified to vote and voting on the question. The Contract is on file at the office of the Township Clerk.

This notice is given pursuant to the requirements of Section 8 of Act No. 233, Public Acts of Michigan, 1955, as amended. Further information concerning the details of the Contract and the matters set out in this notice may be secured from the Township Clerk's office.

Karen Lovejoy Roe  
Clerk  
Charter Township of Ypsilanti

CONTRACT  
(Pump Stations)

THIS CONTRACT, dated as of October 27, 2009, by and between the YPSILANTI COMMUNITY UTILITIES AUTHORITY, a municipal authority and public body corporate of the State of Michigan (hereinafter referred to as the "Authority"), and the CHARTER TOWNSHIP OF YPSILANTI (hereinafter referred to as the "Local Unit") located in the County of Washtenaw, Michigan,

WITNESSETH:

WHEREAS, the Authority has been incorporated under the provisions of Act No. 233, Public Acts of Michigan, 1955, as amended (hereinafter referred to as "Act 233"), for the purposes set forth in Act 233 and the Local Unit being a constituent member of the Authority; and

WHEREAS, it is immediately necessary and imperative for the public health and welfare of the present and future residents of the Local Unit that certain wastewater system improvements in the Local Unit, consisting of the acquisition, construction and installation of improvements to various pump stations, together with all necessary appurtenances and attachments thereto be acquired and constructed to service the Local Unit; and

WHEREAS, plans and an estimate of cost of said improvements have been prepared by the Authority's consulting engineers (the "Consulting Engineers"), which said estimate of cost totals not to exceed \$1,050,000; and

WHEREAS, the Local Unit is desirous of having the Authority arrange for the acquisition of said improvements, in order to furnish the residents of the Local Unit with improved wastewater system services and facilities; and

WHEREAS, the parties hereto have determined that said improvements are essential to the general health, safety and welfare of the Local Unit; and

WHEREAS, the Authority and the Local Unit are each agreeable to the execution of this Contract by and between themselves, the Contract to provide, among other things, for the financing of the cost of said improvements; and

WHEREAS, the Local Unit has approved and authorize the execution of this Contract by resolution of its governing body; and

WHEREAS, this Contract will become effective for the Local Unit upon expiration of a period of forty-five days following publication by the Local Unit of its notice of intention without filing of a petition for referendum on the question of its entering into this Contract, or if such referendum election be required, then upon approval by the qualified electors of the Local Unit;

NOW, THEREFORE, in consideration of the premises and the covenants made herein, THE PARTIES HERETO AGREE AS FOLLOWS:

SECTION 1. The Authority and the Local Unit again approve the establishment of wastewater system improvements in the Local Unit under the provisions of Act 233, consisting of the acquisition, construction and installation of improvements to various pump stations, together with all necessary appurtenances, attachments and rights in land adequate and sufficient to furnish such service to the area of the Local Unit, as set forth in the plans prepared by the Consulting Engineers.

SECTION 2. The system referred to in Section 1 above is hereby designated as YPSILANTI COMMUNITY UTILITIES AUTHORITY WASTEWATER SYSTEM NO. 6

(Charter Township of Ypsilanti) (hereinafter sometimes referred to in this Contract as the “System”).

SECTION 3. The Local Unit hereby consents to the use by the Authority and any parties contracting with the Authority of the public streets, alleys, lands and rights-of-way in such Local Unit for the purpose of constructing, operating and maintaining the System and any improvements, enlargements and extensions thereto.

SECTION 4. The System is designed to serve areas in the Local Unit as described in the plans prepared by the Consulting Engineers and is immediately necessary to protect and preserve the public health; and the Local Unit does, by these presents, consent to the furnishing of such service through the System pursuant to Section 8 hereof, to the individual users in the Local Unit.

SECTION 5. The Authority and the Local Unit hereby approve and confirm the plans for the System prepared by the Consulting Engineers and the total estimated cost thereof of not to exceed the sum of \$1,050,000 and the Local Unit’s share thereof of not to exceed \$1,050,000. Said cost estimate includes all surveys, plans, specifications, acquisition of property for rights-of-way, physical construction necessary to acquire and construct the System, the acquisition of all materials, machinery and necessary equipment, and all engineering, engineering supervision, administrative, legal and financing expenses necessary in connection with the acquisition and construction of the System and the financing thereof.

SECTION 6. The Authority will take bids for the acquisition and construction of the System and the Authority shall in no event agree to any contract price or prices as will cause the actual cost thereof to exceed the estimated cost as approved in Section 5 of this Contract unless

the Local Unit, by resolution of its legislative body, (a) approves said increased total cost and the Local Unit's share thereof, and (b) agrees to pay such prorated excess over the estimated cost, either in cash or by specifically authorizing the maximum principal amount of bonds to be issued, as provided in Sections 10 and 16 of this Contract, to be increased to an amount which will provide sufficient funds to meet said increased cost, and approves a similar increase in the installment obligations of the Local Unit, if any, pledged under the terms of this Contract to the payment of such bonds.

SECTION 7. The System shall be acquired and constructed by the Authority substantially in accordance with the plans and specifications therefor approved by this Contract. All matters relating to engineering plans and specifications, together with the making and letting of final construction contracts, the approval of work and materials thereunder, and construction supervision, shall be in the control of the Authority. All acquisition of sites and rights-of-way shall be done by the Authority. The Local Unit's share of the costs of such acquisition shall be paid from bond proceeds and, in addition any costs incurred by the Local Unit in connection with the acquisition or construction of the System, including engineering expenses, shall be promptly reimbursed to the Local Unit by the Authority from the proceeds of Authority Bonds.

SECTION 8. The System shall be retained, maintained and operated by the Authority. The parties hereto agree that the System shall be acquired, constructed, operated, administered and maintained for the sole use and benefit of the Local Unit and its users.

SECTION 9. To provide for the construction and financing of the System in accordance with the provisions of Act 233, the Authority shall take the following steps:

- (a) Immediately after execution hereof, the Authority will promptly take steps

to adopt a resolution providing for the issuance of its bonds, in one or more series, in the aggregate principal amount of not to exceed \$1,050,000 (except as otherwise authorized pursuant to Section 16 of this Contract) to finance the cost of the System. Said bonds shall mature serially, as authorized by law, and shall be secured by the contractual obligations of the Local Unit in this Contract. After due adoption of the resolution, the Authority will take all necessary legal procedures and steps necessary to effectuate the sale and delivery of said bonds to the Michigan Municipal Bond Authority.

(b) The Authority shall take all steps necessary to take bids for and enter into and execute final acquisition and construction contracts for the acquisition and construction of the System as specified and approved hereinbefore in this Contract, in accordance with the plans and specifications therefor based on the plans as approved by this Contract. Said contracts shall specify a completion date agreeable to the Local Unit and the Authority.

(c) The Authority will require and procure from the contractor or contractors undertaking the actual construction and acquisition of the System necessary and proper bonds to guarantee the performance of the contract or contracts and such labor and material bonds as may be required by law.

(d) The Authority, upon receipt of the proceeds of sale of the bonds, will comply with all provisions and requirements provided for in the resolution authorizing the issuance of the bonds and this Contract relative to the disposition and use of the proceeds of sale of the bonds.



(e) The Authority may temporarily invest any bond proceeds or other funds held by it for the benefit of the Local Unit as permitted by law and investment income shall accrue to and follow the fund producing such income. The Authority shall not, however, invest, reinvest or accumulate any moneys deemed to be proceeds of the bonds pursuant to §148 of the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder (the “Code”), in such a manner as to cause the bonds to be “arbitrage bonds” within the meaning of Code § 103(b)(2) and §148.

SECTION 10. That cost of the System shall be charged to and paid by the Local Unit to the Authority in the manner and at the times herein set forth.

The cost of the System to be financed with the issuance of one or more series of bonds of the Authority (\$1,050,000) shall be paid by the Local Unit to the Authority in annual installments (corresponding to principal payments on each series of the bonds on the next October 1st of each year) on September 15 of each year, as follows:

2011	\$40,000
2012	\$40,000
2013	\$45,000
2014	\$45,000
2015	\$45,000
2016	\$45,000
2017	\$50,000
2018	\$50,000
2019	\$50,000
2020	\$50,000
2021	\$55,000
2022	\$55,000
2023	\$55,000
2024	\$55,000
2025	\$60,000
2026	\$60,000
2027	\$60,000
2028	\$60,000

2029	\$65,000
2030	\$65,000

It is understood and agreed that the bonds of the Authority hereinbefore referred to will be issued in anticipation of the above contractual obligation, with principal installments on October 1 of each year, commencing with the year 2011, corresponding to the principal amount of the above installments, and the Local Unit shall also pay to the Authority in addition to said principal installments, on March 15 and September 15 of each year, commencing on March 15, 2010, as accrued interest on the principal amount remaining unpaid, an amount sufficient to pay all interest, not to exceed two and one-half percent (2½%) per annum, due on the next succeeding interest payment date (April 1 and October 1, respectively), on the installment portions of said bonds of the Authority from time to time outstanding. From time to time as other costs and expenses accrue to the Authority from handling of the payments made by the Local Unit, or from other actions taken in connection with the System, the Authority shall notify the Local Unit of the amount of such fees and other costs and expenses, and the Local Unit shall, within thirty (30) days from such notification, remit to the Authority sufficient funds to meet such fees and other costs and expenses. The principal payment date may be adjusted to April 1 at the time the bonds are sold to the Michigan Municipal Bond Authority but shall be payable in not more than twenty annual installments.

Should cash payment be required from the Local Unit in addition to the amounts specified in the preceding paragraph to meet additional costs of constructing the System, the Local Unit shall, upon written request by the Authority, furnish to the Authority written evidence of their agreement and ability to make such additional cash payments, and the Authority may elect not to proceed with the acquisition or financing of the System until such

written evidence, satisfactory to the Authority, has been received by it. The Local Unit shall pay to the Authority such additional cash payments within thirty (30) days after written request for such payment has been delivered by the Authority to such Local Unit.

The Authority shall, within thirty (30) days after the delivery of the bonds of the Authority hereinbefore referred to, furnish the Local Unit with a complete schedule of installments of principal and interest thereon, and the Authority shall also (a) at least sixty (60) days prior to January 1 of each year, commencing in 2010, advise the Local Unit, in writing, of the exact amount of principal and interest installments due on the Authority bonds on the next succeeding April 1, and payable by the Local Unit on March 15, as hereinbefore provided, and the exact amount of interest installment due on the bonds of the Authority on the next succeeding October 1, and payable by the Local Unit on September 15, as hereinbefore provided.

If any principal installment or interest installment is not paid when due, the amount not so paid shall be subject to a penalty, in addition to interest, of one percent (1%) thereof for each month or fraction thereof that the same remains unpaid after the due date.

SECTION 11. The Local Unit, pursuant to the authorization contained in Act 233, hereby irrevocably pledges its limited tax full faith and credit for the prompt and timely payment of its obligations pledged for bond payments as expressed in this Contract, and shall each year, commencing with the fiscal year commencing January 1, 2010, set aside sufficient general fund moneys to make the payments, and, if necessary, levy an ad valorem tax on all the taxable property in the Local Unit, subject to applicable constitutional, statutory and charter tax rate limitations, in an amount which, taking into consideration estimated delinquencies in tax

collections, will be sufficient to pay such obligations under this Contract becoming due before the time of the following year's tax collections. Nothing herein contained shall be construed to prevent the Local Unit from using any, or any combination of, means and methods provided in Section 7 of Act 233, as now or hereafter amended, including revenues derived from user charges or special assessments, for the purpose of providing funds to meet its obligations under this Contract, and if at the time of making the annual tax levy there shall be other funds on hand earmarked and set aside for the payment of the contractual obligations due prior to the next tax collection period, then such annual tax levy may be reduced by such amount.

SECTION 12. The Local Unit may pay in advance any of the payments required to be made by this Contract, in which event the Authority shall credit the Local Unit with such advance payment on future due payments to the extent of such advance payment.

SECTION 13. The Local Unit may pay additional moneys over and above any of the payments specified in this Contract, with the written request that such additional funds be used to prepay installments, in which event the Authority shall be obligated to apply and use said moneys for such purpose to the fullest extent possible. Such moneys shall not then be credited as advance payments under the provisions of Section 12 of this Contract.

SECTION 14 In the event the Local Unit shall fail for any reason to pay to the Authority at the times specified the amounts required to be paid by the provisions of this Contract, the Authority shall immediately give notice of such default and the amount thereof, in writing, to the Treasurer of such Local Unit, the Treasurer of the County of Washtenaw, the Treasurer of the State of Michigan, and such other officials charged with disbursement to the Local Unit of funds returned by the State and now or hereafter under Act 233 available for pledge, as provided

in this paragraph and in Section 12a of Act 233, and if such default is not corrected within ten (10) days after such notification, the State Treasurer, or other appropriate official charged with disbursement to such Local Unit of the aforesaid funds, is, by these presents, specifically authorized by the Local Unit, to the extent permitted by law, to withhold from the aforesaid funds the maximum amount necessary to cure said deficit and to pay said sums so withheld to the Authority, to apply on the obligations of the Local Unit as herein set forth. Any such moneys so withheld and paid shall be considered to have been paid to the Local Unit within the meaning of the Michigan Constitution and statutes, the purpose of this provision being voluntarily to pledge and authorize the use of said funds owing to the Local Unit to meet any past-due obligations of such Local Unit due under the provisions of this Contract. In addition to the foregoing, the Authority shall have all other rights and remedies provided by law to enforce the obligations of the Local Unit to make its payments in the manner and at the times required by this Contract, including the right of the Authority to direct the Local Unit to make a tax levy to reimburse the Authority for any funds advanced.

SECTION 15. It is specifically recognized by the Local Unit that the debt service payments required to be made by it pursuant to the terms of Section 10 of this Contract are to be pledged for and used to pay the principal installments of and interest on with respect to the bonds to be issued by the Authority as provided by this Contract and authorized by law, and the Local Unit covenants and agrees that it will make all required payments to the Authority promptly and at the times herein specified without regard to whether the System is actually completed or placed in operation.

SECTION 16. If the proceeds of the sale of the bonds to be issued by the Authority are

for any reason insufficient to complete the Local Unit's share of the cost of the System, the Authority shall automatically be authorized to issue additional bonds in an aggregate principal amount sufficient to pay the Local Unit's share of completing the System and to increase the annual payments required to be made by the Local Unit in an amount so that the total payments required to be made as increased will be sufficient to meet the annual principal and interest requirements on the bonds herein authorized plus the additional bonds to be issued. It is expressly agreed between the parties hereto that the Authority shall issue bonds pursuant to this Contract and the Local Unit shall be committed to retire such amount of bonds as may be necessary to pay the Local Unit's share of the costs of the System whether or not in excess of those presently estimated herein. Any such additional bonds shall comply with the requirements of Act 233 and any increase in the annual payments shall be made in the manner and at the times specified in this Contract. In lieu of such additional bonds, the Local Unit may pay over to the Authority, in cash, sufficient moneys to complete the Local Unit's share of the System.

SECTION 17. After completion of the System and payment of all costs thereof, any surplus remaining from the proceeds of sale of bonds shall be used by the Authority for either of the following purposes, at the sole option of and upon request made by resolution of the Local Unit, to wit: (a) for additional improvements to the System or for other projects of the Authority undertaken on behalf of the Local Unit; subject to approval of the Authority; or (b) credited by the Authority toward the next payments due the Authority by the Local Unit hereunder.

SECTION 18. The obligations and undertakings of each of the parties to this Contract shall be conditioned on the successful issuance and sale of the bonds pursuant to Act 233, and if for any reason whatsoever said bonds are not issued and sold within two (2) years from the date

of this Contract, this Contract, except for payment of preliminary expenses and ownership of engineering data, shall be considered void and of no force and effect.

SECTION 19. The Authority and the Local Unit each recognize that the owners from time to time of the bonds issued by the Authority under the provisions of Act 233 to finance the cost of the System will have contractual rights in this Contract, and it is, therefore, covenanted and agreed by the Authority and the Local Unit that so long as any of said bonds shall remain outstanding and unpaid, the provisions of this Contract shall not be subject to any alteration or revision which would in any manner materially affect either the security of the bonds or the prompt payment of principal or interest thereon. The Local Unit and the Authority each further covenant and agree that each will comply with its respective duties and obligations under the terms of this Contract promptly at the times and in the manner herein set forth, and will not suffer to be done any act which would in any way impair the said bonds, the security therefor, or the prompt payment of principal and interest thereon. It is hereby declared that the terms of this Contract insofar as they pertain to the security of any such bonds shall be deemed to be for the benefit of the owners of said bonds.

SECTION 20. This Contract shall remain in full force and effect from the effective date hereof (as provided in Section 23) until the bonds issued by the Authority are paid in full, but in any event not to exceed a period of thirty (30) years. At such time within said 30-year term as all of said bonds are paid, this Contract shall be terminated. In any event, the obligation of the Local Unit to make payments required by this Contract shall be terminated at such time as all of said bonds are paid in full, together with any deficiency or penalty thereon.

SECTION 21. The parties hereto hereby expressly agree that the Authority shall not be

liable for and the Local Unit shall pay, indemnify and save the Authority harmless of, from and against all liability of any nature whatever regardless of the nature in which such liability may arise, for any and all claims, actions, demands, expenses, damages and losses of every conceivable kind whatsoever (including, but not limited to, liability for injuries to or death of persons and damages to or loss of property) asserted by or on behalf of any person, firm, corporation or governmental authority arising out of, resulting from, or in any way connected with the ownership, acquisition, construction, operation, maintenance and repair of the System, this Contract, or the issuance, sale and delivery of the bonds herein described. It is the intent of the parties that the Authority be held harmless by the Local Unit from liability for such claims, actions, demands, expenses, damages and losses, however caused or however arising, including, but not limited to, to the extent not prohibited by law, such claims, actions, demands, expenses, damages and losses even though caused, occasioned or contributed to by the negligence, sole or concurrent, of the Authority or by negligence for which the Authority may be held liable. In any action or proceeding brought about by reason of any such claim or demand, the Local Unit will also pay, indemnify and save the Authority harmless from and against all costs, reasonable attorneys' fees and disbursements of any kind or nature incidental to or incurred in said defense, and will likewise pay all sums required to be paid by reason of said claims, demands, or any of them, in the event it is determined that there is any liability on the part of the Authority. Upon the entry of any final judgment by a court of competent jurisdiction or a final award by an arbitration panel against the Authority on any claim, action, demand, expense, damage or loss contemplated by this Section and notwithstanding that the Authority has not paid the same, the Local Unit shall be obligated to pay to the Authority, upon written demand therefor, the amount



thereof not more than sixty (60) days after such demand is made. In the event that any action or proceeding is brought against the Authority by reason of any such claims or demands, whether said claims or demands are groundless or not, the Local Unit shall, upon written notice and demand from the Authority, but will not, without written consent of the Authority, settle any such action in the proceeding. Notwithstanding the foregoing, nothing contained in this Section shall be construed to indemnify or release the Authority against or from any liability which it would otherwise have arising from the wrongful or negligent actions or failure to act on the part of the Authority's employees, agents or representatives with respect to matters not related to the ownership, acquisition, construction, operation, maintenance or repair of the System, this Contract or the issuance, sale or delivery of the bonds herein described.

SECTION 22. This Contract shall inure to the benefit of and be binding upon the respective parties hereto, their successors and assigns.

SECTION 23. This Contract shall become effective upon (i) approval by the legislative body of the Local Unit, (ii) approval by the Board of the Authority, (iii) expiration of the forty-five day period following publication by the Local Unit of its notice of intention without filing of a petition for referendum on the question of its entering into this Contract, or if such referendum election be required, then upon approval by the qualified electors of the Local Unit, and (iv) due execution by the Supervisor and Township Clerk of the Local Unit and by the Chair and Secretary of the Authority.

SECTION 24. In the event construction bids are received by the Authority pursuant to Section 9 hereof and such bids are below the Consulting Engineers' estimates thus necessitating a smaller amount of Bonds for the Local Unit's share to be issued than \$1,050,000, the Director

of the Authority and the Treasurer of the Local Unit are each authorized on behalf of the Authority and the Local Unit, respectively, to agree to a revised principal amount of the Bonds and a revised maturity schedule and to approve the same as an addendum to this Contract. If a lower amount of Bonds is required and if such lower amount and revised maturity schedule is agreed to and approved by the Director of the Authority and the Treasurer, respectively, this Contract shall be construed as referring to the reduced principal amount of said Bonds and the revised maturity schedule therefor.

SECTION 25. This Contract may be executed in several counterparts.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed as of the day and year first above written.

In the presence of:

\_\_\_\_\_

\_\_\_\_\_

YPSILANTI COMMUNITY UTILITIES  
AUTHORITY

By: \_\_\_\_\_  
Chair

By: \_\_\_\_\_  
Secretary

In the presence of:

\_\_\_\_\_

\_\_\_\_\_

CHARTER TOWNSHIP OF  
YPSILANTI

By: \_\_\_\_\_  
Supervisor

By: \_\_\_\_\_  
Township Clerk

MILLER, CANFIELD, PADDOCK AND STONE, P.L.L.C.

DELIB:3134801.1\099369-00028

**RESOLUTION NO. 2009-32**  
APPROVING CONTRACT  
AND AUTHORIZING NOTICE  
(Wastewater Treatment Plant)

Charter Township of Ypsilanti  
County of Washtenaw, State of Michigan

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Minutes of a regular meeting of the Township Board (the "Governing Body") of the Charter Township of Ypsilanti, County of Washtenaw, State of Michigan (the "Local Unit"), held on the 6<sup>th</sup> day of October, 2009, at 7:00 o'clock p.m., Eastern Standard Time.

PRESENT: Members: \_\_\_\_\_  
\_\_\_\_\_

ABSENT: Members: \_\_\_\_\_

The following preamble and resolutions were offered by Member \_\_\_\_\_  
and supported by Member \_\_\_\_\_:

WHEREAS, it is necessary to acquire and construct certain wastewater system improvements, consisting of the acquisition, construction and installation of various improvements to the existing Wastewater Treatment Plant, together with all necessary appurtenances and attachments thereto, to serve the Local Unit and the City of Ypsilanti (the "Wastewater Improvements"); and

WHEREAS, a contract (the "Contract") has been prepared among the Local Unit, the City of Ypsilanti (the "City") and the Ypsilanti Community Utilities Authority (the "Authority") whereby the Authority will issue its bonds (the "Bonds") on behalf of the Local Unit and the City to provide for the financing of cost of the acquisition, construction and installation of the Wastewater Improvements; and

WHEREAS, this Governing Body has carefully reviewed the Contract and finds that it provides the best means for accomplishing the acquisition and construction of the Wastewater Improvements and for providing the needed services.

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. The Contract is hereby approved and the Supervisor and the Clerk of the Local Unit are hereby authorized and directed to execute and deliver the Contract for and on behalf of the Local Unit; provided, however, that Contract shall not become effective until the expiration of forty-five (45) days after the publication of the attached notice as a display advertisement of at least ¼ page in size in the *Ypsilanti Courier*, a newspaper of general circulation within the Local Unit, which manner of publication is deemed by the Governing Body to be the most effective manner of informing the taxpayers and electors of the Local Unit of the details of the proposed Contract and the rights of referendum thereunder.

2. The Clerk is directed to publish the attached notice in the newspaper above designated as soon as possible after the adoption hereof.

3. All resolutions and parts of resolutions in conflict with this resolution be, and the same hereby are repealed.

AYES:           Members: \_\_\_\_\_  
\_\_\_\_\_

NAYS:           Members: \_\_\_\_\_

RESOLUTION DECLARED ADOPTED.

\_\_\_\_\_  
Township Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Township Board of the Charter Township of Ypsilanti, County of Washtenaw, State of Michigan, at a regular meeting held on October 6, 2009, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

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Township Clerk

DELIB:3135023.2\099369-00028

NOTICE OF INTENT TO EXECUTE  
TAX-SUPPORTED CONTRACT AND OF RIGHT TO  
PETITION FOR REFERENDUM THEREON

TO THE TAXPAYERS AND ELECTORS OF  
THE CHARTER TOWNSHIP OF YPSILANTI,  
WASHTENAW COUNTY, MICHIGAN:

PLEASE TAKE NOTICE, the Charter Township of Ypsilanti (the "Local Unit") has approved by resolution the execution of a contract (the "Contract") with the Ypsilanti Community Utilities Authority (the "Authority") and the City of Ypsilanti (the "City") pursuant to Act No. 233, Public Acts of Michigan, 1955, as amended, which Contract provides, among other things, that the Authority will acquire, construct and install certain wastewater improvements, consisting of the acquisition and construction of various improvements to the existing Wastewater Treatment Plant, together with all necessary appurtenances and attachments thereto to service the Local Unit and the City and will issue its bonds in the principal amount not to exceed \$1,250,000 to finance the cost of the acquisition and construction of such wastewater improvements for the Local Unit and the City AND THE LOCAL UNIT WILL PAY TO THE AUTHORITY PURSUANT TO THE CONTRACT THE SUMS NECESSARY TO RETIRE ITS PERCENTAGE SHARE OF THE PRINCIPAL OF AND INTEREST ON SAID BONDS.

LOCAL UNIT'S CONTRACT OBLIGATIONS

It is presently contemplated that the bonds will be in the principal amount of not to exceed \$1,250,000, will mature serially over a period of not to exceed twenty-five (25) years, and will bear interest at the rate or rates to be determined at the time of sale to the Michigan Municipal Bond Authority but in no event to exceed two and one-half percent (2.5%) per annum on the balance of the bonds from time to time remaining unpaid. The Contract includes the Local Unit's pledge of its limited tax full faith and credit for the prompt and timely payment of the Local Unit's obligations as expressed in the Contract. THE LOCAL UNIT WILL BE REQUIRED TO LEVY AD VALOREM TAXES WITHIN APPLICABLE CONSTITUTIONAL, CHARTER AND STATUTORY TAX LIMITATIONS ON ALL TAXABLE PROPERTY WITHIN THE LOCAL UNIT TO THE EXTENT NECESSARY TO MAKE THE PAYMENTS REQUIRED TO PAY ITS SHARE OF THE PRINCIPAL OF AND INTEREST ON THE BONDS IF OTHER FUNDS FOR THAT PURPOSE ARE NOT AVAILABLE. IT IS THE PRESENT INTENT OF THE LOCAL UNIT TO USE THE REVENUES FROM THE TOWNSHIP DIVISION OF THE AUTHORITY'S SYSTEM TO MAKE THE PAYMENTS REQUIRED TO PAY PRINCIPAL OF AND INTEREST ON THE BONDS.

RIGHT OF REFERENDUM

The Contract will become effective and binding upon the Local Unit without vote of the electors as permitted by law unless a petition requesting an election on the question of the Local Unit entering into the Contract, signed by not less than 10% of the registered electors of the Local Unit, is filed with the Township Clerk within forty-five (45) days after publication of this notice. If such petition is filed, the Contract cannot become effective without an approving vote of a majority of electors of the Local Unit qualified to vote and voting on the question. The Contract is on file at the office of the Township Clerk.

This notice is given pursuant to the requirements of Section 8 of Act No. 233, Public Acts of Michigan, 1955, as amended. Further information concerning the details of the Contract and the matters set out in this notice may be secured from the Township Clerk's office.

Karen Lovejoy Roe  
Clerk  
Charter Township of Ypsilanti

CONTRACT  
(Wastewater Treatment Plant)

THIS CONTRACT, dated as of October 27, 2009, by and among the YPSILANTI COMMUNITY UTILITIES AUTHORITY, a municipal authority and public body corporate of the State of Michigan (hereinafter referred to as the "Authority"), the CHARTER TOWNSHIP OF YPSILANTI (the "Township") and the CITY OF YPSILANTI (the "City," together with the Township are sometimes referred to as the "Local Units") both located in the County of Washtenaw, Michigan,

WITNESSETH:

WHEREAS, the Authority has been incorporated under the provisions of Act No. 233, Public Acts of Michigan, 1955, as amended (hereinafter referred to as "Act 233"), for the purposes set forth in Act 233 and the Local Units being constituent members of the Authority; and

WHEREAS, it is immediately necessary and imperative for the public health and welfare of the present and future residents of the Local Units that certain wastewater system improvements in the Local Units, consisting of the acquisition, construction and installation of various improvements to the existing Wastewater Treatment Plant, together with all necessary appurtenances and attachments thereto be acquired and constructed to service the Local Units together with certain customers of the Local Unit, the City of Ypsilanti (the "City") and the Western Townships Utilities Authority; and

WHEREAS, plans and an estimate of cost of said improvements have been prepared by the Authority's consulting engineers (the "Consulting Engineers"), which said estimate of cost



totals not to exceed \$1,150,000; and

WHEREAS, each of the Local Units is desirous of having the Authority arrange for the acquisition of said improvements, in order to furnish the residents of each of the Local Units with improved wastewater system services and facilities; and

WHEREAS, the parties hereto have determined that said improvements are essential to the general health, safety and welfare of each of the Local Units; and

WHEREAS, the Authority and each of the Local Units are each agreeable to the execution of this Contract by and between themselves, the Contract to provide, among other things, for the financing of the cost of said improvements; and

WHEREAS, each of the Local Units has approved and authorized the execution of this Contract by resolution of its governing body; and

WHEREAS, this Contract will become effective for each of the Local Units upon expiration of a period of forty-five days following publication by each of the Local Units of its respective notice of intention without filing of a petition for referendum on the question of its entering into this Contract, or if such referendum election be required, then upon approval by the qualified electors of the respective Local Unit;

NOW, THEREFORE, in consideration of the premises and the covenants made herein,  
THE PARTIES HERETO AGREE AS FOLLOWS:

SECTION 1. The Authority and the Local Units each have previously approved and again approve the establishment of wastewater system improvements in the Local Unit under the provisions of Act 233, together with all necessary appurtenances, attachments and rights in land adequate and sufficient to furnish such service to the area of each of the Local Units, as set forth

in the plans prepared by the Consulting Engineers.

SECTION 2. The system referred to in Section 1 above is hereby designated as YPSILANTI COMMUNITY UTILITIES AUTHORITY WASTEWATER SYSTEM NO. 5 (City of Ypsilanti and Township of Ypsilanti) (hereinafter sometimes referred to in this Contract as the "System").

SECTION 3. Each of the Local Units hereby consents to the use by the Authority and any parties contracting with the Authority of the public streets, alleys, lands and rights-of-way in each Local Unit for the purpose of constructing, operating and maintaining the System and any improvements, enlargements and extensions thereto.

SECTION 4. The System is designed to serve areas in each of the Local Units as described in the plans prepared by the Consulting Engineers and is immediately necessary to protect and preserve the public health; and each Local Unit does, by these presents, consent to the furnishing of such service through the System pursuant to Section 8 hereof, to the individual users in each Local Unit.

SECTION 5. The Authority and each of the Local Units hereby approve and confirm the plans for the System prepared by the Consulting Engineers and the total estimated cost thereof of not to exceed the sum of \$1,150,000 and the Local Units' combined share thereof (100%) of \$1,150,000. Said cost estimate includes all surveys, plans, specifications, acquisition of property for rights-of-way, physical construction necessary to acquire and construct the System, the acquisition of all materials, machinery and necessary equipment, and all engineering, engineering supervision, administrative, legal and financing expenses necessary in connection with the acquisition and construction of the System and the financing thereof.

SECTION 6. The Authority will take bids for the acquisition and construction of the System and the Authority shall in no event agree to any contract price or prices as will cause the actual cost thereof to exceed the estimated cost as approved in Section 5 of this Contract unless each of the Local Units, by resolution of its legislative body, (a) approves said increased total cost, and (b) agrees to pay such prorated excess over the estimated cost, either in cash or by specifically authorizing the maximum principal amount of bonds to be issued, as provided in Sections 10 and 16 of this Contract, to be increased to an amount which will provide sufficient funds to meet said increased cost, and approves a similar increase in the installment obligations of each Local Unit, if any, pledged under the terms of this Contract to the payment of such bonds.

SECTION 7. The System shall be acquired and constructed by the Authority substantially in accordance with the plans and specifications therefor approved by this Contract. All matters relating to engineering plans and specifications, together with the making and letting of final construction contracts, the approval of work and materials thereunder, and construction supervision, shall be in the control of the Authority. All acquisition of sites and rights-of-way shall be done by the Authority. Each Local Unit's share of the costs of such acquisition shall be paid from bond proceeds and, in addition any costs incurred by any Local Units in connection with the acquisition or construction of the System, including engineering expenses, shall be promptly reimbursed to the Local Unit by the Authority from the proceeds of Authority Bonds.

SECTION 8. The System shall be retained, maintained and operated by the Authority. The parties hereto agree that the System shall be acquired, constructed, operated, administered and maintained for the sole use and benefit of the Local Units and its respective users, including

contract customers.

SECTION 9. To provide for the construction and financing of the System in accordance with the provisions of Act 233, the Authority shall take the following steps:

(a) Immediately after execution hereof, the Authority will promptly take steps to adopt a resolution providing for the issuance of its bonds, in one or more series, in the aggregate principal amount of not to exceed \$1,150,000 (except as otherwise authorized pursuant to Section 16 of this Contract) to finance each of the Local Unit's share of the cost of the System. Said bonds shall mature serially, as authorized by law, and shall be secured by the contractual obligations of each Local Unit in this Contract. After due adoption of the resolution, the Authority will take all necessary legal procedures and steps necessary to effectuate the sale and delivery of said bonds to the Michigan Municipal Bond Authority.

(b) The Authority shall take all steps necessary to take bids for and enter into and execute final acquisition and construction contracts for the acquisition and construction of the System as specified and approved hereinbefore in this Contract, in accordance with the plans and specifications therefor based on the plans as approved by this Contract. Said contracts shall specify a completion date agreeable to each Local Unit and the Authority.

(c) The Authority will require and procure from the contractor or contractors undertaking the actual construction and acquisition of the System necessary and proper bonds to guarantee the performance of the contract or contracts and such labor and material bonds as may be required by law.

(d) The Authority, upon receipt of the proceeds of sale of the bonds, will comply with all provisions and requirements provided for in the resolution authorizing the issuance of the bonds and this Contract relative to the disposition and use of the proceeds of sale of the bonds.

(e) The Authority may temporarily invest any bond proceeds or other funds held by it for the benefit of each Local Unit as permitted by law and investment income shall accrue to and follow the fund producing such income. The Authority shall not, however, invest, reinvest or accumulate any moneys deemed to be proceeds of the bonds pursuant to §148 of the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder (the “Code”), in such a manner as to cause the bonds to be “arbitrage bonds” within the meaning of Code § 103(b)(2) and §148.

SECTION 10. The cost of the System shall be charged to and paid by each Local Unit to the Authority in the manner and at the times herein set forth.

The cost of the System to be financed with the issuance of one or more series of bonds of the Authority (\$1,150,000) shall be paid by the Local Units to the Authority in annual installments (corresponding to principal payments on each series of the bonds on the next October 1st of each year ) on September 15 of each year, as follows:

2011	\$45,000
2012	\$45,000
2013	\$50,000
2014	\$50,000
2015	\$50,000
2016	\$50,000
2017	\$50,000
2018	\$55,000
2019	\$55,000
2020	\$55,000

2021	\$60,000
2022	\$60,000
2023	\$60,000
2024	\$60,000
2025	\$65,000
2026	\$65,000
2027	\$65,000
2028	\$70,000
2029	\$70,000
2030	\$70,000

Each Local Unit shall pay its Local Unit Share (as hereinafter defined) of each payment required to be made by the Local Units to the Authority pursuant to this Section 10 of the Contract. "Local Unit Share" means initially for each Local Unit, the percentage of each payment as follows:

Charter Township of Ypsilanti	76.68%
City of Ypsilanti	23.32%

The Local Unit Share is subject to adjustment on an annual basis based upon existing agreements between the Local Units.

It is understood and agreed that the bonds of the Authority hereinbefore referred to will be issued in anticipation of the above contractual obligation, with principal installments on October 1 of each year, commencing with the year 2011, corresponding to the principal amount of the above installments, and each Local Unit shall also pay to the Authority in addition to said principal installments, on March 15 and September 15 of each year, commencing on March 15, 2010, as accrued interest on the principal amount remaining unpaid, an amount sufficient to pay all interest, not to exceed two and one-half percent (2½%) per annum, due on the next succeeding interest payment date (April 1 and October 1, respectively), on the installment portions of said bonds of the Authority from time to time outstanding. From time to time as

other costs and expenses accrue to the Authority from handling of the payments made by each Local Unit, or from other actions taken in connection with the System, the Authority shall notify each Local Unit of the amount of such fees and other costs and expenses, and each Local Unit shall, within thirty (30) days from such notification, remit to the Authority sufficient funds to meet such fees and other costs and expenses. The principal payment date may be adjusted to April 1 at the time the bonds are sold to the Michigan Municipal Bond Authority but shall be payable in not more than twenty annual installments.

Should cash payment be required from each Local Unit in addition to the amounts specified in the preceding paragraph to meet additional costs of constructing the System, each Local Unit shall, upon written request by the Authority, furnish to the Authority written evidence of their agreement and ability to make such additional cash payments, and the Authority may elect not to proceed with the acquisition or financing of the System until such written evidence, satisfactory to the Authority, has been received by it. Each Local Unit shall pay to the Authority such additional cash payments within thirty (30) days after written request for such payment has been delivered by the Authority to such Local Unit.

The Authority shall, within thirty (30) days after the delivery of the bonds of the Authority hereinbefore referred to, furnish each Local Unit with a complete schedule of installments of principal and interest thereon, and the Authority shall also (a) at least sixty (60) days prior to January 1 of each year, commencing in 2011, advise each Local Unit, in writing, of the exact amount of principal and interest installments due on the Authority bonds on the next succeeding April 1, and payable by each Local Unit on March 15, as hereinbefore provided, and the exact amount of interest installment due on the bonds of the Authority on the next

succeeding October 1, and payable by each Local Unit on September 15, as hereinbefore provided.

If any principal installment or interest installment is not paid when due, the amount not so paid shall be subject to a penalty, in addition to interest, of one percent (1%) thereof for each month or fraction thereof that the same remains unpaid after the due date.

SECTION 11. Each Local Unit, pursuant to the authorization contained in Act 233, hereby irrevocably pledges its limited tax full faith and credit for the prompt and timely payment of its respective obligations pledged for bond payments as expressed in this Contract, and shall each year, commencing with the fiscal year commencing January 1, 2010, set aside sufficient general fund moneys to make the payments, and, if necessary, levy an ad valorem tax on all the taxable property in the Local Unit, subject to applicable constitutional, statutory and charter tax rate limitations, in an amount which, taking into consideration estimated delinquencies in tax collections, will be sufficient to pay such obligations under this Contract becoming due before the time of the following year's tax collections. Nothing herein contained shall be construed to prevent the Local Unit from using any, or any combination of, means and methods provided in Section 7 of Act 233, as now or hereafter amended, including revenues derived from user charges or special assessments, for the purpose of providing funds to meet its obligations under this Contract, and if at the time of making the annual tax levy there shall be other funds on hand earmarked and set aside for the payment of the contractual obligations due prior to the next tax collection period, then such annual tax levy may be reduced by such amount.

SECTION 12. Each Local Unit may pay in advance any of the payments required to be made by this Contract, in which event the Authority shall credit the respective Local Unit with



such advance payment on future due payments to the extent of such advance payment.

SECTION 13. Each Local Unit may pay additional moneys over and above any of the payments specified in this Contract, with the written request that such additional funds be used to prepay installments, in which event the Authority shall be obligated to apply and use said moneys for such purpose to the fullest extent possible. Such moneys shall not then be credited as advance payments under the provisions of Section 12 of this Contract.

SECTION 14. In the event a Local Unit shall fail for any reason to pay to the Authority at the times specified the amounts required to be paid by the provisions of this Contract, the Authority shall immediately give notice of such default and the amount thereof, in writing, to the Treasurer of such Local Unit, the Treasurer of the County of Washtenaw, the Treasurer of the State of Michigan, and such other officials charged with disbursement to such Local Unit of funds returned by the State and now or hereafter under Act 233 available for pledge, as provided in this paragraph and in Section 12a of Act 233, and if such default is not corrected within ten (10) days after such notification, the State Treasurer, or other appropriate official charged with disbursement to such Local Unit of the aforesaid funds, is, by these presents, specifically authorized by the Local Unit, to the extent permitted by law, to withhold from the aforesaid funds the maximum amount necessary to cure said deficit and to pay said sums so withheld to the Authority, to apply on the obligations of such Local Unit as herein set forth. Any such moneys so withheld and paid shall be considered to have been paid to the Local Unit within the meaning of the Michigan Constitution and statutes, the purpose of this provision being voluntarily to pledge and authorize the use of said funds owing to such Local Unit to meet any past-due obligations of such Local Unit due under the provisions of this Contract. In addition to

the foregoing, the Authority shall have all other rights and remedies provided by law to enforce the obligations of each Local Unit to make its respective payments in the manner and at the times required by this Contract, including the right of the Authority to direct each Local Unit to make a tax levy to reimburse the Authority for any funds advanced.

SECTION 15. It is specifically recognized by each Local Unit that the debt service payments required to be made by each pursuant to the terms of Section 10 of this Contract are to be pledged for and used to pay the principal installments of and interest on with respect to the bonds to be issued by the Authority as provided by this Contract and authorized by law, and each Local Unit covenants and agrees that it will make all required payments to the Authority promptly and at the times herein specified without regard to whether the System is actually completed or placed in operation.

SECTION 16. If the proceeds of the sale of the bonds to be issued by the Authority are for any reason insufficient to complete each Local Unit's share of the cost of the System, the Authority shall automatically be authorized to issue additional bonds in an aggregate principal amount sufficient to pay the respective Local Unit's share of completing the System and to increase the annual payments required to be made by each Local Unit in an amount so that the total payments required to be made as increased will be sufficient to meet the annual principal and interest requirements on the bonds herein authorized plus the additional bonds to be issued. It is expressly agreed between the parties hereto that the Authority shall issue bonds pursuant to this Contract and each Local Unit shall be committed to retire such amount of bonds as may be necessary to pay each Local Unit's share of the costs of the System whether or not in excess of those presently estimated herein. Any such additional bonds shall comply with the requirements

of Act 233 and any increase in the annual payments shall be made in the manner and at the times specified in this Contract. In lieu of such additional bonds, each Local Unit may pay over to the Authority, in cash, sufficient moneys to complete each Local Unit's share of the System.

SECTION 17. After completion of the System and payment of all costs thereof, any surplus remaining from the proceeds of sale of bonds shall be used by the Authority for either of the following purposes, at the sole option of and upon request made by resolution of any Local Unit, to wit: (a) for additional improvements to the System or for other projects of the Authority undertaken on behalf of said Local Unit; subject to approval of the Authority; or (b) credited by the Authority toward the next payments due the Authority by said Local Unit hereunder.

SECTION 18. The obligations and undertakings of each of the parties to this Contract shall be conditioned on the successful issuance and sale of the bonds pursuant to Act 233, and if for any reason whatsoever said bonds are not issued and sold within two (2) years from the date of this Contract, this Contract, except for payment of preliminary expenses and ownership of engineering data, shall be considered void and of no force and effect.

SECTION 19. The Authority and each Local Unit each recognize that the owners from time to time of the bonds issued by the Authority under the provisions of Act 233 to finance the cost of the System will have contractual rights in this Contract, and it is, therefore, covenanted and agreed by the Authority and each Local Unit that so long as any of said bonds shall remain outstanding and unpaid, the provisions of this Contract shall not be subject to any alteration or revision which would in any manner materially affect either the security of the bonds or the prompt payment of principal or interest thereon. Each Local Unit and the Authority each further covenant and agree that each will comply with its respective duties and obligations under the

terms of this Contract promptly at the times and in the manner herein set forth, and will not suffer to be done any act which would in any way impair the said bonds, the security therefor, or the prompt payment of principal and interest thereon. It is hereby declared that the terms of this Contract insofar as they pertain to the security of any such bonds shall be deemed to be for the benefit of the owners of said bonds.

SECTION 20. This Contract shall remain in full force and effect from the effective date hereof (as provided in Section 23) until the bonds issued by the Authority are paid in full, but in any event not to exceed a period of thirty (30) years. At such time within said 30-year term as all of said bonds are paid, this Contract shall be terminated. In any event, the obligation of each Local Unit to make payments required by this Contract shall be terminated at such time as all of said bonds are paid in full, together with any deficiency or penalty thereon.

SECTION 21. The parties hereto hereby expressly agree that the Authority shall not be liable for and each Local Unit shall, to the extent legally available, pay, indemnify and save the Authority harmless of, from and against all liability of any nature whatever regardless of the nature in which such liability may arise, for any and all claims, actions, demands, expenses, damages and losses of every conceivable kind whatsoever (including, but not limited to, liability for injuries to or death of persons and damages to or loss of property) asserted by or on behalf of any person, firm, corporation or governmental authority arising out of, resulting from, or in any way connected with the ownership, acquisition, construction, operation, maintenance and repair of the System, this Contract, or the issuance, sale and delivery of the bonds herein described. It is the intent of the parties that the Authority be held harmless by each Local Unit from liability for such claims, actions, demands, expenses, damages and losses, however caused or however

arising, including, but not limited to, to the extent not prohibited by law, such claims, actions, demands, expenses, damages and losses even though caused, occasioned or contributed to by the negligence, sole or concurrent, of the Authority or by negligence for which the Authority may be held liable. In any action or proceeding brought about by reason of any such claim or demand, each Local Unit, to the extent legally available, will also pay, indemnify and save the Authority harmless from and against all costs, reasonable attorneys' fees and disbursements of any kind or nature incidental to or incurred in said defense, and will likewise pay all sums required to be paid by reason of said claims, demands, or any of them, in the event it is determined that there is any liability on the part of the Authority. Upon the entry of any final judgment by a court of competent jurisdiction or a final award by an arbitration panel against the Authority on any claim, action, demand, expense, damage or loss contemplated by this Section and notwithstanding that the Authority has not paid the same, each Local Unit shall be obligated to pay to the Authority, upon written demand therefor, the amount thereof not more than sixty (60) days after such demand is made. In the event that any action or proceeding is brought against the Authority by reason of any such claims or demands, whether said claims or demands are groundless or not, each Local Unit shall, upon written notice and demand from the Authority, but will not, without written consent of the Authority, settle any such action in the proceeding. Notwithstanding the foregoing, nothing contained in this Section shall be construed to indemnify or release the Authority against or from any liability which it would otherwise have arising from the wrongful or negligent actions or failure to act on the part of the Authority's employees, agents or representatives with respect to matters not related to the ownership, acquisition, construction, operation, maintenance or repair of the System, this

Contract or the issuance, sale or delivery of the bonds herein described.

SECTION 22. This Contract shall inure to the benefit of and be binding upon the respective parties hereto, their successors and assigns.

SECTION 23. This Contract shall become effective upon (i) approval by each legislative body of the Local Unit, (ii) approval by the Board of the Authority, (iii) expiration of the forty-five day period following publication by each Local Unit of its notice of intention without filing of a petition for referendum on the question of its entering into this Contract, or if such referendum election be required, then upon approval by the qualified electors of such Local Unit, and (iv) due execution by the Supervisor and Township Clerk of the Township, the Mayor and City Clerk of the City and by the Chair and Secretary of the Authority.

SECTION 24. In the event construction bids are received by the Authority pursuant to Section 9 hereof and such bids are below the Consulting Engineers' estimates thus necessitating a smaller amount of Bonds for each Local Unit's share to be issued than \$1,150,000, the Director of the Authority, the Treasurer of the Township and the City Manager of the City are each authorized on behalf of the Authority and each Local Unit, respectively, to agree to a revised principal amount of the Bonds and a revised maturity schedule and to approve the same as an addendum to this Contract. If a lower amount of Bonds is required and if such lower amount and revised maturity schedule is agreed to and approved by the Director of the Authority, the Treasurer of the Township and the City Manager of the City, respectively, this Contract shall be construed as referring to the reduced principal amount of said Bonds and the revised maturity schedule therefor.

SECTION 25. This Contract may be executed in several counterparts.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed as of the day and year first above written.

In the presence of:

\_\_\_\_\_

\_\_\_\_\_

YPSILANTI COMMUNITY UTILITIES  
AUTHORITY

By: \_\_\_\_\_  
Chair

By: \_\_\_\_\_  
Secretary

In the presence of:

\_\_\_\_\_

\_\_\_\_\_

CHARTER TOWNSHIP OF  
YPSILANTI

By: \_\_\_\_\_  
Supervisor

By: \_\_\_\_\_  
Township Clerk

In the presence of:

\_\_\_\_\_

\_\_\_\_\_

CITY OF YPSILANTI

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
City Clerk

MILLER, CANFIELD, PADDOCK AND STONE, P.L.L.C.

DELIB:3134524.1\099369-00028

Founded in 1852  
by Sidney Davy Miller

# MILLER CANFIELD

THOMAS D. COLIS  
TEL. (313) 496-7677  
FAX (313) 496-8450  
E-MAIL [colis@millercanfield.com](mailto:colis@millercanfield.com)

Miller, Canfield, Paddock and Stone, P.L.C.  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
TEL (313) 963-6420  
FAX (313) 496-7500  
[www.millercanfield.com](http://www.millercanfield.com)

MICHIGAN: Ann Arbor  
Detroit • Grand Rapids  
Kalamazoo • Lansing  
Saginaw • Troy

FLORIDA: Naples

ILLINOIS: Chicago

NEW YORK: New York

CANADA: Toronto • Windsor

CHINA: Shanghai

POLAND: Gdynia  
Warsaw • Wrocław

September 28, 2009

Via Email

Ms. Karen Lovejoy Roe  
Clerk  
Charter Township of Ypsilanti  
7200 South Huron River Drive  
Ypsilanti, MI 48197-7099

Re: Ypsilanti Community Utilities Authority Wastewater System  
Bonds (Charter Township of Ypsilanti) - Pump Stations

Ypsilanti Community Utilities Authority Wastewater System  
Bonds (Charter Township of Ypsilanti and City of Ypsilanti) –  
Wastewater Treatment Plant

Dear Karen:

It is my understanding that the Charter Township of Ypsilanti is involved in two upcoming bond issues with the Ypsilanti Community Utilities Authority. The first project involves improvements to various pump stations to service the Township and the second project involves improvements to the existing Wastewater Treatment Plant to service both the Township and the City of Ypsilanti. Both projects will be financed through the State Revolving Fund Program and are scheduled to be funded in the State's 1<sup>st</sup> Quarter, which means an anticipated closing date of January 22, 2010.

I am attaching the following in order to commence the necessary statutory procedures:

- 1) Resolution Approving Contract and Authorizing Notice (Pump Stations).
- 2) Contract (Pump Stations) by and between the Authority and the Township.
- 3) Resolution Approving Contract and Authorizing Notice (Wastewater Treatment Plant).



Ms. Karen Lovejoy Roe

-2-

September 28, 2009

- (4) Contract (Wastewater Treatment Plant) by and among the Authority, the City and the Township.

By copy of this letter to each person listed below, I am also attaching a copy of the Resolutions and Contracts to them for their review, and if the same are found to be in proper order, the Resolutions should be adopted by the Township Board at the October 6, 2009 regular meeting of the Township.

Assuming the Resolutions are adopted by the Township Board, *each* of the Notices of Intent, which can be found at the back of the Resolutions (page 4), must be published as a 1/4-page display advertisement in the *Ypsilanti Courier* as soon as possible after adoption. I would appreciate receiving at least three (3) certified copies of the Resolutions along with three (3) Affidavits of Publication of the Notices of Intent as soon as the same become available.

The Contracts should be signed through the signatures of the Supervisor and Clerk on page 16 and at least three (3) copies of each of the Contracts, as signed, should be forwarded to Larry Thomas as soon as possible after adoption and signature so that the YCUA Board can have signed Contracts at its meeting of October 27, 2009.

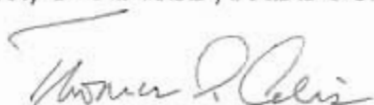
I understand that Larry will forward to me three (3) fully signed copies of the Contracts after the YCUA Board has approved the same on October 27, 2009.

I trust the forgoing is in proper order but should you have any questions or comments concerning the same, please give me a call.

Sincerely,

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

By: \_\_\_\_\_



Thomas D. Colis

cc: Brenda L. Stumbo  
Larry J. Doe  
Wm. Douglas Winters, Esq.  
Larry R. Thomas  
Paul R. Stauder

MILLER, CANFIELD, PADDOCK AND STONE, P.L.L.C.

Ms. Karen Lovejoy Roe

-3-

September 28, 2009

DISCLOSURE UNDER TREASURY CIRCULAR 230: The United States Federal tax advice contained in this document and its attachments, if any, may not be used or referred to in the promoting, marketing or recommending of any entity, investment plan or arrangement, nor is such advice intended or written to be used, and may not be used, by a taxpayer for the purpose of avoiding Federal tax penalties. Advice that complies with Treasury Circular 230's "covered opinion" requirements (and thus, may be relied on to avoid tax penalties) may be obtained by contacting the author of this document.

DELIB:3135053.1\099369-00028

**From:** <SWestover@ycua.org>  
**To:** "Ed Koryzno" <EKoryzno@cityofypsilanti.com>, "Karen Lovejoy Roe" <klovej...>  
**CC:** "Larry Thomas" <LThomas@ycua.org>, "T Mike Jessee" <TJessee@ycua.org>, "...>  
**Date:** 10/1/2009 10:47 AM  
**Subject:** YCUA SRF Project Descriptions  
**Attachments:** E&P Optimization Proj Desc 093009.pdf; Duncan and Emerick Proj Desc 093009.pdf

Karen and Ed-

Attached please find project descriptions for the proposed wastewater system improvements we discussed during the meeting here at YCUA yesterday. The Energy and Process project applies to both the City and Township while the Duncan and Emerick project applies only to the Township. Hopefully these documents will assist in the discussion at the upcoming Council and Board meetings. Let me know if there are any questions or if any revisions are needed.

Scott Westover, P.E.  
Engineering Manager  
Ypsilanti Community Utilities Authority  
2777 State Road  
Ypsilanti, MI 48198  
(734) 484-4600 ext. 220

## 2010 Pump Station Improvements

The existing Duncan Pump Station and Emerick Pump Station will both be completely replaced. Both stations, which were originally constructed in the late 1950s, are equipped with ejector-type pumps and are housed within steel can-type structures. Ejector-type pumps typically require more maintenance than do submersible pumps. As the originally installed cathodic protection has never been replaced, the steel structures at each station are susceptible to deterioration via corrosion.

The Duncan Pump Station is currently located on the southwest corner of the intersection of Duncan Avenue and Harris Road. YCUA is in the process of negotiating an easement from the property owner along the east side of Harris Road to relocate the station to that site. It is anticipated that the easement will be granted prior to the proposed start of construction in February 2010. The Emerick Station is currently located on the northeast corner of Emerick Street and Tyler Road. YCUA has obtained an easement from the Ypsilanti Public Schools to construct the replacement pump station across the street at the southeast corner of the East Middle School property.

The opinion of probable project cost is \$1,047,000.

G:\YCUAproj\2009 - SRF Project Plan Update\Duncan and Emerick Proj Desc 093009.doc

## Energy and Process Optimization

During the first few months of 2009, YCUA completed a study that identified opportunities for cost savings in the operation of the wastewater collection and treatment system via energy efficiency and process optimization. The study identified 20 separate potential improvements to achieve these goals. The energy and process optimization project will implement 11 of the recommended improvements.

Both the energy and process optimization improvements focus on reducing the amount of electric power, natural gas, and chemicals used at the wastewater treatment plant and the largest pump stations in the system (the Big 4). Proposed improvements include modifications to existing control systems (primarily reprogramming), modifications to existing equipment to increase efficiency, and installation of new equipment and controls to increase the efficiency of existing processes. Simple payback\* periods range from 5 months to 3½ years, making the proposed improvements tremendously cost-effective.

<u>Description of Improvement</u>	<u>Projected Annual Savings</u>	<u>Opinion of Capital Cost</u>	<u>Estimated Payback Period</u>	<u>Current Usage</u>	<u>Anticipated Usage</u>	<u>% Reduction in Usage</u>
Modify One Aeration Blower	\$68,000	\$40,000	7 months	798 kW	701 kW	12.1
Demand Anticipation Strategy	\$50,000	\$160,000	3 yrs, 3 mos.	N/A	N/A	N/A
UV System Programming	\$2,000	\$2,000	1 year	13.8 kW	11.0 kW	20.2
Lighting System Retrofits	\$110,000	\$265,000	2 yrs, 6 mos.	189 kW	91 kW	52
Intermittent Process Area Ventilation = Truck + BFP + Blower	\$43,000	\$40,000	11 months	47 kW	14 kW	70
Boiler System Optimization Option 1	\$27,000	\$10,000	5 months	1538 kW	1418 kW	7.7
Solids & PSST Alternative 1: HV Control Upgrades	\$140,000	240,000	1 year, 9 mos.	750 kW	370 kW	51
Incinerator Room Heat Recovery (heat saved)	\$19,000	\$65,000	3.5 years	180 kW	0 kW	100
EMS system Commissioning – Admin	\$2,500	\$2,000	10 months	38 kW	19 kW	50
Misc. HVAC Opportunities	\$14,000	\$27,000	2 years	48 kW	21 kW	56
Intermittent Drywell Ventilation – all 4	\$21,000	\$40,000	2 years	107 kW	15 kW	86
<b>Subtotal-Construction</b>	<b>\$500,000</b>	<b>\$891,000</b>	---	---	---	---
25% Engin, Insp, Admin, Contingency	---	\$222,750	---	---	---	---
<b>TOTAL</b>	<b>\$500,000</b>	<b>\$1,113,750</b>	---	<b>3700 kW</b>	<b>2700 kW</b>	<b>27</b>

The opinion of probable project cost is \$1,147,200 – note that this number differs slightly from that included in the table above as a 3% inflation factor has been applied to adjust the costs estimated during early 2009 to anticipated 2010 construction costs.

\* - Simple payback is the amount of time it will take to recover installation costs based on annual energy cost savings. The equation for simple payback is annual energy cost savings per year divided by the initial installation cost. Note that this calculation does not consider the time value of money, inflation or maintenance costs – including these factors would likely reduce the length of the payback period.



YPSILANTI COMMUNITY UTILITIES AUTHORITY

2777 STATE ROAD  
YPSILANTI, MICHIGAN 48198-9112  
TELEPHONE: (734) 484-4600  
FAX: (734) 484-3369  
WEBSITE: www.vcuu.org

September 24, 2009

**VIA ELECTRONIC and FIRST CLASS MAIL**

Ms. Karen Lovejoy Roe, Clerk  
CHARTER TOWNSHIP of YPSILANTI  
7200 South Huron River Drive  
Ypsilanti, Michigan 48197

Re: **Bridge Road South Storage Tank Facility**

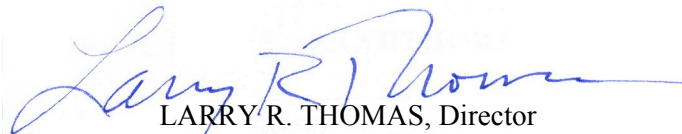
Dear Karen:

At its regular meeting on July 28, 2009, the Ypsilanti Community Utilities Authority Board of Commissioners approved a project to repaint and install a cathodic protection system on south water storage tank at our Bridge Road facility. We have received bids and the low responsive bid was in the amount of \$192,000 from L.C. United. The engineering for the project is set at \$17,450.

The YCUA Board of Commissioners is recommending to the Ypsilanti Township Board of Trustees that this project be financed through the YCUA Ypsilanti Township Reserve for Construction Fund. This fund is supported by a 4.3-cent charge for each water and sewer unit sold in the YCUA Township Division. Use of this fund for capital expenditures requires the Ypsilanti Township Board of Trustees' approval per ordinance. This project qualifies for funding from the Township Division Reserve for Construction Fund.

Please place this item on an upcoming Ypsilanti Township Board of Trustees meeting agenda for their consideration to use its Ypsilanti Township Division Reserve for Construction Fund to pay the cost of this important project.

Sincerely,



LARRY R. THOMAS, Director  
Ypsilanti Community Utilities Authority

LRT/kks

cc: YCUA Board of Commissioners  
Charter Township of Ypsilanti Board of Trustees  
Ms. Brenda L. Stumbo  
Mr. T. Michael Jessee  
Ms. Gwyn Belcher  
Mr. Dwayne Harrigan

COMMISSIONERS  
DAVID E. RUTLEDGE  
CHAIR  
DOUGLAS E. FULLER  
VICE CHAIR  
FRED J. VEIGEL  
MEMBER

WASHTENAW COUNTY  
BOARD OF COUNTY ROAD COMMISSIONERS  
555 NORTH ZEEB ROAD  
ANN ARBOR, MICHIGAN 48103  
[www.wcroads.org](http://www.wcroads.org)

STEVEN M. PUURI, P.E.  
MANAGING DIRECTOR  
ROY D. TOWNSEND, P.E.  
DIRECTOR OF ENGINEERING/  
COUNTY HIGHWAY ENGINEER  
JAMES D. HARMON, P.E.  
DIRECTOR OF OPERATIONS  
TELEPHONE (734) 761-1500  
FAX: (734) 761-3239

September 24, 2009

RECEIVED  
SUPERVISOR'S OFFICE

Ms. Brenda Stumbo  
Charter Township of Ypsilanti Supervisor  
7200 S. Huron River Drive  
Ypsilanti, MI 48197

SEP 24 2009

YPSILANTI TOWNSHIP

RE: Holmes Road, Phase III Construction Project  
Easement for Storm and Road Drainage

Dear Ms. Stumbo:

On behalf of Mr. Curt Brochure, WCRC Right of Way Specialist, I am seeking Township Board approval to secure an easement for storm and road drainage purposes along the north side of Holmes Road at the Willow Run Drain. Legal documents and plan sheets are attached for your records.

The Road Commission desires to submit final plans for the Holmes Road, Phase III project to the Michigan Department of Transportation by Friday, October 23, 2009. To submit plans by this date, the Road Commission must be in possession of the drainage easement prior to this date. This easement is necessary to meet permit requirements as determined by the Washtenaw County Water Resources Division. Therefore, we kindly request that this matter be placed on your **October 6, 2009** Board agenda for approval.

Please contact Mr. Curt Brochure at 734-327-2610, or e-mail at [brochurec@wcroads.org](mailto:brochurec@wcroads.org) if there are any questions. On behalf of the Road Commission, I thank you and your Board in advance for your cooperation in securing this drainage easement.

Sincerely,



Mark H. McCulloch, P.E.  
Project Engineer

Cc: Lori Beyer, P.S. – Project Development Supervisor  
Curt Brochure – Right of Way Specialist

Enclosures: Drainage Easement with attachments (3 pages)  
Plan sheets (2 pages)

attachment "a"

# SKETCH OF EASEMENT

RIDGE ROAD

S00°18'10"E 1371.04'

NORTH-SOUTH 1/4 LINE

33' RIGHT OF WAY LINE

CENTER OF SECTION 1,  
T35, R7E, YPSILANTIE TOWNSHIP,  
WASHTENAW COUNTY, MICHIGAN.



SCALE: 1" = 100'

NOTE: NO FIELD WORK PERFORMED.  
DESCRIPTION TAKEN FROM RECORD.  
ONLY PORTION OF PROPERTY SHOWN.

33' RIGHT OF WAY LINE

S02°23'45"E 27.00'

748.77'

33.00'

N02°23'45"W

P.O.B.

S87°36'15"W 1674.37'

HOLMES ROAD

K-11-01-200-002

N87°36'15"E 650.00'

S87°36'15"W 650.00'

DRAINAGE EASEMENT

N02°23'45"W 27.00'

EAST-WEST 1/4 LINE

N00°18'10"W 1470.76'

K-11-01-200-005

JOB NO.  
20080925

DATE  
09-22-09

HUBBELL, ROTH & CLARK, INC.

CONSULTING ENGINEERS  
555 HULET DRIVE  
BLOOMFIELD HILLS, MICH. P.O. BOX 824  
48303-0824

SHEET NO.

1

OF 2

TIME - 22-SEP-2009 14:06

REN TBL - (A:\MID\2008\20080925\20080925.dwg)

DESIGN FILE - (C:\Program Files\Autodesk\AutoCAD 2009\AutoCAD 2009) K-11-01-200-005.dwg

USER NAME - rwh



09-22-09  
20080925  
K-11-01-200-002

**DESCRIPTION OF PROPERTY (TAKEN FROM RECORD K-11-01-200-002)**

Part of the Northwest ¼ of Section 1, T3S, R7E, Ypsilanti Township, Washtenaw County, Michigan, described as follows: Beginning at the Center of said Section 1; thence S87°36'15"W 1,674.37 feet along the East-West ¼ line; thence N00°18'10"W 1,470.76 feet; thence N87°04'55"E 651.18 feet along the center of Clark Road; thence S21°57'50"E 486.79 feet; thence S87°08'00"W 676.72 feet; thence S02°52'00"E 730.00 feet; thence N87°08'00"E 850.00 feet; thence N02°52'00"W 730.00 feet; thence N87°08'00"E 300.00 feet; thence N02°52'00"W 460.00 feet; thence N87°04'55"E 146.27 feet; thence S02°55'05"E 115.00 feet; thence N87°04'55"E 239.72 feet; thence S00°18'10"E 1,371.04 feet along the North-South ¼ line to the Point Of Beginning.

Subject to reservation, restrictions, and easements of record, if any.

Also known as Parcel Number K-11-01-200-002.

**DESCRIPTION OF DRAINAGE EASEMENT**

Part of Part of the Northwest ¼ of Section 1, T3S, R7E, Ypsilanti Township, Washtenaw County, Michigan, described as follows: Commencing at the Center of said Section 1; thence S87°36'15"W 748.77 feet along the East-West ¼ line; thence N02°23'45"W 33.00 feet to a point on the Northerly right of way line of Holmes Road and the Point of Beginning; thence S87°36'15"W 650.00 feet along said right of way line; thence N02°23'45"W 27.00 feet; thence N87°36'15"E 650.00 feet; thence S02°23'45"E 27.00 feet to the Point Of Beginning. Said easement contains 17,550 square feet, or 0.403 acres, more or less.

# WAIVER OF APPRAISAL

This information is required by the Washtenaw County Road Commission in order to waive appraisal rights.

PROPERTY OWNER(S)  
Charter Township of Ypsilanti, a Michigan Municipal Corporation

ADDRESS  
7200 S. Huron River Drive.

CITY  
Ypsilanti

STATE  
MI

ZIP CODE  
481987

Right(s) of be acquired:	\$ _____	Fee – Real Property
	\$ _____	Easement
	\$ _____	Permit
	\$ _____	Cost to Cure
Total Compensation	\$ _____	

The compensation for the acquisition of your property (description attached) has been determined from current market data.

The undersigned owner(s) of the subject property agrees with the following statements:

- I/We have been informed and fully understand that I/we have the right to receive just compensation for the subject property.
- I/We have been given the opportunity to review the market data used in establishing the just compensation.
- I/We have been informed and fully understand that I/we have the right to an appraisal and the right to accompany the appraiser during an inspection of the subject property.
- I/We have been informed and fully understand that by signing this document, I/we are waiving my/our right to an appraisal and accept the above referenced just compensation.
- The decision to waive the right of an appraisal was made without undue influences or coercive action of any nature.
- I/We will execute the necessary instrument of conveyance upon presentation by agents or representatives of the Washtenaw County Road Commission.

OWNERS SIGNATURE	DATE
OWNERS SIGNATURE	DATE
WITNESS SIGNATURE	DATE
MDOT APPROVAL	DATE

CONTROL SECTION	PARCEL 20	NAME Holmes III
JOB NUMBER 459-011-566-198	FEDERAL ITEM NUMBER	FEDERAL PROJECT NUMBER

attachment "a"

# SKETCH OF EASEMENT

USER NAME: dmbout DESIGN FILE: \\s2006\dwg\20080925\090925.dwg QUESA: \csc\ncp\rtiff CUR: TBL: \hmr\09\09\090925.dwg PER: TBL: \hmr\09\09\090925.dwg FILE: 02-SEP-2009 14:06

RIDGE ROAD

$S00^{\circ}18'10"E$  1371.04'

NORTH-SOUTH  $\frac{1}{4}$  LINE

33' RIGHT OF WAY LINE

CENTER OF SECTION 1,  
T3S, R7E, YPSILANTIE TOWNSHIP,  
WASHTENAW COUNTY, MICHIGAN.



SCALE: 1" = 100'

NOTE: NO FIELD WORK PERFORMED.  
DESCRIPTION TAKEN FROM RECORD.  
ONLY PORTION OF PROPERTY SHOWN.

K-11-01-200-002

$S02^{\circ}23'45"E$  27.00'

33' RIGHT OF WAY LINE

$N02^{\circ}23'45"W$  33.00'

P.O.B.

$S87^{\circ}36'15"W$  167.437'

HOLMES ROAD

$N87^{\circ}36'15"E$  650.00'

DRAINAGE EASEMENT

$N02^{\circ}23'45"W$  27.00'

EAST-WEST  $\frac{1}{4}$  LINE

$N00^{\circ}18'10"W$  1470.76'

K-11-01-200-005

JOB NO. 20080925	HUBBELL, ROTH & CLARK, INC. CONSULTING ENGINEERS 555 HULET DRIVE BLOODFIELD HILLS, MICH.	SHEET NO.
DATE 09-22-09		1 OF 2

09-22-09  
20080925  
K-11-01-200-002

**DESCRIPTION OF PROPERTY (TAKEN FROM RECORD K-11-01-200-002)**

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Subject to reservation, restrictions, and easements of record, if any.

Also known as Parcel Number K-11-01-200-002.

**DESCRIPTION OF DRAINAGE EASEMENT**

Part of Part of the Northwest ¼ of Section 1, T3S, R7E, Ypsilanti Township, Washtenaw County, Michigan, described as follows: Commencing at the Center of said Section 1; thence S87°36'15"W 748.77 feet along the East-West ¼ line; thence N02°23'45"W 33.00 feet to a point on the Northerly right of way line of Holmes Road and the Point of Beginning; thence S87°36'15"W 650.00 feet along said right of way line; thence N02°23'45"W 27.00 feet; thence N87°36'15"E 650.00 feet; thence S02°23'45"E 27.00 feet to the Point Of Beginning. Said easement contains 17,550 square feet, or 0.403 acres, more or less.

**EASEMENT FOR  
STORM AND ROAD DRAINAGE PURPOSES**

KNOW ALL MEN BY THESE PRESENTS that, the Charter Township of Ypsilanti, a Michigan Municipal Corporation, whose address is, 7200 S. Huron River Drive, Ypsilanti, Michigan 48197 grant and convey to the BOARD OF COUNTY ROAD COMMISSIONERS OF THE COUNTY OF WASHTENAW, a Public Body Corporate, whose address is 555 North Zeeb Road, Ann Arbor, Michigan 48103, an easement for storm and road drainage purposes over the following described premises situated in Section 1, of the Township of Ypsilanti, County of Washtenaw, and State of Michigan, described as:

SEE ATTACHMENT "A"

This easement is granted for the purpose of construction and maintenance of a storm channel to carry storm water drainage to an existing drainage outlet.

Nothing in this grant of easement shall be construed to create any obligation on the part of the Board of County Road Commissioners to make repairs or alterations to the storm channel or any other structure incident thereto which may be constructed pursuant to this easement.

This conveyance includes a release of any and all claims to damages in anyway arising from or incident to the installation and maintenance of said channel across, under, and through said premises; and shall be deemed a sufficient conveyance to vest in the Board of County Road Commissioners an easement over said lands for the perpetual use for storm and road drainage purposes together with such rights of entry upon and passage over of such material and equipment as may be necessary for the construction and proper maintenance of said channel. The Board of County Road Commissioners holds harmless the Grantor from any and all claims to damages in anyway arising from or incident to the installation of said channel.

For and in consideration of One (\$1.00) Dollars

As a part of the consideration for the granting of this easement, the Board of County Road Commissioners hereby agrees that at the completion of the installation of the storm channel, the surface area disturbed during construction shall be graded, reseeded and restored.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2009

SIGNED:  
Charter Township of Ypsilanti

\_\_\_\_\_  
Brenda L. Stumbo, Supervisor

\_\_\_\_\_  
Karen Lovejoy Roe

STATE OF MICHIGAN                    }  
  } SS.  
COUNTY OF WASHTENAW            }

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2009 by Brenda L. Stumbo, Supervisor and Karen Lovejoy Roe, Clerk, for the Charter Township of Ypsilanti, as his/her free act and deed.

\_\_\_\_\_  
Notary Public  
Washtenaw County, MI  
My Commission Expires: \_\_\_\_\_

Parcel ID # K-11-01-200-022  
Prepared by and Return to:  
Lori E. Beyer, P.S.  
Washtenaw County Road Commission  
555 N. Zeeb Road  
Ann Arbor, MI 48103

**REVISIONS**

NO.	DATE	DESCRIPTION	BY
1	08/11/09	ISSUED FOR PERMITS	WAS
2	08/11/09	REVISED PER PERMIT COMMENTS	WAS
3	08/11/09	REVISED PER PERMIT COMMENTS	WAS
4	08/11/09	REVISED PER PERMIT COMMENTS	WAS
5	08/11/09	REVISED PER PERMIT COMMENTS	WAS

**DRIVEWAYS (FOR INFO ONLY)**

NO.	STATION	WIDTH	THICKNESS	FINISH	CONCRETE	REINFORCEMENT	OTHER
1	70+00	10.00	8.00	ASPH	NO	NO	NO
2	71+00	10.00	8.00	ASPH	NO	NO	NO
3	72+00	10.00	8.00	ASPH	NO	NO	NO
4	73+00	10.00	8.00	ASPH	NO	NO	NO
5	74+00	10.00	8.00	ASPH	NO	NO	NO
6	75+00	10.00	8.00	ASPH	NO	NO	NO
7	76+00	10.00	8.00	ASPH	NO	NO	NO
8	77+00	10.00	8.00	ASPH	NO	NO	NO
9	78+00	10.00	8.00	ASPH	NO	NO	NO
10	79+00	10.00	8.00	ASPH	NO	NO	NO

**DRAINAGE STRUCTURE SCHEDULE (FOR INFO ONLY)**

NO.	STATION	TYPE	SIZE	DEPTH	CONCRETE	REINFORCEMENT	OTHER
1	70+00	MANHOLE	36"	4.00	NO	NO	NO
2	71+00	MANHOLE	36"	4.00	NO	NO	NO
3	72+00	MANHOLE	36"	4.00	NO	NO	NO
4	73+00	MANHOLE	36"	4.00	NO	NO	NO
5	74+00	MANHOLE	36"	4.00	NO	NO	NO
6	75+00	MANHOLE	36"	4.00	NO	NO	NO
7	76+00	MANHOLE	36"	4.00	NO	NO	NO
8	77+00	MANHOLE	36"	4.00	NO	NO	NO
9	78+00	MANHOLE	36"	4.00	NO	NO	NO
10	79+00	MANHOLE	36"	4.00	NO	NO	NO

**QUANTITIES (THIS SHEET)**

ITEM	DESCRIPTION	QUANTITY	UNIT
1	Gravel Subgrade, 6 inch	10,000	CY
2	Gravel Subgrade, 8 inch	10,000	CY
3	Gravel Subgrade, 10 inch	10,000	CY
4	Gravel Subgrade, 12 inch	10,000	CY
5	Gravel Subgrade, 14 inch	10,000	CY
6	Gravel Subgrade, 16 inch	10,000	CY
7	Gravel Subgrade, 18 inch	10,000	CY
8	Gravel Subgrade, 20 inch	10,000	CY
9	Gravel Subgrade, 22 inch	10,000	CY
10	Gravel Subgrade, 24 inch	10,000	CY



**CONSTRUCTION LEGEND**

- CONCRETE
- ASPH
- GRASS
- LANDSCAPE
- UTILITY
- STRUCTURE
- DRIVEWAY
- MANHOLE
- SEWER
- WATER
- STORM
- GRADING
- RETAINING WALL
- ENCLOSURE
- SCREENING
- LANDSCAPE
- UTILITY
- STRUCTURE
- DRIVEWAY
- MANHOLE
- SEWER
- WATER
- STORM
- GRADING
- RETAINING WALL
- ENCLOSURE
- SCREENING

**HOLMES ROAD, PHASE 3**  
SECTIONS 01 & 02 OF WOLANSKI TWP., WASHINGTON COUNTY, MI  
ROAD AND STORM PLAN  
STA. 67+00 TO STA. 78+50

**DETAILS**

NO.	DATE	DESCRIPTION
1	02 SEPTEMBER 2009 <td>ISSUED FOR PERMITS</td>	ISSUED FOR PERMITS
2	02 SEPTEMBER 2009 <td>REVISED PER PERMIT COMMENTS</td>	REVISED PER PERMIT COMMENTS
3	02 SEPTEMBER 2009 <td>REVISED PER PERMIT COMMENTS</td>	REVISED PER PERMIT COMMENTS
4	02 SEPTEMBER 2009 <td>REVISED PER PERMIT COMMENTS</td>	REVISED PER PERMIT COMMENTS
5	02 SEPTEMBER 2009 <td>REVISED PER PERMIT COMMENTS</td>	REVISED PER PERMIT COMMENTS

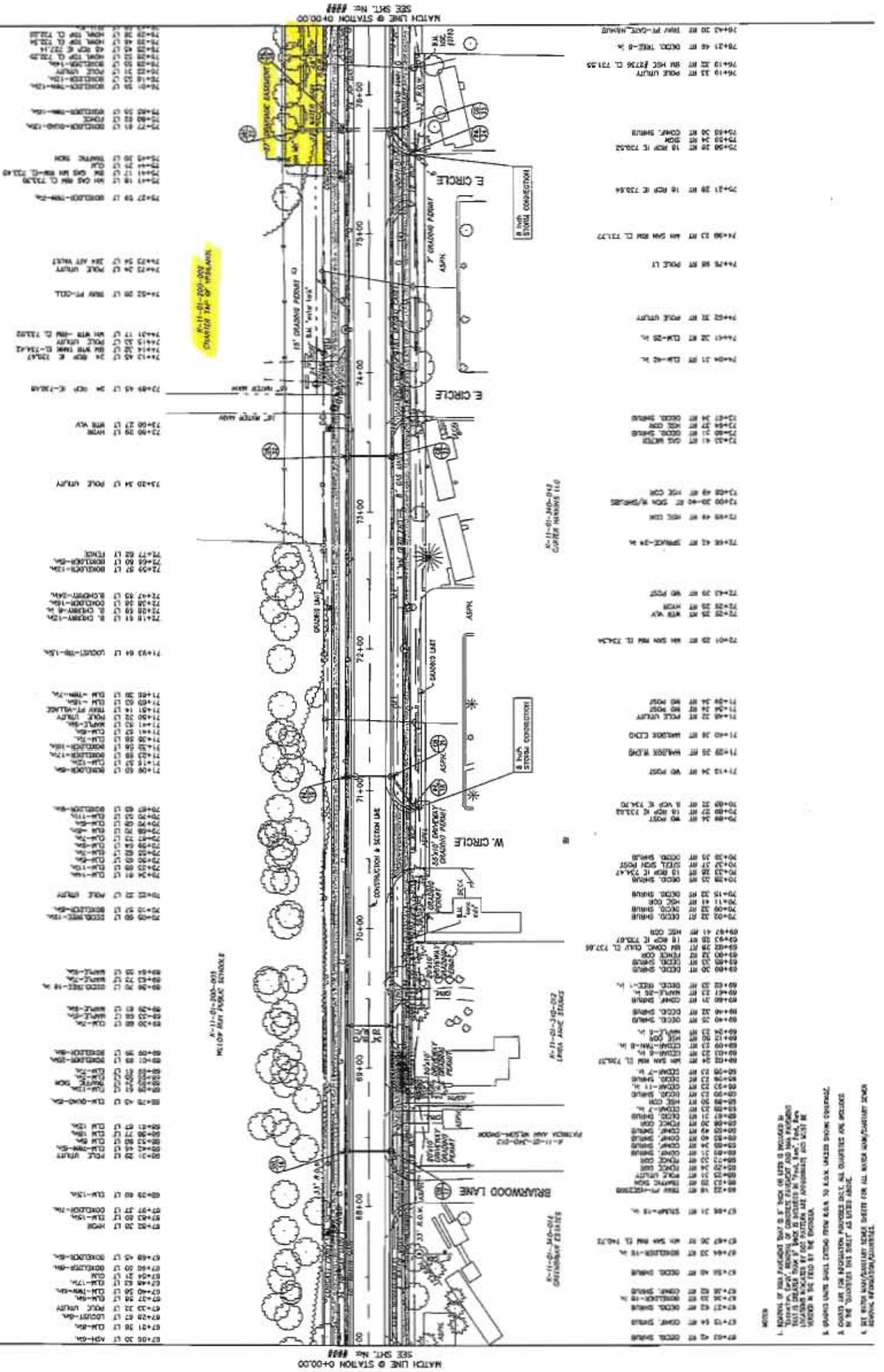
**SCALE**

HORIZONTAL: 1" = 40'  
VERTICAL: 1" = 4'

555 N. ZEEB RD.  
ANN ARBOR, MI 48103-1556  
734-761-1500  
FAX: 734-761-3239



**PRELIMINARY**



**NOTES**

- REVISIONS OF THIS PLAN WHICH ARE NOT SHOWN ON THIS SHEET ARE NOT TO BE USED.
- ALL DIMENSIONS ARE IN FEET UNLESS OTHERWISE NOTED.
- ALL DIMENSIONS ARE TO FACE UNLESS OTHERWISE NOTED.
- ALL DIMENSIONS ARE TO CENTER UNLESS OTHERWISE NOTED.
- ALL DIMENSIONS ARE TO SURFACE UNLESS OTHERWISE NOTED.
- ALL DIMENSIONS ARE TO GRADE UNLESS OTHERWISE NOTED.
- ALL DIMENSIONS ARE TO FINISH UNLESS OTHERWISE NOTED.
- ALL DIMENSIONS ARE TO EXIST UNLESS OTHERWISE NOTED.
- ALL DIMENSIONS ARE TO PROPOSED UNLESS OTHERWISE NOTED.
- ALL DIMENSIONS ARE TO CENTERLINE UNLESS OTHERWISE NOTED.
- ALL DIMENSIONS ARE TO RIGHT-OF-WAY UNLESS OTHERWISE NOTED.
- ALL DIMENSIONS ARE TO LEFT-OF-WAY UNLESS OTHERWISE NOTED.
- ALL DIMENSIONS ARE TO PROPERTY LINE UNLESS OTHERWISE NOTED.
- ALL DIMENSIONS ARE TO ADJACENT PROPERTY UNLESS OTHERWISE NOTED.
- ALL DIMENSIONS ARE TO STREET CENTERLINE UNLESS OTHERWISE NOTED.
- ALL DIMENSIONS ARE TO STREET RIGHT-OF-WAY UNLESS OTHERWISE NOTED.
- ALL DIMENSIONS ARE TO STREET LEFT-OF-WAY UNLESS OTHERWISE NOTED.
- ALL DIMENSIONS ARE TO STREET PROPERTY LINE UNLESS OTHERWISE NOTED.
- ALL DIMENSIONS ARE TO STREET ADJACENT PROPERTY UNLESS OTHERWISE NOTED.
- ALL DIMENSIONS ARE TO STREET CENTERLINE UNLESS OTHERWISE NOTED.
- ALL DIMENSIONS ARE TO STREET RIGHT-OF-WAY UNLESS OTHERWISE NOTED.
- ALL DIMENSIONS ARE TO STREET LEFT-OF-WAY UNLESS OTHERWISE NOTED.
- ALL DIMENSIONS ARE TO STREET PROPERTY LINE UNLESS OTHERWISE NOTED.
- ALL DIMENSIONS ARE TO STREET ADJACENT PROPERTY UNLESS OTHERWISE NOTED.



*Supervisor*  
BRENDA L. STUMBO  
*Clerk*  
KAREN LOVEJOY ROE  
*Treasurer*  
LARRY J. DOE  
*Trustees*  
JEAN HALL CURRIE  
STAN ELDRIDGE  
MIKE MARTIN  
DEE SIZEMORE



**Supervisor's Office**

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October 7, 2009

The Honorable Pam Byrnes  
State Representative  
Michigan House of Representatives  
P.O. Box 30014  
Lansing, MI 48909-7514

Dear Representative Byrnes:

As a member of the Aerotropolis Task Force and a citizen of the Detroit region, I am writing to express my full support for the Next Michigan Development Act legislation, House Bills 5346-5351. This legislation is not only vital to the success of the Detroit Region Aerotropolis, but also to diversifying the entire Michigan economy by attracting new companies and jobs to promising economic development areas throughout the state.

These six bills create the Next Michigan Development Act and amend five economic development statutes to provide incentives to regional economic development entities created under the Urban Cooperation Act that wish to leverage a unique state asset or redevelop a distressed area within their boundaries. Regional entities from around the state are able to compete for the Next Michigan Development designation and utilize the following tools: Renaissance Zones, PA 298 and PA 328 tax abatements and Tax Increment Financing.

The Next Michigan Development Act incentives allow economic development initiatives around Michigan to more effectively compete on a national and global basis for the following reasons:

- Tax abatements can be offered to a broader range of companies to attract high wage jobs to the state.
- There will be greater flexibility to spend tax increment financing revenues on infrastructure that directly meets business needs.
- The legislation fosters a more regional and streamlined approach to business attraction.

This is an opportunity to support tangible initiatives with real benefits to Michigan. There is great potential to utilize some of our state's most valuable assets to create a new image for our state. By leveraging Detroit Metro and Willow Run airports, the Aerotropolis in particular has the potential to bring 64,000 new jobs to the region and more than \$10 billion of annual economic activity. It is also projected to have a significant fiscal impact at the State, County and Local levels.



The Honorable Pam Byrnes  
October 7, 2009  
Page Two

I ask that you and your colleagues adopt the Next Michigan Development Act legislation so that we can revive the Michigan economy, move the Aerotropolis and other promising economic development initiatives forward, and build a better future for our citizens.

Respectfully,

Brenda L. Stumbo  
Supervisor

Karen Lovejoy Roe, Clerk  
Clerk

Larry J. Doe  
Treasurer

Economic development; Michigan economic growth authority; next  
Michigan development businesses; expand eligibility.  
Economic development: Michigan economic growth authority;  
Aeronautics: airports

A bill to amend 1995 PA 24, entitled  
"Michigan economic growth authority act,"  
by amending section 3 (MCL 207.803), as amended by 2008 PA 257.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 3. As used in this act:

2       (a) "Affiliated business" means a business that is at least  
3       50% owned and controlled, directly or indirectly, by an associated  
4       business.

5       (b) "Associated business" means a business that owns at least  
6       50% of and controls, directly or indirectly, an authorized  
7       business.

8       (c) "Authorized business" means 1 of the following:

9       (i) A single eligible business with a unique federal employer  
10       identification number that has met the requirements of section 8



1 and with which the authority has entered into a written agreement  
2 for a tax credit under section 9.

3 (ii) A single eligible business with a unique federal employer  
4 identification number that has met the requirements of section 8,  
5 except as provided in this subparagraph, and with which the  
6 authority has entered into a written agreement for a tax credit  
7 under section 9. An eligible business is not required to create  
8 qualified new jobs or maintain retained jobs if qualified new jobs  
9 are created or retained jobs are maintained by an associated  
10 business, subsidiary business, affiliated business, or an employee  
11 leasing company or professional employer organization that has  
12 entered into a contractual service agreement with the authorized  
13 business in which the employee leasing company or professional  
14 employer organization withholds income and social security taxes on  
15 behalf of the authorized business.

16 (d) "Authority" means the Michigan economic growth authority  
17 created under section 4.

18 (e) "Business" means proprietorship, joint venture,  
19 partnership, limited liability partnership, trust, business trust,  
20 syndicate, association, joint stock company, corporation,  
21 cooperative, limited liability company, or any other organization.

22 (f) "Distressed business" means a business that meets all of  
23 the following as verified by the Michigan economic growth  
24 authority:

25 (i) Four years immediately preceding the application to the  
26 authority under this act, the business had 150 or more full-time  
27 jobs in this state.



1           (ii) Within the immediately preceding 4 years, there has been a  
2 reduction of not less than 30% of the number of full-time jobs in  
3 this state during any consecutive 3-year period. The highest number  
4 of full-time jobs within the consecutive 3-year period shall be  
5 used in order to determine the percentage reduction of full-time  
6 jobs in this subparagraph.

7           (iii) Is not a seasonal employer as defined in section 27 of the  
8 Michigan employment security act, 1936 (Ex Sess) PA 1, MCL 421.27.

9           (g) "Eligible business" means a distressed business or  
10 business that proposes to maintain retained jobs after December 31,  
11 1999 or to create qualified new jobs in this state after April 18,  
12 1995 in manufacturing, mining, research and development, wholesale  
13 and trade, film and digital media production, or office operations  
14 or a business that is a qualified high-technology business or a  
15 business that is a tourism attraction facility or a qualified  
16 lodging facility; **A BUSINESS ENGAGED IN THE SHIPMENT OF TANGIBLE  
17 PERSONAL PROPERTY VIA MULTIMODAL COMMERCE; A SUPPLY CHAIN BUSINESS  
18 PROVIDING A MAJORITY OF SERVICES TO BUSINESSES ENGAGED IN THE  
19 SHIPMENT OF TANGIBLE PERSONAL PROPERTY VIA MULTIMODAL COMMERCE; A  
20 MANUFACTURING OR ASSEMBLY FACILITY RECEIVING A MAJORITY OF ITS  
21 PRODUCTION COMPONENTS VIA MULTIMODAL COMMERCE; A MANUFACTURING OR  
22 ASSEMBLY FACILITY SHIPPING A MAJORITY OF PRODUCTS VIA MULTIMODAL  
23 COMMERCE; A BUSINESS THAT PROVIDES VALUE TO CUSTOMERS THROUGH  
24 APPLYING AN INTEGRATED APPROACH TO PLANNING, IMPLEMENTING, AND  
25 CONTROLLING THE FLOW OF INFORMATION, MATERIALS, AND SERVICES FROM  
26 INITIATION OF PRODUCT CONCEPT AND DEVELOPMENT THROUGH AND INCLUDING  
27 THE DISTRIBUTION OF THE FINISHED PRODUCT TO THE END CUSTOMER**



1 INCLUDING PROCUREMENT, MANUFACTURING, TECHNOLOGY, DISTRIBUTION,  
2 WAREHOUSING, LOGISTICS, TRANSPORTATION, OR RELATED VALUE-ADDED  
3 PROCESSES AND ACTIVITIES; AND INCLUDING RELATED CORPORATE OFFICES  
4 AND HEADQUARTER FACILITIES FOR ANY OF THE BUSINESSES DESCRIBED IN  
5 THIS SUBDIVISION. Except for a retail establishment that meets the  
6 criteria in section 8(11), an eligible business does not include  
7 retail establishments, professional sports stadiums, or that  
8 portion of an eligible business used exclusively for retail sales.  
9 Professional sports stadium does not include a sports stadium in  
10 existence on June 6, 2000 that is not used by a professional sports  
11 team on the date that an application related to that professional  
12 sports stadium is filed under section 8.

13 (h) "Facility" means a site or sites within this state in  
14 which an authorized business or subsidiary business maintains  
15 retained jobs or creates qualified new jobs.

16 (i) "Film and digital media production" means the development,  
17 preproduction, production, postproduction, and distribution of  
18 single media or multimedia entertainment content for distribution  
19 or exhibition to the general public in 2 or more states by any  
20 means and media in any digital media format, film, or video tape,  
21 including, but not limited to, a motion picture, a documentary, a  
22 television series, a television miniseries, a television special,  
23 interstitial television programming, long-form television,  
24 interactive television, music videos, interactive games, video  
25 games, internet programming, an internet video, a sound recording,  
26 a video, digital animation, or an interactive website. Film and  
27 digital media production also includes the development,

1 preproduction, production, postproduction, and distribution of a  
2 trailer, pilot, video teaser, or demo created primarily to  
3 stimulate the sale, marketing, promotion, or exploitation of future  
4 investment in a film or digital media production. Film or digital  
5 media production does not include the production of any of the  
6 following:

7 (i) A production for which records are required to be  
8 maintained with respect to any performer in the production under 18  
9 USC 2257.

10 (ii) A production that includes obscene matter or an obscene  
11 performance as described in 1984 PA 343, MCL 752.361 to 752.374.

12 (iii) A production that primarily consists of televised news or  
13 current events.

14 (iv) A production that primarily consists of a live sporting  
15 event.

16 (v) A production that primarily consists of political  
17 advertising.

18 (vi) A radio program.

19 (vii) A weather show.

20 (viii) A financial market report.

21 (ix) A talk show.

22 (x) A game show.

23 (xi) A production that primarily markets a product or service.

24 (xii) An awards show or other gala event production.

25 (xiii) A production with the primary purpose of fund-raising.

26 (xiv) A production that primarily is for employee training or  
27 in-house corporate advertising or other similar production.

1 (j) "Full-time job" means a job performed by an individual for  
2 35 hours or more each week and whose income and social security  
3 taxes are withheld by 1 or more of the following:

4 (i) An authorized business.

5 (ii) An employee leasing company.

6 (iii) A professional employer organization on behalf of the  
7 authorized business.

8 (iv) Another person as provided in section 8(1)(c).

9 (v) A business that sells all or part of its assets to an  
10 eligible business that receives a credit under section 8(1) or (5).

11 (k) "Local governmental unit" means a county, city, village,  
12 or township in this state.

13 (l) "High-technology activity" means 1 or more of the  
14 following:

15 (i) Advanced computing, which is any technology used in the  
16 design and development of any of the following:

17 (A) Computer hardware and software.

18 (B) Data communications.

19 (C) Information technologies.

20 (D) Film and digital media production.

21 (ii) Advanced materials, which are materials with engineered  
22 properties created through the development of specialized process  
23 and synthesis technology.

24 (iii) Biotechnology, which is any technology that uses living  
25 organisms, cells, macromolecules, microorganisms, or substances  
26 from living organisms to make or modify a product, improve plants  
27 or animals, or develop microorganisms for useful purposes.

1 Biotechnology does not include human cloning as defined in section  
2 16274 of the public health code, 1978 PA 368, MCL 333.16274, or  
3 stem cell research with embryonic tissue.

4 (iv) Electronic device technology, which is any technology that  
5 involves microelectronics, semiconductors, electronic equipment,  
6 and instrumentation, radio frequency, microwave, and millimeter  
7 electronics, and optical and optic-electrical devices, or data and  
8 digital communications and imaging devices.

9 (v) Engineering or laboratory testing related to the  
10 development of a product.

11 (vi) Technology that assists in the assessment or prevention of  
12 threats or damage to human health or the environment, including,  
13 but not limited to, environmental cleanup technology, pollution  
14 prevention technology, or development of alternative energy  
15 sources.

16 (vii) Medical device technology, which is any technology that  
17 involves medical equipment or products other than a pharmaceutical  
18 product that has therapeutic or diagnostic value and is regulated.

19 (viii) Product research and development.

20 (ix) Advanced vehicles technology, which is any technology that  
21 involves electric vehicles, hybrid vehicles, or alternative fuel  
22 vehicles, or components used in the construction of electric  
23 vehicles, hybrid vehicles, or alternative fuel vehicles. For  
24 purposes of this act:

25 (A) "Electric vehicle" means a road vehicle that draws  
26 propulsion energy only from an on-board source of electrical  
27 energy.



1 (B) "Hybrid vehicle" means a road vehicle that can draw  
2 propulsion energy from both a consumable fuel and a rechargeable  
3 energy storage system.

4 (x) Tool and die manufacturing.

5 (xi) Competitive edge technology as defined in section 88a of  
6 the Michigan strategic fund act, 1984 PA 270, MCL 125.2088a.

7 (xii) Digital media, including internet publishing and  
8 broadcasting, video gaming, web development, and entertainment  
9 technology.

10 (xiii) Music production, including record production and  
11 development, sound recording studios, and integrated high-  
12 technology record production and distribution.

13 (xiv) Film and video, including motion picture and video  
14 production and distribution, postproduction services, and  
15 teleproduction and production services.

16 (M) "MULTIMODAL COMMERCE" MEANS THE MOVEMENT OF PRODUCTS,  
17 INFORMATION, AND SERVICES VIA AIR, ROADS, RAIL, OR WATER.

18 (N) ~~(m)~~ "New capital investment" means 1 or more of the  
19 following:

20 (i) New construction. As used in this subparagraph:

21 (A) "New construction" means property not in existence on the  
22 date the authorized business enters into a written agreement with  
23 the authority and not replacement construction. New construction  
24 includes the physical addition of equipment or furnishings, subject  
25 to section 27(2)(a) to (o) of the general property tax act, 1893 PA  
26 206, MCL 211.27.

27 (B) "Replacement construction" means that term as defined in

1 section 34d(1)(b)(v) of the general property tax act, 1893 PA 206,  
2 MCL 211.34d.

3 (ii) The purchase of new personal property. As used in this  
4 subparagraph, "new personal property" means personal property that  
5 is not subject to or that is exempt from the collection of taxes  
6 under the general property tax act, 1893 PA 206, MCL 211.1 to  
7 211.155, on the date the authorized business enters into a written  
8 agreement with the authority.

9 (O) ~~(n)~~ "Qualified high-technology business" means a business  
10 or facility whose primary business activity is high-technology  
11 activity or a qualified high-wage activity.

12 (P) ~~(o)~~ "Qualified high-wage activity" means a business that  
13 has an average wage of 300% or more of the federal minimum wage.  
14 Qualified high-wage activity may also include, but is not limited  
15 to, 1 or more of the following as long as they have an average wage  
16 of 300% or more of the federal minimum wage:

17 (i) Architecture and design, including architectural design,  
18 graphic design, interior design, fashion design, and industrial  
19 design.

20 (ii) Advertising and marketing, including advertising and  
21 marketing firms and agencies, public relations agencies, and  
22 display advertising.

23 (Q) ~~(p)~~ "Qualified lodging facility" means 1 or more of the  
24 following:

25 (i) Lodging facilities that constitute a portion of a tourism  
26 attraction facility and represent less than 50% of the total cost  
27 of the tourism attraction facility, or the lodging facilities are

1 to be located on recreational property owned or leased by the  
2 municipal, state, or federal government.

3 (ii) The lodging facilities involve the restoration or  
4 rehabilitation of a structure that is listed individually in the  
5 national register of historic places or are located in a national  
6 register historic district and certified by this state as  
7 contributing to the historic significance of the district, and the  
8 rehabilitation or restoration project has been approved in advance  
9 by this state.

10 (R) ~~(q)~~ "Qualified new job" means 1 of the following:

11 (i) A full-time job created by an authorized business at a  
12 facility that is in excess of the number of full-time jobs the  
13 authorized business maintained in this state prior to the expansion  
14 or location, as determined by the authority.

15 (ii) For jobs created after July 1, 2000, a full-time job at a  
16 facility created by an eligible business that is in excess of the  
17 number of full-time jobs maintained by that eligible business in  
18 this state up to 90 days before the eligible business became an  
19 authorized business, as determined by the authority.

20 (iii) For a distressed business, a full-time job at a facility  
21 that is in excess of the number of full-time jobs maintained by  
22 that eligible business in this state on the date the eligible  
23 business became an authorized business.

24 (S) ~~(r)~~ "Retained jobs" means the number of full-time jobs at  
25 a facility of an authorized business maintained in this state on a  
26 specific date as that date and number of jobs is determined by the  
27 authority.

1           (T) ~~(s)~~ "Rural business" means an eligible business located in  
2 a county with a population of 90,000 or less.

3           (U) ~~(t)~~ "Subsidiary business" means a business that is  
4 directly or indirectly controlled or at least 80% owned by an  
5 authorized business.

6           (V) ~~(u)~~ "Tourism attraction facility" means a cultural or  
7 historical site, a recreation or entertainment facility, an area of  
8 natural phenomena or scenic beauty, or an entertainment destination  
9 center as determined by the Michigan economic growth authority as  
10 follows:

11           (i) In making a determination, the Michigan economic growth  
12 authority shall consider all of the following:

13           (A) Whether the facility will actually attract tourists.

14           (B) Whether 50% or more of the persons using the facility  
15 reside outside a 100-mile radius.

16           (C) Whether 50% or more of the gross receipts are from  
17 admissions, food, or nonalcoholic drinks.

18           (D) Whether the facility offers a unique experience.

19           (ii) The Michigan economic growth authority shall not determine  
20 any of the following as a tourism attraction facility:

21           (A) Facilities, other than an entertainment destination  
22 center, that are primarily devoted to the retail sale of goods, a  
23 theme restaurant destination attraction, or a tourism attraction  
24 where the attraction is a secondary and subordinate component to  
25 the sale of goods.

26           (B) Recreational facilities that do not serve as a likely  
27 destination where individuals who are not residents of the state

1 would remain overnight in commercial lodging at or near the  
2 facility.

3 (W) ~~(v)~~ "Written agreement" means a written agreement made  
4 pursuant to section 8. A written agreement may address new jobs,  
5 qualified new jobs, full-time jobs, retained jobs, or any  
6 combination of new jobs, qualified new jobs, full-time jobs, or  
7 retained jobs.

Economic development; renaissance zones; next Michigan development zone; create.  
Economic development: renaissance zones; Aeronautics: airports

A bill to amend 1996 PA 376, entitled  
"Michigan renaissance zone act,"  
by amending sections 3 and 10 (MCL 125.2683 and 125.2690), section 3 as amended by 2008 PA 217 and section 10 as amended by 2008 PA 242, and by adding section 8g.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

- 1       Sec. 3. As used in this act:
- 2       (a) "Agricultural processing facility" means 1 or more
- 3 facilities or operations that transform, package, sort, or grade
- 4 livestock or livestock products, agricultural commodities, or
- 5 plants or plant products, excluding forest products, into goods
- 6 that are used for intermediate or final consumption including goods
- 7 for nonfood use, and surrounding property.



1 (b) "Board" means the state administrative board created in  
2 1921 PA 2, MCL 17.1 to 17.3.

3 (c) "Development plan" means a written plan that addresses the  
4 criteria in section 7 and includes all of the following:

5 (i) A map of the proposed renaissance zone that indicates the  
6 geographic boundaries, the total area, and the present use and  
7 conditions generally of the land and structures within those  
8 boundaries.

9 (ii) Evidence of community support and commitment from  
10 residential and business interests.

11 (iii) A description of the methods proposed to increase economic  
12 opportunity and expansion, facilitate infrastructure improvement,  
13 and identify job training opportunities.

14 (iv) Current social, economic, and demographic characteristics  
15 of the proposed renaissance zone and anticipated improvements in  
16 education, health, human services, public safety, and employment if  
17 the renaissance zone is created.

18 (v) Any other information required by the board.

19 (d) "Elected county executive" means the elected county  
20 executive in a county organized under 1966 PA 293, MCL 45.501 to  
21 45.521, or 1973 PA 139, MCL 45.551 to 45.573.

22 **(E) "ELIGIBLE BUSINESS" MEANS THAT TERM AS DEFINED IN SECTION**  
23 **3 OF THE MICHIGAN ECONOMIC GROWTH AUTHORITY ACT, 1995 PA 24, MCL**  
24 **207.803.**

25 **(F) ~~(e)~~**—"Forest products processing facility" means 1 or more  
26 facilities or operations that transform, package, sort, recycle, or  
27 grade forest or paper products into goods that are used for



1 intermediate or final use or consumption or for the creation of  
 2 biomass or alternative fuels through the utilization of forest  
 3 products or forest residue, and surrounding property. Forest  
 4 products processing facility does not include an existing facility  
 5 or operation that is located in this state that relocates to a  
 6 renaissance zone for a forest products processing facility. Forest  
 7 products processing facility does not include a facility or  
 8 operation that engages primarily in retail sales.

9 (G) ~~(f)~~—"Local governmental unit" means a county, city,  
 10 village, or township.

11 (H) "NEXT MICHIGAN DEVELOPMENT CORPORATION" MEANS THAT TERM AS  
 12 DEFINED IN SECTION 3 OF THE NEXT MICHIGAN DEVELOPMENT ACT.

13 (I) "NEXT MICHIGAN DEVELOPMENT DISTRICT" MEANS THAT TERM AS  
 14 DEFINED IN SECTION 3 OF THE NEXT MICHIGAN DEVELOPMENT ACT.

15 (J) "NEXT MICHIGAN RENAISSANCE ZONE" MEANS A RENAISSANCE ZONE  
 16 CREATED UNDER SECTION 8G OF THIS ACT.

17 (K) ~~(g)~~—"Person" means an individual, partnership,  
 18 corporation, association, limited liability company, governmental  
 19 entity, or other legal entity.

20 (L) "QUALIFIED ELIGIBLE BUSINESS" MEANS AN ELIGIBLE BUSINESS  
 21 WHICH HAS BEEN CERTIFIED IN ACCORDANCE WITH SECTION 8G OF THIS ACT.

22 (M) ~~(h)~~—"Qualified local governmental unit" means either of  
 23 the following:

24 (i) A county.

25 (ii) A city, village, or township that contains an eligible  
 26 distressed area as defined in section 11 of the state housing  
 27 development authority act of 1966, 1966 PA 346, MCL 125.1411.





1           (N) ~~(i)~~—"Recovery zone" means a tool and die renaissance  
2 recovery zone created in section 8d.

3           (O) ~~(j)~~—"Renaissance zone" means a geographic area designated  
4 under this act.

5           (P) ~~(k)~~—"Renewable energy facility" means a facility that  
6 creates energy directly or fuel from the wind, the sun, trees,  
7 grasses, biosolids, algae, agricultural commodities, processed  
8 products from agricultural commodities, or residues from  
9 agricultural processes, wood or forest processes, food production  
10 and processing, or the paper products industry. Renewable energy  
11 facility also includes a facility that creates energy or fuels from  
12 solid biomass, animal wastes, or landfill gases. Renewable energy  
13 facility also includes a facility that focuses on research,  
14 development, or manufacturing of systems or components of systems  
15 used to create energy or fuel from the items described in this  
16 subdivision.

17           (Q) ~~(l)~~—"Residential rental property" means that term as  
18 defined in section 7ff of the general property tax act, 1893 PA  
19 206, MCL 211.7ff.

20           (R) ~~(m)~~—"Review board" means the renaissance zone review board  
21 created in section 5.

22           (S) ~~(n)~~—"Rural area" means an area that lies outside of the  
23 boundaries of an urban area.

24           (T) ~~(o)~~—"Urban area" means an urbanized area as determined by  
25 the economics and statistics administration, United States bureau  
26 of the census according to the 1990 census.

27           **SEC. 8G. (1) THE BOARD OF THE MICHIGAN STRATEGIC FUND**



1 DESCRIBED IN SECTION 4 OF THE MICHIGAN STRATEGIC FUND ACT, 1984 PA  
2 270, MCL 125.2004, UPON THE APPLICATION OF A NEXT MICHIGAN  
3 DEVELOPMENT CORPORATION, MAY DESIGNATE NEXT MICHIGAN RENAISSANCE  
4 ZONES WITHIN THE BOUNDARIES OF A NEXT MICHIGAN DEVELOPMENT  
5 DISTRICT. THE NUMBER OF NEXT MICHIGAN RENAISSANCE ZONES TO BE  
6 DESIGNATED FOR A NEXT MICHIGAN DEVELOPMENT DISTRICT SHALL EQUAL THE  
7 CUMULATIVE NUMBER OF INITIAL OR SUBSEQUENT LOCAL GOVERNMENTAL UNIT  
8 PARTIES TO THE NEXT MICHIGAN DEVELOPMENT CORPORATION INTERLOCAL  
9 AGREEMENT, PLUS 1 ADDITIONAL NEXT MICHIGAN RENAISSANCE ZONE FOR  
10 EACH COUNTY PARTY TO THE INTERLOCAL AGREEMENT, BUT SHALL NOT EXCEED  
11 12 FOR EACH NEXT MICHIGAN DEVELOPMENT DISTRICT. THE NUMBER SHALL  
12 NOT BE REDUCED ON ACCOUNT OF A REDUCTION IN THE NUMBER OF LOCAL  
13 GOVERNMENT UNIT PARTIES TO THE INTERLOCAL AGREEMENT FROM TIME TO  
14 TIME. THE NEXT MICHIGAN DEVELOPMENT CORPORATION SHALL MAKE  
15 RECOMMENDATIONS TO THE BOARD OF THE MICHIGAN STRATEGIC FUND AS TO  
16 WHICH AREAS SHALL BE DESIGNATED AS NEXT MICHIGAN RENAISSANCE ZONES  
17 UNDER THIS ACT. THE AGGREGATE TERRITORY OF ALL NEXT MICHIGAN  
18 RENAISSANCE ZONES DESIGNATED FOR A NEXT MICHIGAN DEVELOPMENT  
19 CORPORATION SHALL NOT EXCEED THE LESSER OF 200 ACRES TIMES THE  
20 NUMBER OF NEXT MICHIGAN RENAISSANCE ZONES DESIGNATED FOR A NEXT  
21 MICHIGAN DEVELOPMENT CORPORATION OR 2,000 ACRES. A NEXT MICHIGAN  
22 RENAISSANCE ZONE SHALL HAVE A DURATION OF RENAISSANCE ZONE STATUS  
23 FOR A PERIOD OF NOT LESS THAN 5 YEARS AND NOT MORE THAN 10 YEARS AS  
24 DETERMINED BY THE BOARD OF THE MICHIGAN STRATEGIC FUND. EXCEPT AS  
25 OTHERWISE PROVIDED IN THIS ACT, IF THE BOARD OF THE MICHIGAN  
26 STRATEGIC FUND DETERMINES THAT THE DURATION OF RENAISSANCE ZONE  
27 STATUS FOR A NEXT MICHIGAN RENAISSANCE ZONE IS LESS THAN 10 YEARS,



1 THEN THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND, WITH THE CONSENT  
2 OF THE NEXT MICHIGAN DEVELOPMENT CORPORATION AND WITH THE CONSENT  
3 OF THE CITY, VILLAGE, OR TOWNSHIP IN WHICH THE NEXT MICHIGAN  
4 RENAISSANCE ZONE IS LOCATED, MAY EXTEND THE DURATION OF RENAISSANCE  
5 ZONE STATUS FOR THE NEXT MICHIGAN RENAISSANCE ZONE FOR 1 OR MORE  
6 PERIODS THAT WHEN COMBINED DO NOT EXCEED 10 YEARS.

7 (2) THE NEXT MICHIGAN DEVELOPMENT CORPORATION SHALL MAKE  
8 RECOMMENDATIONS TO THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND TO  
9 CERTIFY AN ELIGIBLE BUSINESS AS A QUALIFIED ELIGIBLE BUSINESS  
10 ENTITLED TO THE EXEMPTIONS, DEDUCTIONS, OR CREDITS AS PROVIDED IN  
11 SECTION 9 OF THIS ACT. UPON THE RECOMMENDATION OF A NEXT MICHIGAN  
12 DEVELOPMENT CORPORATION, THE PRESIDENT OF THE MICHIGAN STRATEGIC  
13 FUND MAY CERTIFY AN ELIGIBLE BUSINESS AS A QUALIFIED ELIGIBLE  
14 BUSINESS UNDER THIS ACT. THE PRESIDENT OF THE MICHIGAN STRATEGIC  
15 FUND SHALL CERTIFY OR DENY THE APPLICATION TO CERTIFY AN ELIGIBLE  
16 BUSINESS AS A QUALIFIED ELIGIBLE BUSINESS WITHIN 30 DAYS OF RECEIPT  
17 OF THE APPLICATION. IF THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND  
18 FAILS TO CERTIFY OR DENY THE APPLICATION FOR CERTIFICATION WITHIN  
19 30 DAYS OF RECEIPT OF THE APPLICATION, THE APPLICATION FOR  
20 CERTIFICATION IS CONSIDERED APPROVED. IF THE PRESIDENT OF THE  
21 MICHIGAN STRATEGIC FUND DENIES THE APPLICATION FOR CERTIFICATION  
22 WITHIN 30 DAYS OF RECEIPT OF THE APPLICATION, THE APPLICANT MAY  
23 APPEAL THAT DENIAL TO THE BOARD OF THE MICHIGAN STRATEGIC FUND.  
24 UPON APPEAL TO THE BOARD OF THE MICHIGAN STRATEGIC FUND, IF THE  
25 BOARD OF THE MICHIGAN STRATEGIC FUND FAILS TO CERTIFY OR DENY THE  
26 APPLICATION FOR CERTIFICATION WITHIN 40 DAYS OF RECEIPT OF THE  
27 APPEAL, THE APPLICATION FOR CERTIFICATION IS CONSIDERED GRANTED BY



1 THE BOARD. THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND OR THE  
2 BOARD OF THE MICHIGAN STRATEGIC FUND SHALL NOTIFY THE NEXT MICHIGAN  
3 DEVELOPMENT CORPORATION THAT IT HAS CERTIFIED A QUALIFIED ELIGIBLE  
4 BUSINESS IN A NEXT MICHIGAN DEVELOPMENT DISTRICT. THE NEXT MICHIGAN  
5 DEVELOPMENT CORPORATION SHALL DEVELOP AN APPLICATION PROCESS FOR  
6 ELIGIBLE BUSINESSES, WHICH PROCESS SHALL BE APPROVED BY THE  
7 PRESIDENT OF THE MICHIGAN STRATEGIC FUND. A NEXT MICHIGAN  
8 DEVELOPMENT CORPORATION SHALL NOT RECOMMEND AND THE PRESIDENT AND  
9 THE BOARD OF THE MICHIGAN STRATEGIC FUND SHALL NOT CERTIFY AN  
10 ELIGIBLE BUSINESS AS A QUALIFIED ELIGIBLE BUSINESS UNLESS THAT  
11 ELIGIBLE BUSINESS OPENS A NEW LOCATION IN THIS STATE, LOCATES IN  
12 THIS STATE, OR IS AN EXISTING BUSINESS LOCATED IN THIS STATE THAT  
13 WILL MATERIALLY EXPAND ITS BUSINESS IN THIS STATE AS DETERMINED BY  
14 THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND. HOWEVER, THE  
15 PRESIDENT AND THE BOARD OF THE MICHIGAN STRATEGIC FUND SHALL NOT  
16 CERTIFY AN ELIGIBLE BUSINESS AS A QUALIFIED ELIGIBLE BUSINESS IF  
17 THE PRINCIPAL ECONOMIC EFFECT OF THE EXPANSION OR LOCATION OF THE  
18 ELIGIBLE BUSINESS INTO A NEXT MICHIGAN DEVELOPMENT DISTRICT IS THE  
19 TRANSFER OF EMPLOYMENT FROM 1 OR MORE CITIES, VILLAGES, OR  
20 TOWNSHIPS IN THIS STATE TO THE NEXT MICHIGAN DEVELOPMENT DISTRICT.

21 (3) UPON REQUEST OF THE NEXT MICHIGAN DEVELOPMENT CORPORATION,  
22 THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND MAY MODIFY AN EXISTING  
23 NEXT MICHIGAN RENAISSANCE ZONE TO ADD ADDITIONAL PROPERTY UNDER THE  
24 SAME TERMS AND CONDITIONS AS THE EXISTING NEXT MICHIGAN RENAISSANCE  
25 ZONE IF ALL OF THE FOLLOWING ARE MET:

26 (A) THE ADDITIONAL REAL PROPERTY IS LOCATED WITHIN THE  
27 BOUNDARIES OF THE NEXT MICHIGAN DEVELOPMENT DISTRICT AND WILL BE



1 OWNED OR OPERATED BY A QUALIFIED ELIGIBLE BUSINESS ONCE IT IS  
2 BROUGHT INTO OPERATION AS DETERMINED BY THE BOARD OF THE MICHIGAN  
3 STRATEGIC FUND.

4 (B) THE NEXT MICHIGAN DEVELOPMENT CORPORATION AND THE CITY,  
5 VILLAGE, OR TOWNSHIP IN WHICH THE QUALIFIED ELIGIBLE BUSINESS IS  
6 LOCATED CONSENTS TO THE MODIFICATION.

7 (C) THE AGGREGATE TERRITORY LIMITATIONS SET FORTH IN  
8 SUBSECTION (1) WILL NOT BE EXCEEDED.

9 (4) A QUALIFIED ELIGIBLE BUSINESS IN A NEXT MICHIGAN  
10 RENAISSANCE ZONE SHALL BE GRANTED RENAISSANCE ZONE STATUS FOR THE  
11 GREATER OF UP TO 10 YEARS OR FOR THE REMAINING TERM OF THE NEXT  
12 MICHIGAN RENAISSANCE ZONE WITHIN WHICH THE QUALIFIED ELIGIBLE  
13 BUSINESS IS LOCATED. A QUALIFIED ELIGIBLE BUSINESS MAY HAVE A  
14 DIFFERENT PERIOD OF RENAISSANCE ZONE STATUS THAN THE NEXT MICHIGAN  
15 RENAISSANCE ZONE IN WHICH IT IS LOCATED OR THAN ANOTHER QUALIFIED  
16 ELIGIBLE BUSINESS IN THE SAME NEXT MICHIGAN RENAISSANCE ZONE.

17 (5) THE NEXT MICHIGAN DEVELOPMENT CORPORATION OR THE PRESIDENT  
18 OF THE MICHIGAN STRATEGIC FUND MAY REVOKE THE DESIGNATION OF ALL OR  
19 A PORTION OF A NEXT MICHIGAN RENAISSANCE ZONE OR THE CERTIFICATION  
20 OF A QUALIFIED ELIGIBLE BUSINESS IF THE NEXT MICHIGAN DEVELOPMENT  
21 CORPORATION OR THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND  
22 DETERMINES 1 OR MORE OF THE FOLLOWING:

23 (A) THE QUALIFIED ELIGIBLE BUSINESS PROPOSED IN THE  
24 APPLICATION FAILS, OR A PREPONDERANCE OF BUSINESSES PROPOSED IN THE  
25 APPLICATION FAIL, TO COMMENCE OPERATION WITHIN 2 YEARS FROM THE  
26 DATE OF THE CERTIFICATION AS A QUALIFIED ELIGIBLE BUSINESS.

27 (B) THE QUALIFIED ELIGIBLE BUSINESS PROPOSED IN THE



1 APPLICATION TO COMMENCE OPERATION WITHIN THE NEXT MICHIGAN  
2 RENAISSANCE ZONE CEASES OPERATION, OR A PREPONDERANCE OF BUSINESSES  
3 PROPOSED IN THE APPLICATION TO COMMENCE OPERATION CEASE OPERATIONS,  
4 PROVIDED THAT DESIGNATION SHALL NOT BE REVOKED IF THE QUALIFIED  
5 ELIGIBLE BUSINESS HAS ASSIGNED ITS RIGHTS TO A SUCCESSOR ENTITY  
6 ENGAGED IN A QUALIFIED ELIGIBLE BUSINESS.

7 (C) THE QUALIFIED ELIGIBLE BUSINESS PROPOSED IN THE  
8 APPLICATION TO COMMENCE OPERATION WITHIN THE NEXT MICHIGAN  
9 RENAISSANCE ZONE FAILS, OR A PREPONDERANCE OF BUSINESSES PROPOSED  
10 IN THE APPLICATION TO COMMENCE OPERATIONS FAIL, TO COMMENCE  
11 CONSTRUCTION OR RENOVATION WITHIN 1 YEAR FROM THE DATE OF THE  
12 CERTIFICATION AS A QUALIFIED ELIGIBLE BUSINESS.

13 (D) THE QUALIFIED ELIGIBLE BUSINESS FAILS TO MEET JOBS AND  
14 INVESTMENT CRITERIA SET FORTH IN THE APPLICATION AND APPROVED AS A  
15 CONDITION BY THE PRESIDENT OR THE BOARD OF THE MICHIGAN STRATEGIC  
16 FUND.

17 (E) THE LOCAL GOVERNMENTAL UNIT IN WHICH THE QUALIFIED  
18 ELIGIBLE BUSINESS OR BUSINESSES IS OR ARE LOCATED WITHDRAWS FROM  
19 THE NEXT MICHIGAN DEVELOPMENT CORPORATION INTERLOCAL AGREEMENT,  
20 PROVIDED THAT THE TAX INCENTIVES PREVIOUSLY GRANTED TO THE  
21 QUALIFIED ELIGIBLE BUSINESS OR BUSINESSES SHALL REMAIN IN FULL  
22 FORCE AND EFFECT FOR THE STATED TERM OF THE TAX INCENTIVES SO LONG  
23 AS THE QUALIFIED ELIGIBLE BUSINESS OR BUSINESSES SATISFY ALL OF THE  
24 CONDITIONS UPON WHICH THE TAX INCENTIVES WERE GRANTED.

25 (6) IF THE NEXT MICHIGAN DEVELOPMENT CORPORATION REVOKES THE  
26 DESIGNATION OF ALL OR A PORTION OF A NEXT MICHIGAN RENAISSANCE ZONE  
27 OR THE CERTIFICATION OF A QUALIFIED ELIGIBLE BUSINESS, A QUALIFIED



1 ELIGIBLE BUSINESS AFFECTED MAY APPEAL THAT REVOCATION TO THE  
2 PRESIDENT OF THE MICHIGAN STRATEGIC FUND AS DETERMINED BY THE  
3 PRESIDENT OF THE MICHIGAN STRATEGIC FUND. IF THE DESIGNATION OF ALL  
4 OR A PORTION OF A NEXT MICHIGAN RENAISSANCE ZONE OR THE  
5 CERTIFICATION OF A QUALIFIED ELIGIBLE BUSINESS IS REVOKED, THE  
6 DESIGNATION MAY SUBSEQUENTLY BE RESTORED BY THE PRESIDENT OF THE  
7 MICHIGAN STRATEGIC FUND TO THE SAME SITE AND IN RESPECT OF A  
8 QUALIFIED ELIGIBLE BUSINESS, BUT THE DURATION OF THE RESTORED  
9 DESIGNATION SHALL NOT EXCEED THE TERM OF THE ORIGINAL DESIGNATION.  
10 IF THE DESIGNATION OF A NEXT MICHIGAN RENAISSANCE ZONE IS REVOKED  
11 AND NOT RESTORED, THE NEXT MICHIGAN RENAISSANCE ZONE DESIGNATION  
12 MAY BE TRANSFERRED BY THE NEXT MICHIGAN DEVELOPMENT CORPORATION TO  
13 OTHER PROPERTY WITHIN THE NEXT MICHIGAN DEVELOPMENT DISTRICT. THE  
14 DURATION OF SUCH TRANSFERRED ZONE SHALL BE FOR THE FULL TERM  
15 INITIALLY DETERMINED FOR THAT NEXT MICHIGAN RENAISSANCE ZONE.

16 (7) UPON REQUEST OF THE NEXT MICHIGAN DEVELOPMENT CORPORATION,  
17 THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND MAY EXTEND THE  
18 DURATION OF RENAISSANCE ZONE STATUS FOR 1 OR MORE PORTIONS OF A  
19 NEXT MICHIGAN RENAISSANCE ZONE IF THE EXTENSION WILL INCREASE  
20 CAPITAL INVESTMENT OR JOB CREATION, AND THE NEXT MICHIGAN  
21 DEVELOPMENT CORPORATION AND THE CITY, VILLAGE, OR TOWNSHIP IN WHICH  
22 THAT PORTION OF THE NEXT MICHIGAN RENAISSANCE ZONE IS LOCATED  
23 CONSENTS TO EXTEND THE DURATION OF RENAISSANCE ZONE STATUS. THE  
24 PRESIDENT OF THE MICHIGAN STRATEGIC FUND MAY EXTEND RENAISSANCE  
25 ZONE STATUS FOR 1 OR MORE PORTIONS OF THE NEXT MICHIGAN RENAISSANCE  
26 ZONE UNDER THIS SUBSECTION FOR A PERIOD OF TIME NOT TO EXCEED 5  
27 ADDITIONAL YEARS AS DETERMINED BY THE PRESIDENT OF THE MICHIGAN



1 STRATEGIC FUND.

2 (8) THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND AND THE BOARD  
3 OF THE MICHIGAN STRATEGIC FUND MAY ENTER INTO AN AGREEMENT WITH THE  
4 NEXT MICHIGAN DEVELOPMENT CORPORATION AND A QUALIFIED ELIGIBLE  
5 BUSINESS IN RESPECT OF THE TERMS AND CONDITIONS OF GRANTING AND  
6 RETAINING RENAISSANCE ZONE STATUS, CERTIFICATION AS A QUALIFIED  
7 ELIGIBLE BUSINESS, AND ANY OTHER RELATED MATTERS.

8 (9) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, THE  
9 COMMENCEMENT OF RENAISSANCE ZONE STATUS UNDER THIS SECTION SHALL  
10 TAKE EFFECT ON JANUARY 1 IN THE YEAR FOLLOWING DESIGNATION.  
11 HOWEVER, FOR PURPOSES OF THE TAXES EXEMPTED UNDER SECTION 9(2) OF  
12 THIS ACT, THE DESIGNATION OF RENAISSANCE ZONE STATUS UNDER THIS  
13 SECTION SHALL TAKE EFFECT ON DECEMBER 31 IN THE YEAR OF  
14 DESIGNATION. HOWEVER, FOR PURPOSES OF THE TAXES EXEMPTED UNDER  
15 SECTION 9(2) OF THIS ACT, THE DESIGNATION OF A RENAISSANCE ZONE  
16 UNDER THIS SECTION SHALL TAKE EFFECT ON DECEMBER 31 IN THE YEAR  
17 IMMEDIATELY PRECEDING THE YEAR IN WHICH THE DESIGNATION UNDER THIS  
18 SECTION TAKES EFFECT. UNLESS OTHERWISE LIMITED AS PROVIDED IN THIS  
19 ACT, EACH QUALIFIED ELIGIBLE BUSINESS CERTIFIED UNDER THIS ACT  
20 SHALL BE ENTITLED TO RENAISSANCE ZONE STATUS FOR NOT LESS THAN 10  
21 YEARS.

22 Sec. 10. (1) An individual who is a resident of a renaissance  
23 zone or a business that is located and conducts business activity  
24 within a renaissance zone or a person that owns property located in  
25 a renaissance zone is not eligible for the exemption, deduction, or  
26 credit listed in section 9(1) or (2) for that taxable year if 1 or  
27 more of the following apply:



1 (a) The resident, business, or property owner is delinquent on  
2 December 31 of the prior tax year under 1 or more of the following:

3 (i) Former 1975 PA 228 or the Michigan business tax act, 2007  
4 PA 36, MCL 208.1101 to 208.1601.

5 (ii) The income tax act of 1967, 1967 PA 281, MCL 206.1 to  
6 206.532.

7 (iii) 1974 PA 198, MCL 207.551 to 207.572.

8 (iv) The commercial redevelopment act, 1978 PA 255, MCL 207.651  
9 to 207.668.

10 (v) The enterprise zone act, 1985 PA 224, MCL 125.2101 to  
11 125.2123.

12 (vi) 1953 PA 189, MCL 211.181 to 211.182.

13 (vii) The technology park development act, 1984 PA 385, MCL  
14 207.701 to 207.718.

15 (viii) Part 511 of the natural resources and environmental  
16 protection act, 1994 PA 451, MCL 324.51101 to 324.51120.

17 (ix) The neighborhood enterprise zone act, 1992 PA 147, MCL  
18 207.771 to 207.786.

19 (x) The city utility users tax act, 1990 PA 100, MCL 141.1151  
20 to 141.1177.

21 (b) The resident, business, or property owner is substantially  
22 delinquent as defined in a written policy by the qualified local  
23 governmental unit in which the renaissance zone is located on  
24 December 31 of the prior tax year under 1 or both of the following:

25 (i) The city income tax act, 1964 PA 284, MCL 141.501 to  
26 141.787.

27 (ii) Taxes, fees, and special assessments collected under the

1 general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

2 (c) For residential rental property in a renaissance zone, the  
3 residential rental property is not in substantial compliance with  
4 all applicable state and local zoning, building, and housing laws,  
5 ordinances, or codes and, except as otherwise provided in this  
6 subdivision, the residential rental property owner has not filed an  
7 affidavit before December 31 in the immediately preceding tax year  
8 with the local tax collecting unit in which the residential rental  
9 property is located as required under section 7ff of the general  
10 property tax act, 1893 PA 206, MCL 211.7ff. Beginning December 31,  
11 2004, a residential rental property owner is not required to file  
12 an affidavit if the qualified local governmental unit in which the  
13 residential rental property is located determines that the  
14 residential rental property is in substantial compliance with all  
15 applicable state and local zoning, building, and housing laws,  
16 ordinances, and codes on December 31 of the immediately preceding  
17 tax year.

18 (2) An individual who is a resident of a renaissance zone is  
19 eligible for an exemption, deduction, or credit under section 9(1)  
20 and (2) until the department of treasury determines that the  
21 aggregate state and local tax revenue forgone as a result of all  
22 exemptions, deductions, or credits granted under this act to that  
23 individual reaches \$10,000,000.00.

24 (3) A casino located and conducting business activity within a  
25 renaissance zone is not eligible for the exemption, deduction, or  
26 credit listed in section 9(1) or (2). Real property in a  
27 renaissance zone on which a casino is operated, personal property



1 of a casino located in a renaissance zone, and all property  
2 associated or affiliated with the operation of a casino is not  
3 eligible for the exemption, deduction, or credit listed in section  
4 9(1) or (2). As used in this subsection, "casino" means a casino or  
5 a parking lot, hotel, motel, or retail store owned or operated by a  
6 casino, an affiliate, or an affiliated company, regulated by this  
7 state pursuant to the Michigan gaming control and revenue act, 1996  
8 IL 1, MCL 432.201 to 432.226.

9 (4) For tax years beginning on or after January 1, 1997, an  
10 individual who is a resident of a renaissance zone shall not be  
11 denied the exemption under subsection (1) if the individual failed  
12 to file a return on or before December 31 of the prior tax year  
13 under subsection (1)(a)(ii) and that individual was entitled to a  
14 refund under that act.

15 (5) A business that is located and conducts business activity  
16 within a renaissance zone shall not be denied the exemption under  
17 subsection (1) if the business failed to file a return on or before  
18 December 31 of the prior tax year under subsection (1)(a)(i) and  
19 that business had no tax liability under that act for the tax year  
20 for which the return was not filed.

21 (6) IN A NEXT MICHIGAN RENAISSANCE ZONE, ONLY PROPERTY OWNED  
22 OR LEASED BY A QUALIFIED ELIGIBLE BUSINESS AND BUSINESS ACTIVITY  
23 CONDUCTED IN A NEXT MICHIGAN RENAISSANCE ZONE BY A QUALIFIED  
24 ELIGIBLE BUSINESS ARE ELIGIBLE FOR THE EXEMPTIONS, DEDUCTIONS, OR  
25 CREDITS DESCRIBED IN SECTION 9.



Economic development; plant rehabilitation; business eligibility for abatements; expand to include next Michigan development corporation.

Economic development: plant rehabilitation; Property tax: other

A bill to amend 1974 PA 198, entitled

"An act to provide for the establishment of plant rehabilitation districts and industrial development districts in local governmental units; to provide for the exemption from certain taxes; to levy and collect a specific tax upon the owners of certain facilities; to impose and provide for the disposition of an administrative fee; to provide for the disposition of the tax; to provide for the obtaining and transferring of an exemption certificate and to prescribe the contents of those certificates; to prescribe the powers and duties of the state tax commission and certain officers of local governmental units; and to provide penalties,"

by amending sections 2 and 4 (MCL 207.552 and 207.554), section 2 as amended by 2008 PA 581 and section 4 as amended by 2004 PA 437.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 2. (1) "Commission" means the state tax commission  
2 created by 1927 PA 360, MCL 209.101 to 209.107.

3           (2) "Facility" means either a replacement facility, a new



1 facility, or, if applicable by its usage, a speculative building.

2 (3) "NEXT MICHIGAN DEVELOPMENT CORPORATION" MEANS THAT TERM AS  
3 DEFINED IN SECTION 3 OF THE NEXT MICHIGAN DEVELOPMENT ACT.

4 (4) ~~(3)~~—"Replacement facility" means 1 of the following:

5 (a) In the case of a replacement or restoration that occurs on  
6 the same or contiguous land as that which is replaced or restored,  
7 industrial property that is or is to be acquired, constructed,  
8 altered, or installed for the purpose of replacement or restoration  
9 of obsolete industrial property together with any part of the old  
10 altered property that remains for use as industrial property after  
11 the replacement, restoration, or alteration.

12 (b) In the case of construction on vacant noncontiguous land,  
13 property that is or will be used as industrial property that is or  
14 is to be acquired, constructed, transferred, or installed for the  
15 purpose of being substituted for obsolete industrial property if  
16 the obsolete industrial property is situated in a plant  
17 rehabilitation district in the same city, village, or township as  
18 the land on which the facility is or is to be constructed and  
19 includes the obsolete industrial property itself until the time as  
20 the substituted facility is completed.

21 (5) ~~(4)~~—"New facility" means new industrial property other  
22 than a replacement facility to be built in a plant rehabilitation  
23 district or industrial development district.

24 (6) ~~(5)~~—"Local governmental unit" means a city, village, or  
25 township, OR NEXT MICHIGAN DEVELOPMENT CORPORATION located in this  
26 state. FOR PURPOSES OF THIS ACT, IF A NEXT MICHIGAN DEVELOPMENT  
27 CORPORATION ESTABLISHES A PLANT REHABILITATION DISTRICT OR AN



1 **INDUSTRIAL DEVELOPMENT DISTRICT, THE NEXT MICHIGAN DEVELOPMENT**  
2 **CORPORATION SHALL ACT AS THE LOCAL GOVERNMENTAL UNIT IN**  
3 **ESTABLISHING AND OPERATING THE PLANT REHABILITATION DISTRICT OR THE**  
4 **INDUSTRIAL DEVELOPMENT DISTRICT.**

5 (7) ~~(6)~~—"Industrial property" means land improvements,  
6 buildings, structures, and other real property, and machinery,  
7 equipment, furniture, and fixtures or any part or accessory whether  
8 completed or in the process of construction comprising an  
9 integrated whole, the primary purpose and use of which is the  
10 engaging in a high-technology activity, operation of a strategic  
11 response center, operation of a motorsports entertainment complex,  
12 operation of a logistical optimization center, operation of  
13 qualified commercial activity, operation of a major distribution  
14 and logistics facility, the manufacture of goods or materials,  
15 creation or synthesis of biodiesel fuel, or the processing of goods  
16 and materials by physical or chemical change; property acquired,  
17 constructed, altered, or installed due to the passage of proposal A  
18 in 1976; the operation of a hydro-electric dam by a private company  
19 other than a public utility; or agricultural processing facilities.  
20 Industrial property includes facilities related to a manufacturing  
21 operation under the same ownership, including, but not limited to,  
22 office, engineering, research and development, warehousing, or  
23 parts distribution facilities. Industrial property also includes  
24 research and development laboratories of companies other than those  
25 companies that manufacture the products developed from their  
26 research activities and research development laboratories of a  
27 manufacturing company that are unrelated to the products of the

1 company. For applications approved by the legislative body of a  
2 local governmental unit between June 30, 1999 and December 31,  
3 2007, industrial property also includes an electric generating  
4 plant that is not owned by a local unit of government, including,  
5 but not limited to, an electric generating plant fueled by biomass.  
6 Industrial property also includes convention and trade centers in  
7 which construction begins not later than December 31, 2010 and is  
8 over 250,000 square feet in size or, if located in a county with a  
9 population of more than 750,000 and less than 1,100,000, is over  
10 100,000 square feet in size or, if located in a county with a  
11 population of more than 26,000 and less than 28,000, is over 30,000  
12 square feet in size. Industrial property also includes a federal  
13 reserve bank operating under 12 USC 341, located in a city with a  
14 population of 750,000 or more. Industrial property may be owned or  
15 leased. However, in the case of leased property, the lessee is  
16 liable for payment of ad valorem property taxes and shall furnish  
17 proof of that liability. **FOR PURPOSES OF A LOCAL GOVERNMENTAL UNIT  
18 THAT IS A NEXT MICHIGAN DEVELOPMENT CORPORATION, INDUSTRIAL  
19 PROPERTY INCLUDES ONLY PROPERTY USED IN THE OPERATION OF AN  
20 ELIGIBLE BUSINESS, AS THAT TERM IS DEFINED IN SECTION 3 OF THE  
21 MICHIGAN ECONOMIC GROWTH AUTHORITY ACT, 1995 PA 24, MCL 207.803.**

22 Industrial property does not include any of the following:

23 (a) Land.

24 (b) Property of a public utility other than an electric  
25 generating plant that is not owned by a local unit of government  
26 and for which an application was approved by the legislative body  
27 of a local governmental unit between June 30, 1999 and December 31,



1 2007.

2 (c) Inventory.

3 (8) ~~(7)~~—"Obsolete industrial property" means industrial  
4 property the condition of which is substantially less than an  
5 economically efficient functional condition.

6 (9) ~~(8)~~—"Economically efficient functional condition" means a  
7 state or condition of property the desirability and usefulness of  
8 which is not impaired due to changes in design, construction,  
9 technology, or improved production processes, or from external  
10 influencing factors that make the property less desirable and  
11 valuable for continued use.

12 (10) ~~(9)~~—"Research and development laboratories" means  
13 building and structures, including the machinery, equipment,  
14 furniture, and fixtures located in the building or structure, used  
15 or to be used for research or experimental purposes that would be  
16 considered qualified research as that term is used in section 41 of  
17 the internal revenue code, 26 USC 41, except that qualified  
18 research also includes qualified research funded by grant,  
19 contract, or otherwise by another person or governmental entity.

20 (11) ~~(10)~~—"Manufacture of goods or materials" or "processing  
21 of goods or materials" means any type of operation that would be  
22 conducted by an entity included in the classifications provided by  
23 sector 31-33 - manufacturing, of the North American industry  
24 classification system, United States, 1997, published by the office  
25 of management and budget, regardless of whether the entity  
26 conducting that operation is included in that manual.

27 (12) ~~(11)~~—"High-technology activity" means that term as





1 defined in section 3 of the Michigan economic growth authority act,  
2 1995 PA 24, MCL 207.803.

3 (13) ~~(12)~~—"Logistical optimization center" means a sorting and  
4 distribution center that supports a private passenger motor vehicle  
5 assembly center and its manufacturing process for the purpose of  
6 optimizing transportation, just-in-time inventory management, and  
7 material handling, and to which all of the following apply:

8 (a) The sorting and distribution center is within 2 miles of a  
9 private passenger motor vehicle assembly center that, together with  
10 supporting facilities, contains at least 800,000 square feet.

11 (b) The sorting and distribution center contains at least  
12 950,000 square feet.

13 (c) The sorting and distribution center has applied for an  
14 industrial facilities exemption certificate after June 30, 2005 and  
15 before January 1, 2006.

16 (d) The private passenger motor vehicle assembly center is  
17 located on land conditionally transferred by a township with a  
18 population of more than 25,000 under 1984 PA 425, MCL 124.21 to  
19 124.30, to a city with a population of more than 100,000 that  
20 levies an income tax under the city income tax act, 1964 PA 284,  
21 MCL 141.501 to 141.787.

22 (14) ~~(13)~~—"Commercial property" means that term as defined in  
23 section 2 of the obsolete property rehabilitation act, 2000 PA 146,  
24 MCL 125.2782.

25 (15) ~~(14)~~—"Qualified commercial activity" means commercial  
26 property that meets all of the following:

27 (a) At least 90% of the property, excluding the surrounding



1 green space, is used for warehousing, distribution, or logistic  
2 purposes and is located in a county that borders another state or  
3 Canada or for a communications center.

4 (b) Occupies a building or structure that is greater than  
5 100,000 square feet in size.

6 **(16)** ~~(15)~~—"Motorsports entertainment complex" means a closed-  
7 course motorsports facility, and its ancillary grounds and  
8 facilities, that satisfies all of the following:

9 (a) Has at least 70,000 fixed seats for race patrons.

10 (b) Has at least 6 scheduled days of motorsports events each  
11 calendar year, at least 2 of which shall be comparable to nascar  
12 nextel cup events held in 2007 or their successor events.

13 (c) Serves food and beverages at the facility during  
14 sanctioned events each calendar year through concession outlets, a  
15 majority of which are staffed by individuals who represent or are  
16 members of 1 or more nonprofit civic or charitable organizations  
17 that directly financially benefit from the concession outlets'  
18 sales.

19 (d) Engages in tourism promotion.

20 (e) Has permanent exhibitions of motorsports history, events,  
21 or vehicles.

22 **(17)** ~~(16)~~—"Major distribution and logistics facility" means a  
23 proposed distribution center that meets all of the following:

24 (a) Contains at least 250,000 square feet.

25 (b) Has or will have an assessed value of \$5,000,000.00 or  
26 more for the real property.

27 (c) Is located within 35 miles of the border of this state.

1 (d) Has as its purpose the distribution of inventory and  
2 materials to facilities owned by the taxpayer whose primary  
3 business is the retail sale of sporting goods and related  
4 inventory.

5 Sec. 4. (1) A local governmental unit, by resolution of its  
6 legislative body, may establish plant rehabilitation districts and  
7 industrial development districts that consist of 1 or more parcels  
8 or tracts of land or a portion of a parcel or tract of land.

9 (2) The legislative body of a local governmental unit may  
10 establish a plant rehabilitation district or an industrial  
11 development district on its own initiative or upon a written  
12 request filed by the owner or owners of 75% of the state equalized  
13 value of the industrial property located within a proposed plant  
14 rehabilitation district or industrial development district. This  
15 request shall be filed with the clerk of the local governmental  
16 unit.

17 (3) Except as provided in section 9(2)(h), after December 31,  
18 1983, a request for the establishment of a proposed plant  
19 rehabilitation district or industrial development district shall be  
20 filed only in connection with a proposed replacement facility or  
21 new facility, the construction, acquisition, alteration, or  
22 installation of or for which has not commenced at the time of the  
23 filing of the request. The legislative body of a local governmental  
24 unit shall not establish a plant rehabilitation district or an  
25 industrial development district pursuant to subsection (2) if it  
26 finds that the request for the district was filed after the  
27 commencement of construction, alteration, or installation of, or of

1 an acquisition related to, the proposed replacement facility or new  
2 facility. This subsection shall not apply to a speculative  
3 building.

4 (4) Before adopting a resolution establishing a plant  
5 rehabilitation district or industrial development district, the  
6 legislative body shall give written notice by certified mail to the  
7 owners of all real property within the proposed plant  
8 rehabilitation district or industrial development district and  
9 shall hold a public hearing on the establishment of the plant  
10 rehabilitation district or industrial development district at which  
11 those owners and other residents or taxpayers of the local  
12 governmental unit shall have a right to appear and be heard.

13 (5) The legislative body of the local governmental unit, in  
14 its resolution establishing a plant rehabilitation district, shall  
15 set forth a finding and determination that property comprising not  
16 less than 50% of the state equalized valuation of the industrial  
17 property within the district is obsolete.

18 (6) A plant rehabilitation district or industrial development  
19 district established by a township shall be only within the  
20 unincorporated territory of the township and shall not be within a  
21 village.

22 (7) Industrial property that is part of an industrial  
23 development district or a plant rehabilitation district may also be  
24 part of a tax increment district established under the tax  
25 increment finance authority act, 1980 PA 450, MCL 125.1801 to  
26 125.1830.

27 (8) A local governmental unit, by resolution of its



1 legislative body, may terminate a plant rehabilitation district or  
2 an industrial development district, if there are no industrial  
3 facilities exemption certificates in effect in the plant  
4 rehabilitation district or the industrial development district on  
5 the date of the resolution to terminate.

6 (9) Before acting on a proposed resolution terminating a plant  
7 rehabilitation district or an industrial development district, the  
8 local governmental unit shall give at least 14 days' written notice  
9 by certified mail to the owners of all real property within the  
10 plant rehabilitation district or industrial development district as  
11 determined by the tax records in the office of the assessor or the  
12 treasurer of the local tax collecting unit in which the property is  
13 located and shall hold a public hearing on the termination of the  
14 plant rehabilitation district or industrial development district at  
15 which those owners and other residents or taxpayers of the local  
16 governmental unit, or others, shall have a right to appear and be  
17 heard.

18 (10) A NEXT MICHIGAN DEVELOPMENT CORPORATION MAY NOT ESTABLISH  
19 A PLANT REHABILITATION DISTRICT OR AN INDUSTRIAL DEVELOPMENT  
20 DISTRICT NOR APPROVE AN APPLICATION FOR AN INDUSTRIAL FACILITIES  
21 EXEMPTION CERTIFICATE FOR INDUSTRIAL PROPERTY FOR AN ELIGIBLE  
22 BUSINESS WITHOUT THE PRIOR WRITTEN APPROVAL OF THE STATE TREASURER  
23 AND THE PRESIDENT OF THE MICHIGAN STRATEGIC FUND. IN DETERMINING  
24 WHETHER TO ESTABLISH A PLANT REHABILITATION DISTRICT OR INDUSTRIAL  
25 DEVELOPMENT DISTRICT OR APPROVE AN INDUSTRIAL FACILITIES EXEMPTION  
26 CERTIFICATE, THE STATE TREASURER AND THE PRESIDENT OF THE MICHIGAN  
27 STRATEGIC FUND SHALL CONSIDER ALL OF THE FOLLOWING:



1 (A) WHETHER THE FACILITY HAS THE ABILITY TO BE LOCATED OUTSIDE  
2 OF THIS STATE.

3 (B) THE NUMBER OF JOBS AND THE AMOUNT OF THE WAGES FOR THOSE  
4 JOBS AT THE FACILITY.

5 (C) WHETHER THE FACILITY BEING LOCATED IN THIS STATE WILL BE A  
6 NET BENEFIT FOR THIS STATE.

7 (D) WHETHER THE OPERATION OF THE FACILITY WILL HAVE A NEGATIVE  
8 EFFECT ON EMPLOYMENT IN OTHER AREAS OF THIS STATE.

9 (E) WHETHER THE FACILITY WILL LIKELY LOCATE IN THIS STATE  
10 WITHOUT THE INCENTIVE AND WHETHER THE USE OF THE INCENTIVE PUTS  
11 OTHER PORTIONS OF THIS STATE AT AN UNFAIR COMPETITIVE DISADVANTAGE.

Property tax; personal property; certain property in a next Michigan development corporation; provide exemption.  
Property tax: personal property; Property tax: exemptions

A bill to amend 1893 PA 206, entitled  
"The general property tax act,"  
by amending section 9f (MCL 211.9f), as amended by 2008 PA 573.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 9f. (1) The governing body of an eligible local assessing  
2 district **OR THE BOARD OF A NEXT MICHIGAN DEVELOPMENT CORPORATION IN**  
3 **WHICH AN ELIGIBLE LOCAL ASSESSING DISTRICT IS A CONSTITUENT MEMBER**  
4 may adopt a resolution to exempt from the collection of taxes under  
5 this act all new personal property owned or leased by an eligible  
6 business located in 1 or more eligible districts or distressed  
7 parcels designated in the resolution. The clerk of the eligible  
8 local assessing district **OR THE RECORDING OFFICER OF A NEXT**  
9 **MICHIGAN DEVELOPMENT CORPORATION** shall notify in writing the  
10 assessor of the local tax collecting unit in which the eligible



1 district or distressed parcel is located and the legislative body  
2 of each taxing unit that levies ad valorem property taxes in the  
3 eligible local assessing district in which the eligible district or  
4 distressed parcel is located. Before acting on the resolution, the  
5 governing body of the eligible local assessing district **OR A NEXT**  
6 **MICHIGAN DEVELOPMENT CORPORATION** shall afford the assessor and a  
7 representative of the affected taxing units an opportunity for a  
8 hearing.

9 (2) The exemption under this section is effective on the  
10 December 31 immediately succeeding the adoption of the resolution  
11 by the governing body of the eligible local assessing district **OR A**  
12 **NEXT MICHIGAN DEVELOPMENT CORPORATION** and shall continue in effect  
13 for a period specified in the resolution. However, an exemption  
14 shall not be granted under this section after December 31, 2012 for  
15 an eligible business located in an eligible district identified in  
16 subsection ~~(7)(e)(ix)~~ **(8)(E)(ix)** or in an eligible local assessing  
17 district identified in subsection ~~(7)(g)(ii)~~ **(8)(G)(ii)**. A copy of  
18 the resolution shall be filed with the state tax commission, the  
19 state treasurer, and the president of the Michigan strategic fund.  
20 A resolution is not effective unless approved as provided in  
21 subsection (3) **OR (4)**.

22 (3) Not more than 60 days after receipt of a copy of the  
23 resolution adopted **BY THE GOVERNING BODY OF AN ELIGIBLE LOCAL**  
24 **ASSESSING DISTRICT** under subsection (1), the state tax commission  
25 shall determine if the new personal property subject to the  
26 exemption is owned or leased by an eligible business and if the  
27 eligible business is located in 1 or more eligible districts. If



1 the state tax commission determines that the new personal property  
2 subject to the exemption is owned or leased by an eligible business  
3 and that the eligible business is located in 1 or more eligible  
4 districts, the state treasurer, with the written concurrence of the  
5 president of the Michigan strategic fund, shall approve the  
6 resolution adopted under subsection (1) if the state treasurer and  
7 the president of the Michigan strategic fund determine that  
8 exempting new personal property of the eligible business is  
9 necessary to reduce unemployment, promote economic growth, and  
10 increase capital investment in this state. In addition, for an  
11 eligible business located in an eligible local assessing district  
12 described in subsection ~~(7)(g)(ii)~~ **(8)(G)(ii)**, the resolution adopted  
13 under subsection (1) shall be approved if the state treasurer and  
14 the president of the Michigan strategic fund determine that  
15 granting the exemption is a net benefit to this state, that  
16 expansion, retention, or location of an eligible business will not  
17 occur in this state without this exemption, and that there is no  
18 significant negative effect on employment in other parts of this  
19 state as a result of the exemption.

20 **(4) NOT MORE THAN 60 DAYS AFTER RECEIPT OF A COPY OF THE**  
21 **RESOLUTION ADOPTED BY THE BOARD OF A NEXT MICHIGAN DEVELOPMENT**  
22 **CORPORATION UNDER SUBSECTION (1), THE STATE TREASURER AND THE**  
23 **PRESIDENT OF THE MICHIGAN STRATEGIC FUND SHALL APPROVE OR**  
24 **DISAPPROVE THE RESOLUTION. IN DETERMINING WHETHER TO APPROVE OR**  
25 **DISAPPROVE THE RESOLUTION, THE STATE TREASURER AND THE PRESIDENT OF**  
26 **THE MICHIGAN STRATEGIC FUND SHALL CONSIDER ALL OF THE FOLLOWING:**

27 **(A) WHETHER THE QUALIFIED ELIGIBLE BUSINESS HAS THE ABILITY TO**

1 BE LOCATED OUTSIDE OF THIS STATE.

2 (B) THE NUMBER OF JOBS THAT WILL BE CREATED OR WILL BE  
3 RETAINED BY THE QUALIFIED ELIGIBLE BUSINESS AS A RESULT OF THE  
4 EXEMPTION UNDER THIS SECTION AND THE AMOUNT OF THE WAGES FOR THOSE  
5 JOBS.

6 (C) IF THE QUALIFIED ELIGIBLE BUSINESS IS SEEKING TO LOCATE IN  
7 THIS STATE, WHETHER GRANTING THE EXEMPTION UNDER THIS SECTION TO  
8 THE NEXT MICHIGAN DEVELOPMENT BUSINESS WILL BE A NET BENEFIT FOR  
9 THIS STATE.

10 (D) WHETHER GRANTING THE EXEMPTION UNDER THIS SECTION TO THE  
11 QUALIFIED ELIGIBLE BUSINESS WILL HAVE A NEGATIVE EFFECT ON  
12 EMPLOYMENT IN OTHER AREAS OF THIS STATE.

13 (E) WHETHER THE QUALIFIED ELIGIBLE BUSINESS WILL LIKELY LOCATE  
14 IN THIS STATE WITHOUT THE EXEMPTION UNDER THIS SECTION AND WHETHER  
15 THE EXEMPTION PUTS OTHER PORTIONS OF THIS STATE AT AN UNFAIR  
16 COMPETITIVE DISADVANTAGE.

17 (5) ~~(4)~~—Subject to subsection ~~(5)~~—(6), if an existing eligible  
18 business sells or leases new personal property exempt under this  
19 section to an acquiring eligible business, the exemption granted to  
20 the existing eligible business shall continue in effect for the  
21 period specified in the resolution adopted under subsection (1) for  
22 the new personal property purchased or leased from the existing  
23 eligible business by the acquiring eligible business and for any  
24 new personal property purchased or leased by the acquiring eligible  
25 business.

26 (6) ~~(5)~~—After December 31, 2007, an exemption for an existing  
27 eligible business shall continue in effect for an acquiring

1 eligible business under subsection ~~(4)~~**(5)** only if the continuation  
2 of the exemption is approved in a resolution adopted by the  
3 governing body of an eligible local assessing district **OR THE BOARD**  
4 **OF A NEXT MICHIGAN DEVELOPMENT CORPORATION IN WHICH THE LOCAL**  
5 **ASSESSING DISTRICT IS A CONSTITUENT MEMBER.**

6       **(7)** ~~(6)~~—Notwithstanding the amendatory act that added section  
7 2(1)(c), all of the following shall apply to an exemption under  
8 this section that was approved by the state tax commission on or  
9 before April 30, 1999, regardless of the effective date of the  
10 exemption:

11       (a) The exemption shall be continued for the term authorized  
12 by the resolution adopted by the governing body of the eligible  
13 local assessing district and approved by the state tax commission  
14 with respect to buildings and improvements constructed on leased  
15 real property during the term of the exemption if the value of the  
16 real property is not assessed to the owner of the buildings and  
17 improvements.

18       (b) The exemption shall not be impaired or restricted with  
19 respect to buildings and improvements constructed on leased real  
20 property during the term of the exemption if the value of the real  
21 property is not assessed to the owner of the buildings and  
22 improvements.

23       **(8)** ~~(7)~~—As used in this section:

24       (a) "Acquiring eligible business" means an eligible business  
25 that purchases or leases assets of an existing eligible business,  
26 including the purchase or lease of new personal property exempt  
27 under this section, and that will conduct business operations

1 similar to those of the existing eligible business at the location  
2 of the existing eligible business within the eligible district.

3 (b) "Authorized business" means that term as defined in  
4 section 3 of the Michigan economic growth authority act, 1995 PA  
5 24, MCL 207.803.

6 (c) "Distressed parcel" means a parcel of real property  
7 located in a city or village that meets all of the following  
8 conditions:

9 (i) Is located in a qualified downtown revitalization district.  
10 As used in this subparagraph, "qualified downtown revitalization  
11 district" means an area located within 1 or more of the following:

12 (A) The boundaries of a downtown district as defined in  
13 section 1 of 1975 PA 197, MCL 125.1651.

14 (B) The boundaries of a principal shopping district or a  
15 business improvement district as defined in section 1 of 1961 PA  
16 120, MCL 125.981.

17 (C) The boundaries of the local governmental unit in an area  
18 that is zoned and primarily used for business as determined by the  
19 local governmental unit.

20 (ii) Meets 1 of the following conditions:

21 (A) Has a blighted or functionally obsolete building located  
22 on the parcel. As used in this sub-subparagraph, "blighted" and  
23 "functionally obsolete" mean those terms as defined in section 2 of  
24 the brownfield redevelopment financing act, 1996 PA 381, MCL  
25 125.2652.

26 (B) Is a vacant parcel that had been previously occupied.

27 (iii) Is zoned to allow for mixed use.

1 (d) "Eligible business" means, effective August 7, 1998, a  
2 business engaged primarily in manufacturing, mining, research and  
3 development, wholesale trade, office operations, or the operation  
4 of a facility for which the business that owns or operates the  
5 facility is an eligible taxpayer. **ELIGIBLE BUSINESS INCLUDES A**  
6 **QUALIFIED ELIGIBLE BUSINESS.** Eligible business does not include a  
7 casino, retail establishment, professional sports stadium, or that  
8 portion of an eligible business used exclusively for retail sales.  
9 **PROFESSIONAL SPORTS STADIUM DOES NOT INCLUDE A SPORTS STADIUM IN**  
10 **EXISTENCE ON JUNE 6, 2000 THAT IS NOT USED BY A PROFESSIONAL SPORTS**  
11 **TEAM ON THE DATE OF THE RESOLUTION ADOPTED PURSUANT TO SUBSECTION**  
12 **(1).** As used in this subdivision, "casino" means a casino regulated  
13 by this state pursuant to the Michigan gaming control and revenue  
14 act, 1996 IL 1, MCL 432.201 to 432.226, and all property associated  
15 or affiliated with the operation of a casino, including, but not  
16 limited to, a parking lot, hotel, motel, or retail store.

17 (e) "Eligible district" means 1 or more of the following:

18 (i) An industrial development district as that term is defined  
19 in 1974 PA 198, MCL 207.551 to 207.572.

20 (ii) A renaissance zone as that term is defined in the Michigan  
21 renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696.

22 (iii) An enterprise zone as that term is defined in the  
23 enterprise zone act, 1985 PA 224, MCL 125.2101 to 125.2123.

24 (iv) A brownfield redevelopment zone as that term is designated  
25 under the brownfield redevelopment financing act, 1996 PA 381, MCL  
26 125.2651 to 125.2672.

27 (v) An empowerment zone designated under subchapter U of



1 chapter 1 of the internal revenue code of 1986, 26 USC 1391 to  
2 1397F.

3 (vi) An authority district or a development area as those terms  
4 are defined in the tax increment finance authority act, 1980 PA  
5 450, MCL 125.1801 to 125.1830.

6 (vii) An authority district as that term is defined in the  
7 local development financing act, 1986 PA 281, MCL 125.2151 to  
8 125.2174.

9 (viii) A downtown district or a development area as those terms  
10 are defined in 1975 PA 197, MCL 125.1651 to 125.1681.

11 (ix) An area that contains an eligible taxpayer.

12 (x) **A NEXT MICHIGAN DEVELOPMENT DISTRICT.**

13 (f) "Eligible distressed area" means 1 of the following:

14 (i) That term as defined in section 11 of the state housing  
15 development authority act of 1966, 1966 PA 346, MCL 125.1411.

16 (ii) An area that contains an eligible taxpayer.

17 (g) "Eligible local assessing district" means a city, village,  
18 or township that contains an eligible distressed area **OR THAT IS A**  
19 **PARTY TO AN INTERGOVERNMENTAL AGREEMENT CREATING A NEXT MICHIGAN**  
20 **DEVELOPMENT CORPORATION,** or a city, village, or township that meets  
21 1 or more of the following conditions and is located in a county  
22 all or a portion of which borders another state or Canada:

23 (i) Is currently served by not fewer than 4 of the following  
24 existing services:

25 (A) ~~water~~ **WATER.**

26 (B) ~~sewer~~ **SEWER.**

27 (C) ~~police~~ **POLICE.**



1 (D) ~~fire~~ **FIRE**.

2 (E) ~~trash~~ **TRASH**.

3 (F) ~~recycling~~ **RECYCLING**.

4 (ii) Is party to an agreement under 1984 PA 425, MCL 124.21 to  
5 124.30, with a city, village, or township that provides not fewer  
6 than 4 of the following existing services:

7 (A) ~~water~~ **WATER**.

8 (B) ~~sewer~~ **SEWER**.

9 (C) ~~police~~ **POLICE**.

10 (D) ~~fire~~ **FIRE**.

11 (E) ~~trash~~ **TRASH**.

12 (F) ~~recycling~~ **RECYCLING**.

13 (h) "Eligible taxpayer" means a taxpayer that meets both of  
14 the following conditions:

15 (i) Is an authorized business.

16 (ii) Is eligible for tax credits described in section 9 of the  
17 Michigan economic growth authority act, 1995 PA 24, MCL 207.809.

18 (i) "Existing eligible business" means an eligible business  
19 identified in a resolution adopted under subsection (1) for which  
20 an exemption has been granted under this section.

21 (j) "New personal property" means personal property that was  
22 not previously subject to tax under this act or was not previously  
23 placed in service in this state and that is placed in an eligible  
24 district after a resolution under subsection (1) is approved. ~~by~~  
25 ~~the eligible local assessing district.~~ As used in this subdivision,  
26 for exemptions approved by the state treasurer under subsection (3)  
27 after April 30, 1999, new personal property does not include

1 buildings described in section 14(6) and personal property  
2 described in section 8(h), (i), and (j).

3 (K) "NEXT MICHIGAN DEVELOPMENT CORPORATION" AND "NEXT MICHIGAN  
4 DEVELOPMENT DISTRICT" MEAN THOSE TERMS AS DEFINED UNDER THE NEXT  
5 MICHIGAN DEVELOPMENT ACT.

6 (l) "QUALIFIED ELIGIBLE BUSINESS" MEANS THAT TERM AS DEFINED IN  
7 SECTION 3 OF THE MICHIGAN RENAISSANCE ZONE ACT, 1996 PA 376, MCL  
8 125.2683.



Economic development; other; next Michigan development act; create.  
Economic development: other; Aeronautics: airports

A bill to encourage the creation of next Michigan development corporations by interlocal agreement and to prescribe their powers and duties; to foster economic opportunities in this state and prevent conditions of unemployment and underemployment and to promote economic growth; to provide for the designation of next Michigan development districts and next Michigan development businesses; and to prescribe the powers and duties of certain state and local departments, entities, and officials.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 1. This act shall be known and may be cited as the "next  
2 Michigan development act".

3           Sec. 2. The legislature of this state finds and declares that  
4 there exists in this state the continuing need for programs to  
5 encourage economic development and investment, job creation and job



1 retention, and ancillary economic growth in this state. To achieve  
2 these purposes, it is necessary to assist and encourage the  
3 creation and implementation of intergovernmental development  
4 corporations and to enable those corporations to foster economic  
5 opportunities in this state, prevent conditions of unemployment and  
6 underemployment, and promote economic growth.

7 Sec. 3. As used in this act:

8 (a) "Eligible act 7 entity" means a separate legal and  
9 administrative entity formed by interlocal agreement under the  
10 urban cooperation act of 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to  
11 124.512, among 2 or more local governmental units, at least 1 of  
12 which shall be a county, for the purpose of jointly exercising  
13 economic development powers and attracting business.

14 (b) "Eligible business" means that term as defined in section  
15 3 of the Michigan economic growth authority act, 1995 PA 24, MCL  
16 207.803.

17 (c) "Local governmental unit" means a county, city, village,  
18 township, or charter township.

19 (d) "Next Michigan development corporation" means an eligible  
20 act 7 entity that meets the requirements of section 4 of this act  
21 and has been so designated by the board of the Michigan strategic  
22 fund.

23 (e) "Michigan strategic fund" means the Michigan strategic  
24 fund as described in the Michigan strategic fund act, 1984 PA 270,  
25 MCL 125.2001 to 125.2094.

26 (f) "Next Michigan development district" or "district" means  
27 the territory of a next Michigan development corporation.



1           Sec. 4. (1) An eligible act 7 entity may apply to the board of  
2 the Michigan strategic fund for designation as a next Michigan  
3 development corporation under this act.

4           (2) The territory of a next Michigan development corporation  
5 shall be composed of the area within the boundaries of the cities,  
6 villages, and townships which are parties to the interlocal  
7 agreement, as the same may be amended to add or remove parties from  
8 time to time. The interlocal agreement may include a division of  
9 rights, responsibilities, and duties between and among the local  
10 government unit parties as may be determined appropriate by the  
11 local government unit parties to implement the purposes of this act  
12 and otherwise shall conform to law.

13           (3) The application for next Michigan development corporation  
14 status under this act shall be accompanied by a copy of the  
15 interlocal agreement creating the eligible act 7 entity and the  
16 approval of the governor of the interlocal agreement pursuant to  
17 section 10 of the urban cooperation act of 1967, 1967 (Ex Sess) PA  
18 7, MCL 124.510.

19           Sec. 5. (1) The board of the Michigan strategic fund, upon the  
20 filing of an application under section 4 of this act, may designate  
21 the applicant as a next Michigan development corporation. No more  
22 than 10 next Michigan development corporations may be designated in  
23 this state. The president of the Michigan strategic fund shall  
24 develop the form of application for designation as a next Michigan  
25 development corporation within 90 days of the effective date of  
26 this act provided that an application from an eligible act 7 entity  
27 which otherwise meets the requirements of this act may be filed

1 with the board of the Michigan strategic fund prior to the  
2 promulgation of the application form, and any such application  
3 shall be considered by the board of the Michigan strategic fund  
4 under subsections (2) and (3).

5 (2) The board of the Michigan strategic fund shall apply the  
6 following criteria in determining to designate a next Michigan  
7 development corporation:

8 (a) The nominal level of unemployed workers within an  
9 applicant's county parties as publicly reported by the state  
10 department of energy, labor, and economic growth as of the month  
11 preceding the filing of the application on an adjusted or  
12 unadjusted basis, whichever is greater.

13 (b) The number of local governmental unit parties to the  
14 applicant's interlocal agreement.

15 (c) Whether the application demonstrates evidence of  
16 significant job creation potential of a regional or state asset,  
17 enterprise, facility, or obsolete facility within the territory of  
18 the applicant, as documented by a comprehensive business plan and a  
19 third-party study or studies quantifying the job creation  
20 potential, and the degree of the job creation potential.

21 (d) Whether the application is supported by public and private  
22 commitment and the degree of the commitment.

23 (3) The board of the Michigan strategic fund shall grant or  
24 deny designation to an applicant within 40 days of receipt of the  
25 application. If the board of the Michigan strategic fund does not  
26 grant or deny the designation within 40 days of receipt of the  
27 application, the application shall be considered approved. If the

1 application is denied, the board shall provide the applicant with  
2 the specific reasons for the denial by reference to the criteria  
3 set forth in subsection (2). An eligible act 7 entity may amend the  
4 application to take into account the reasons for the denial and  
5 thereafter may resubmit the application to the board of the  
6 Michigan strategic fund.

7       Sec. 6. (1) A next Michigan development corporation shall seek  
8 to attract eligible businesses to its next Michigan development  
9 district and may exercise all of the powers, privileges, and  
10 responsibilities granted to it under state law, including, but not  
11 limited to, the powers, privileges, and responsibilities granted in  
12 the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to  
13 125.2696, the local development financing act, 1986 PA 281, MCL  
14 125.2151 to 125.2174, section 9f of the general property tax act,  
15 1893 PA 206, MCL 211.9f, 1974 PA 198, MCL 207.551 to 207.572, and  
16 other relevant law as the same may be amended from time to time.

17       (2) The Michigan economic development corporation shall market  
18 the next Michigan development corporations.

19       Sec. 7. (1) The business of a next Michigan development  
20 corporation shall be conducted at public meetings held in  
21 compliance with the open meetings act, 1976 PA 267, MCL 15.261 to  
22 15.275. Public notice of the time, date, and place of a meeting  
23 shall be given as provided by the open meetings act, 1976 PA 267,  
24 MCL 15.261 to 15.275.

25       (2) Except as expressly provided otherwise in this section, a  
26 writing prepared, owned, used, in the possession of, or retained by  
27 the next Michigan development corporation in the performance of an

1 official function shall be a public record and shall be made  
2 available to the public in compliance with the freedom of  
3 information act, 1976 PA 442, MCL 15.231 to 15.246. A record or  
4 portion of a record, material, or other data received, prepared,  
5 used, or retained by the next Michigan development corporation in  
6 connection with an application by an eligible business for  
7 renaissance zone status or other tax or development incentive that  
8 relates to financial or proprietary information or site selection  
9 where more than 1 site is under consideration submitted by the  
10 eligible business applicant that is considered by the applicant and  
11 acknowledged by the next Michigan development corporation as  
12 confidential shall not be subject to the disclosure requirements of  
13 the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.  
14 A designee of the next Michigan development corporation shall make  
15 the determination as to whether the next Michigan development  
16 corporation acknowledges as confidential any financial or  
17 proprietary information submitted by the eligible business  
18 applicant and considered by the applicant as confidential. Unless  
19 considered proprietary information, the next Michigan development  
20 corporation shall not acknowledge routine financial information as  
21 confidential. If the designee of the next Michigan development  
22 corporation determines that information submitted to the next  
23 Michigan development corporation is financial or proprietary  
24 information and is confidential, the designee of the next Michigan  
25 development corporation shall prepare a written statement, subject  
26 to disclosure under the freedom of information act, 1976 PA 442,  
27 MCL 15.231 to 15.246, which states all of the following:



1 (a) That the information submitted was determined by the  
2 designee of the next Michigan development corporation to be  
3 confidential as financial or proprietary information or site  
4 selection information.

5 (b) A broad nonspecific overview of the financial or  
6 proprietary information determined to be confidential.

7 (3) The next Michigan development corporation shall not  
8 disclose financial or proprietary information or site selection  
9 information not subject to disclosure pursuant to subsection (2)  
10 without the consent of the eligible business applicant, in the  
11 applicant's judgment, submitting the information.

12 (4) As used in this section, "financial or proprietary  
13 information" means information that has not been publicly  
14 disseminated or is unavailable from other sources, the release of  
15 which might cause the eligible business applicant, in the  
16 applicant's judgment, material competitive harm. Financial or  
17 proprietary information does not include a written agreement under  
18 the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to  
19 125.2696.

20 Sec. 8. In the event that a next Michigan development  
21 corporation dissolves or is terminated, all incentives previously  
22 granted by the next Michigan development corporation, shall be  
23 unaffected by the dissolution and shall remain valid and in full  
24 force and effect in accordance with their respective terms.  
25 Incentives previously granted by the next Michigan development  
26 corporation shall be administered by the city, village, township,  
27 or charter township in which the eligible business to which the

1 incentives were granted is located unless otherwise provided in the  
2 interlocal agreement.

3       Sec. 9. This act shall be construed liberally to effectuate  
4 the legislative intent and purposes of this act as found and stated  
5 in section 2 of this act. This act constitutes complete and  
6 independent authority for the performance of each and every act and  
7 thing authorized by this act, and all powers granted by this act  
8 shall be broadly interpreted to include any power reasonable and  
9 convenient to effectuate the intent and purposes of this act, and  
10 the language used in this act shall be read as grants of authority  
11 and not as limitations of powers to those expressed or necessarily  
12 implied.





Economic development; local development financing; next Michigan development areas; expand eligibility.  
Economic development: local development financing; Aeronautics: airports

A bill to amend 1986 PA 281, entitled  
"The local development financing act,"  
by amending sections 2, 3, 4, 5, and 12 (MCL 125.2152, 125.2153, 125.2154, 125.2155, and 125.2162), section 2 as amended by 2007 PA 200, sections 3 and 12 as amended by 2000 PA 248, and section 4 as amended by 2005 PA 15, and by adding section 12c.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 2. As used in this act:

2           (a) "Advance" means a transfer of funds made by a municipality  
3 to an authority or to another person on behalf of the authority in  
4 anticipation of repayment by the authority. Evidence of the intent  
5 to repay an advance may include, but is not limited to, an executed  
6 agreement to repay, provisions contained in a tax increment



1 financing plan approved prior to the advance, or a resolution of  
2 the authority or the municipality.

3 (b) "Assessed value" means 1 of the following:

4 (i) For valuations made before January 1, 1995, the state  
5 equalized valuation as determined under the general property tax  
6 act, 1893 PA 206, MCL 211.1 to ~~211.157~~**211.155**.

7 (ii) For valuations made after December 31, 1994, the taxable  
8 value as determined under section 27a of the general property tax  
9 act, 1893 PA 206, MCL 211.27a.

10 (c) "Authority" means a local development finance authority  
11 created pursuant to this act.

12 (d) "Authority district" means an area or areas within which  
13 an authority exercises its powers.

14 (e) "Board" means the governing body of an authority.

15 (f) "Business development area" means an area designated as a  
16 certified industrial park under this act prior to the effective  
17 date of the amendatory act that added this subdivision, or an area  
18 designated in the tax increment financing plan that meets all of  
19 the following requirements:

20 (i) The area is zoned to allow its use for eligible property.

21 (ii) The area has a site plan or plat approved by the city,  
22 village, or township in which the area is located.

23 (g) "Business incubator" means real and personal property that  
24 meets all of the following requirements:

25 (i) Is located in a certified technology park.

26 (ii) Is subject to an agreement under section 12a.

27 (iii) Is developed for the primary purpose of attracting 1 or

1 more owners or tenants who will engage in activities that would  
2 each separately qualify the property as eligible property under  
3 subdivision (p)(iii).

4 (h) "Captured assessed value" means the amount in any 1 year  
5 by which the current assessed value of the eligible property  
6 identified in the tax increment financing plan or, for a certified  
7 technology park **OR A NEXT MICHIGAN DEVELOPMENT AREA**, the real and  
8 personal property included in the tax increment financing plan,  
9 including the current assessed value of property for which specific  
10 local taxes are paid in lieu of property taxes as determined  
11 pursuant to subdivision ~~(ee)~~**(EE)**, exceeds the initial assessed  
12 value. The state tax commission shall prescribe the method for  
13 calculating captured assessed value. **EXCEPT AS OTHERWISE PROVIDED**  
14 **IN THIS ACT, TAX ABATED PROPERTY IN A RENAISSANCE ZONE AS DEFINED**  
15 **UNDER SECTION 3 OF THE MICHIGAN RENAISSANCE ZONE ACT, 1996 PA 376,**  
16 **MCL 125.2683, SHALL BE EXCLUDED FROM THE CALCULATION OF CAPTURED**  
17 **ASSESSED VALUE TO THE EXTENT THAT THE PROPERTY IS EXEMPT FROM AD**  
18 **VALOREM PROPERTY TAXES OR SPECIFIC LOCAL TAXES.**

19 (i) "Certified business park" means a business development  
20 area that has been designated by the Michigan economic development  
21 corporation as meeting criteria established by the Michigan  
22 economic development corporation. The criteria shall establish  
23 standards for business development areas including, but not limited  
24 to, use, types of building materials, landscaping, setbacks,  
25 parking, storage areas, and management.

26 (j) "Certified technology park" means that portion of the  
27 authority district designated by a written agreement entered into

1 pursuant to section 12a between the authority, the municipality,  
2 and the Michigan economic development corporation.

3 (k) "Chief executive officer" means the mayor or city manager  
4 of a city, the president of a village, or, for other local units of  
5 government or school districts, the person charged by law with the  
6 supervision of the functions of the local unit of government or  
7 school district.

8 (l) "Development plan" means that information and those  
9 requirements for a development set forth in section 15.

10 (m) "Development program" means the implementation of a  
11 development plan.

12 (n) "Eligible advance" means an advance made before August 19,  
13 1993.

14 (o) "Eligible obligation" means an obligation issued or  
15 incurred by an authority or by a municipality on behalf of an  
16 authority before August 19, 1993 and its subsequent refunding by a  
17 qualified refunding obligation. Eligible obligation includes an  
18 authority's written agreement entered into before August 19, 1993  
19 to pay an obligation issued after August 18, 1993 and before  
20 December 31, 1996 by another entity on behalf of the authority.

21 (p) "Eligible property" means land improvements, buildings,  
22 structures, and other real property, and machinery, equipment,  
23 furniture, and fixtures, or any part or accessory thereof whether  
24 completed or in the process of construction comprising an  
25 integrated whole, located within an authority district, of which  
26 the primary purpose and use is or will be 1 of the following:

27 (i) The manufacture of goods or materials or the processing of

1 goods or materials by physical or chemical change.

2 (ii) Agricultural processing.

3 (iii) A high technology activity.

4 (iv) The production of energy by the processing of goods or  
5 materials by physical or chemical change by a small power  
6 production facility as defined by the federal energy regulatory  
7 commission pursuant to the public utility regulatory policies act  
8 of 1978, Public Law 95-617, which facility is fueled primarily by  
9 biomass or wood waste. This act does not affect a person's rights  
10 or liabilities under law with respect to groundwater contamination  
11 described in this subparagraph. This subparagraph applies only if  
12 all of the following requirements are met:

13 (A) Tax increment revenues captured from the eligible property  
14 will be used to finance, or will be pledged for debt service on tax  
15 increment bonds used to finance, a public facility in or near the  
16 authority district designed to reduce, eliminate, or prevent the  
17 spread of identified soil and groundwater contamination, pursuant  
18 to law.

19 (B) The board of the authority exercising powers within the  
20 authority district where the eligible property is located adopted  
21 an initial tax increment financing plan between January 1, 1991 and  
22 May 1, 1991.

23 (C) The municipality that created the authority establishes a  
24 special assessment district whereby not less than 50% of the  
25 operating expenses of the public facility described in this  
26 subparagraph will be paid for by special assessments. Not less than  
27 50% of the amount specially assessed against all parcels in the

1 special assessment district shall be assessed against parcels owned  
2 by parties potentially responsible for the identified groundwater  
3 contamination pursuant to law.

4 (v) A business incubator.

5 (vi) **A QUALIFIED ELIGIBLE BUSINESS, AS THAT TERM IS DEFINED IN**  
6 **SECTION 3 OF THE MICHIGAN RENAISSANCE ZONE ACT, 1996 PA 376, MCL**  
7 **125.2683, AND OTHER BUSINESSES WITHIN A NEXT MICHIGAN DEVELOPMENT**  
8 **AREA, BUT ONLY TO THE EXTENT DESIGNATED AS ELIGIBLE PROPERTY WITHIN**  
9 **A DEVELOPMENT PLAN APPROVED BY A NEXT MICHIGAN DEVELOPMENT**  
10 **CORPORATION.**

11 (q) "Fiscal year" means the fiscal year of the authority.

12 (r) "Governing body" means, **EXCEPT AS OTHERWISE PROVIDED IN**  
13 **THIS SUBDIVISION,** the elected body having legislative powers of a  
14 municipality creating an authority under this act. **FOR A NEXT**  
15 **MICHIGAN DEVELOPMENT CORPORATION, GOVERNING BODY MEANS THE**  
16 **EXECUTIVE COMMITTEE OF THE NEXT MICHIGAN DEVELOPMENT CORPORATION,**  
17 **AS PROVIDED IN THE INTERGOVERNMENTAL AGREEMENT OR ARTICLES OF**  
18 **INCORPORATION CREATING THE NEXT MICHIGAN DEVELOPMENT CORPORATION.**

19 (s) "High technology activity" means that term as defined in  
20 section 3 of the Michigan economic growth authority act, 1995 PA  
21 24, MCL 207.803.

22 (t) "Initial assessed value" means the assessed value of the  
23 eligible property identified in the tax increment financing plan  
24 or, for a certified technology park **OR A NEXT MICHIGAN DEVELOPMENT**  
25 **AREA,** the assessed value of any real and personal property included  
26 in the tax increment financing plan, at the time the resolution  
27 establishing the tax increment financing plan is approved as shown

1 by the most recent assessment roll for which equalization has been  
2 completed at the time the resolution is adopted or, for property  
3 that becomes eligible property in other than a certified technology  
4 park after the date the plan is approved, at the time the property  
5 becomes eligible property. Property exempt from taxation at the  
6 time of the determination of the initial assessed value shall be  
7 included as zero. Property for which a specific local tax is paid  
8 in lieu of property tax shall not be considered exempt from  
9 taxation. The initial assessed value of property for which a  
10 specific local tax was paid in lieu of property tax shall be  
11 determined as provided in subdivision ~~(ee)~~-(EE).

12 (u) "Michigan economic development corporation" means the  
13 public body corporate created under section 28 of article VII of  
14 the state constitution of 1963 and the urban cooperation act of  
15 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, by a contractual  
16 interlocal agreement effective April 5, 1999 between local  
17 participating economic development corporations formed under the  
18 economic development corporations act, 1974 PA 338, MCL 125.1601 to  
19 125.1636, and the Michigan strategic fund. If the Michigan economic  
20 development corporation is unable for any reason to perform its  
21 duties under this act, those duties may be exercised by the  
22 Michigan strategic fund.

23 (v) "Michigan strategic fund" means the Michigan strategic  
24 fund as described in the Michigan strategic fund act, 1984 PA 270,  
25 MCL 125.2001 to 125.2094.

26 (w) "Municipality" means a city, village, or urban township.

27 (X) "NEXT MICHIGAN DEVELOPMENT AREA" MEANS A PORTION OF AN

1 AUTHORITY DISTRICT DESIGNATED BY A NEXT MICHIGAN DEVELOPMENT  
2 CORPORATION UNDER SECTION 12C TO WHICH A DEVELOPMENT PLAN IS  
3 APPLICABLE.

4 (Y) "NEXT MICHIGAN DEVELOPMENT CORPORATION" MEANS THAT TERM AS  
5 DEFINED IN SECTION 3 OF THE NEXT MICHIGAN DEVELOPMENT ACT.

6 (Z) ~~(\*)~~ "Obligation" means a written promise to pay, whether  
7 evidenced by a contract, agreement, lease, sublease, bond, or note,  
8 or a requirement to pay imposed by law. An obligation does not  
9 include a payment required solely because of default upon an  
10 obligation, employee salaries, or consideration paid for the use of  
11 municipal offices. An obligation does not include those bonds that  
12 have been economically defeased by refunding bonds issued under  
13 this act. Obligation includes, but is not limited to, the  
14 following:

15 (i) A requirement to pay proceeds derived from ad valorem  
16 property taxes or taxes levied in lieu of ad valorem property  
17 taxes.

18 (ii) A management contract or a contract for professional  
19 services.

20 (iii) A payment required on a contract, agreement, bond, or note  
21 if the requirement to make or assume the payment arose before  
22 August 19, 1993.

23 (iv) A requirement to pay or reimburse a person for the cost of  
24 insurance for, or to maintain, property subject to a lease, land  
25 contract, purchase agreement, or other agreement.

26 (v) A letter of credit, paying agent, transfer agent, bond  
27 registrar, or trustee fee associated with a contract, agreement,



1 bond, or note.

2 **(AA)** ~~(y)~~ "On behalf of an authority", in relation to an  
 3 eligible advance made by a municipality or an eligible obligation  
 4 or other protected obligation issued or incurred by a municipality,  
 5 means in anticipation that an authority would transfer tax  
 6 increment revenues or reimburse the municipality from tax increment  
 7 revenues in an amount sufficient to fully make payment required by  
 8 the eligible advance made by a municipality, or eligible obligation  
 9 or other protected obligation issued or incurred by the  
 10 municipality, if the anticipation of the transfer or receipt of tax  
 11 increment revenues from the authority is pursuant to or evidenced  
 12 by 1 or more of the following:

13 (i) A reimbursement agreement between the municipality and an  
 14 authority it established.

15 (ii) A requirement imposed by law that the authority transfer  
 16 tax increment revenues to the municipality.

17 (iii) A resolution of the authority agreeing to make payments to  
 18 the incorporating unit.

19 (iv) Provisions in a tax increment financing plan describing  
 20 the project for which the obligation was incurred.

21 **(BB)** ~~(z)~~ "Other protected obligation" means:

22 (i) A qualified refunding obligation issued to refund an  
 23 obligation described in subparagraph (ii) or (iii), an obligation that  
 24 is not a qualified refunding obligation that is issued to refund an  
 25 eligible obligation, or a qualified refunding obligation issued to  
 26 refund an obligation described in this subparagraph.

27 (ii) An obligation issued or incurred by an authority or by a

1 municipality on behalf of an authority after August 19, 1993, but  
2 before December 31, 1994, to finance a project described in a tax  
3 increment finance plan approved by the municipality in accordance  
4 with this act before August 19, 1993, for which a contract for  
5 final design is entered into by the municipality or authority  
6 before March 1, 1994.

7 (iii) An obligation incurred by an authority or municipality  
8 after August 19, 1993, to reimburse a party to a development  
9 agreement entered into by a municipality or authority before August  
10 19, 1993, for a project described in a tax increment financing plan  
11 approved in accordance with this act before August 19, 1993, and  
12 undertaken and installed by that party in accordance with the  
13 development agreement.

14 (iv) An ongoing management or professional services contract  
15 with the governing body of a county that was entered into before  
16 March 1, 1994 and that was preceded by a series of limited term  
17 management or professional services contracts with the governing  
18 body of the county, the last of which was entered into before  
19 August 19, 1993.

20 (CC) ~~(aa)~~ "Public facility" means 1 or more of the following:

21 (i) A street, road, bridge, storm water or sanitary sewer,  
22 sewage treatment facility, facility designed to reduce, eliminate,  
23 or prevent the spread of identified soil or groundwater  
24 contamination, drainage system, retention basin, pretreatment  
25 facility, waterway, waterline, water storage facility, rail line,  
26 electric, gas, telephone or other communications, or any other type  
27 of utility line or pipeline, or other similar or related structure

1 or improvement, together with necessary easements for the structure  
2 or improvement. Except for rail lines, utility lines, or pipelines,  
3 the structures or improvements described in this subparagraph shall  
4 be either owned or used by a public agency, functionally connected  
5 to similar or supporting facilities owned or used by a public  
6 agency, or designed and dedicated to use by, for the benefit of, or  
7 for the protection of the health, welfare, or safety of the public  
8 generally, whether or not used by a single business entity. Any  
9 road, street, or bridge shall be continuously open to public  
10 access. A public facility shall be located on public property or in  
11 a public, utility, or transportation easement or right-of-way.

12 (ii) The acquisition and disposal of land that is proposed or  
13 intended to be used in the development of eligible property or an  
14 interest in that land, demolition of structures, site preparation,  
15 and relocation costs.

16 (iii) All administrative and real and personal property  
17 acquisition and disposal costs related to a public facility  
18 described in subparagraphs (i) and (iv), including, but not limited  
19 to, architect's, engineer's, legal, and accounting fees as  
20 permitted by the district's development plan.

21 (iv) An improvement to a facility used by the public or a  
22 public facility as those terms are defined in section 1 of 1966 PA  
23 1, MCL 125.1351, which improvement is made to comply with the  
24 barrier free design requirements of the state construction code  
25 promulgated under the Stille-DeRossett-Hale single state  
26 construction code act, 1972 PA 230, MCL 125.1501 to 125.1531.

27 (v) All of the following costs approved by the Michigan

1 economic development corporation:

2 (A) Operational costs and the costs related to the  
3 acquisition, improvement, preparation, demolition, disposal,  
4 construction, reconstruction, remediation, rehabilitation,  
5 restoration, preservation, maintenance, repair, furnishing, and  
6 equipping of land and other assets that are or may become eligible  
7 for depreciation under the internal revenue code of 1986 for a  
8 business incubator located in a certified technology park.

9 (B) Costs related to the acquisition, improvement,  
10 preparation, demolition, disposal, construction, reconstruction,  
11 remediation, rehabilitation, restoration, preservation,  
12 maintenance, repair, furnishing, and equipping of land and other  
13 assets that, if privately owned, would be eligible for depreciation  
14 under the internal revenue code of 1986 for laboratory facilities,  
15 research and development facilities, conference facilities,  
16 teleconference facilities, testing, training facilities, and  
17 quality control facilities that are or that support eligible  
18 property under subdivision (p)(iii), that are owned by a public  
19 entity, and that are located within a certified technology park.

20 (vi) Operating and planning costs included in a plan pursuant  
21 to section 12(1)(f), including costs of marketing property within  
22 the district and attracting development of eligible property within  
23 the district.

24 **(DD)** ~~(bb)~~—"Qualified refunding obligation" means an obligation  
25 issued or incurred by an authority or by a municipality on behalf  
26 of an authority to refund an obligation if the refunding obligation  
27 meets both of the following:

1 (i) The net present value of the principal and interest to be  
 2 paid on the refunding obligation, including the cost of issuance,  
 3 will be less than the net present value of the principal and  
 4 interest to be paid on the obligation being refunded, as calculated  
 5 using a method approved by the department of treasury.

6 (ii) The net present value of the sum of the tax increment  
 7 revenues described in subdivision ~~(ee)(ii)~~ **(GG)(ii)** and the  
 8 distributions under section 11a to repay the refunding obligation  
 9 will not be greater than the net present value of the sum of the  
 10 tax increment revenues described in subdivision ~~(ee)(ii)~~ **(GG)(ii)** and  
 11 the distributions under section 11a to repay the obligation being  
 12 refunded, as calculated using a method approved by the department  
 13 of treasury.

14 **(EE)** ~~(ee)~~ "Specific local taxes" means a tax levied under 1974  
 15 PA 198, MCL 207.551 to 207.572, the obsolete property  
 16 rehabilitation act, 2000 PA 146, MCL 125.2781 to 125.2797, the  
 17 commercial redevelopment act, 1978 PA 255, MCL 207.651 to 207.668,  
 18 the enterprise zone act, 1985 PA 224, MCL 125.2101 to 125.2123,  
 19 1953 PA 189, MCL 211.181 to 211.182, and the technology park  
 20 development act, 1984 PA 385, MCL 207.701 to 207.718. The initial  
 21 assessed value or current assessed value of property subject to a  
 22 specific local tax is the quotient of the specific local tax paid  
 23 divided by the ad valorem millage rate. However, after 1993, the  
 24 state tax commission shall prescribe the method for calculating the  
 25 initial assessed value and current assessed value of property for  
 26 which a specific local tax was paid in lieu of a property tax.

27 **(FF)** ~~(dd)~~ "State fiscal year" means the annual period

1 commencing October 1 of each year.

2 (GG) ~~(ee)~~—"Tax increment revenues" means the amount of ad  
3 valorem property taxes and specific local taxes attributable to the  
4 application of the levy of all taxing jurisdictions upon the  
5 captured assessed value of eligible property within the district  
6 or, for purposes of a certified technology park **OR A NEXT MICHIGAN**  
7 **DEVELOPMENT AREA**, real or personal property that is located within  
8 the certified technology park **OR A NEXT MICHIGAN DEVELOPMENT AREA**  
9 and included within the tax increment financing plan, subject to  
10 the following requirements:

11 (i) Tax increment revenues include ad valorem property taxes  
12 and specific local taxes attributable to the application of the  
13 levy of all taxing jurisdictions, other than the state pursuant to  
14 the state education tax act, 1993 PA 331, MCL 211.901 to 211.906,  
15 and local or intermediate school districts, upon the captured  
16 assessed value of real and personal property in the development  
17 area for any purpose authorized by this act.

18 (ii) Tax increment revenues include ad valorem property taxes  
19 and specific local taxes attributable to the application of the  
20 levy of the state pursuant to the state education tax act, 1993 PA  
21 331, MCL 211.901 to 211.906, and local or intermediate school  
22 districts upon the captured assessed value of real and personal  
23 property in the development area in an amount equal to the amount  
24 necessary, without regard to subparagraph (i), for the following  
25 purposes:

26 (A) To repay eligible advances, eligible obligations, and  
27 other protected obligations.



1 (B) To fund or to repay an advance or obligation issued by or  
2 on behalf of an authority to fund the cost of public facilities  
3 related to or for the benefit of eligible property located within a  
4 certified technology park to the extent the public facilities have  
5 been included in an agreement under section 12a(3), not to exceed  
6 50%, as determined by the state treasurer, of the amounts levied by  
7 the state pursuant to the state education tax act, 1993 PA 331, MCL  
8 211.901 to 211.906, and local and intermediate school districts for  
9 a period not to exceed 15 years, as determined by the state  
10 treasurer, if the state treasurer determines that the capture under  
11 this subparagraph is necessary to reduce unemployment, promote  
12 economic growth, and increase capital investment in the  
13 municipality.

14 (C) TO FUND THE COST OF PUBLIC FACILITIES RELATED TO OR FOR  
15 THE BENEFIT OF ELIGIBLE PROPERTY LOCATED WITHIN A NEXT MICHIGAN  
16 DEVELOPMENT AREA TO THE EXTENT THAT THE PUBLIC FACILITIES HAVE BEEN  
17 INCLUDED IN A DEVELOPMENT PLAN, NOT TO EXCEED 50%, AS DETERMINED BY  
18 THE STATE TREASURER, OF THE AMOUNTS LEVIED BY THE STATE PURSUANT TO  
19 THE STATE EDUCATION TAX ACT, 1993 PA 331, MCL 211.901 TO 211.906,  
20 AND LOCAL AND INTERMEDIATE SCHOOL DISTRICTS FOR A PERIOD NOT TO  
21 EXCEED 15 YEARS, AS DETERMINED BY THE STATE TREASURER, IF THE STATE  
22 TREASURER DETERMINES THAT THE CAPTURE UNDER THIS SUB-SUBPARAGRAPH  
23 IS NECESSARY TO REDUCE UNEMPLOYMENT, PROMOTE ECONOMIC GROWTH, AND  
24 INCREASE CAPITAL INVESTMENT IN THE AUTHORITY DISTRICT.

25 (iii) Tax increment revenues do not include any of the  
26 following:

27 (A) Ad valorem property taxes or specific local taxes that are

1 excluded from and not made part of the tax increment financing  
2 plan.

3 (B) Ad valorem property taxes and specific local taxes  
4 attributable to ad valorem property taxes excluded by the tax  
5 increment financing plan of the authority from the determination of  
6 the amount of tax increment revenues to be transmitted to the  
7 authority.

8 (C) Ad valorem property taxes exempted from capture under  
9 section 4(3) or specific local taxes attributable to such ad  
10 valorem property taxes.

11 (D) Ad valorem property taxes specifically levied for the  
12 payment of principal and interest of obligations approved by the  
13 electors or obligations pledging the unlimited taxing power of the  
14 local governmental unit or specific local taxes attributable to  
15 such ad valorem property taxes.

16 (E) The amount of ad valorem property taxes or specific taxes  
17 captured by a downtown development authority under 1975 PA 197, MCL  
18 125.1651 to 125.1681, tax increment financing authority under the  
19 tax increment finance authority act, 1980 PA 450, MCL 125.1801 to  
20 125.1830, or brownfield redevelopment authority under the  
21 brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651  
22 to 125.2672, if those taxes were captured by these other  
23 authorities on the date that the initial assessed value of a parcel  
24 of property was established under this act.

25 (iv) The amount of tax increment revenues authorized to be  
26 included under subparagraph (ii), and required to be transmitted to  
27 the authority under section 13(1), from ad valorem property taxes



1 and specific local taxes attributable to the application of the  
2 levy of the state education tax act, 1993 PA 331, MCL 211.901 to  
3 211.906, or a local school district or an intermediate school  
4 district upon the captured assessed value of real and personal  
5 property in a development area shall be determined separately for  
6 the levy by the state, each school district, and each intermediate  
7 school district as the product of sub-subparagraphs (A) and (B):

8 (A) The percentage that the total ad valorem taxes and  
9 specific local taxes available for distribution by law to the  
10 state, local school district, or intermediate school district,  
11 respectively, bears to the aggregate amount of ad valorem millage  
12 taxes and specific taxes available for distribution by law to the  
13 state, each local school district, and each intermediate school  
14 district.

15 (B) The maximum amount of ad valorem property taxes and  
16 specific local taxes considered tax increment revenues under  
17 subparagraph (ii).

18 **(HH)** ~~(ff)~~—"Urban township" means a township that meets 1 or  
19 more of the following:

20 (i) Meets all of the following requirements:

21 (A) Has a population of 20,000 or more, or has a population of  
22 10,000 or more but is located in a county with a population of  
23 400,000 or more.

24 (B) Adopted a master zoning plan before February 1, 1987.

25 (C) Provides sewer, water, and other public services to all or  
26 a part of the township.

27 (ii) Meets all of the following requirements:



1 (A) Has a population of less than 20,000.

2 (B) Is located in a county with a population of 250,000 or  
3 more but less than 400,000, and that county is located in a  
4 metropolitan statistical area.

5 (C) Has within its boundaries a parcel of property under  
6 common ownership that is 800 acres or larger and is capable of  
7 being served by a railroad, and located within 3 miles of a limited  
8 access highway.

9 (D) Establishes an authority before December 31, 1998.

10 (iii) Meets all of the following requirements:

11 (A) Has a population of less than 20,000.

12 (B) Has a state equalized valuation for all real and personal  
13 property located in the township of more than \$200,000,000.00.

14 (C) Adopted a master zoning plan before February 1, 1987.

15 (D) Is a charter township under the charter township act, 1947  
16 PA 359, MCL 42.1 to 42.34.

17 (E) Has within its boundaries a combination of parcels under  
18 common ownership that is 800 acres or larger, is immediately  
19 adjacent to a limited access highway, is capable of being served by  
20 a railroad, and is immediately adjacent to an existing sewer line.

21 (F) Establishes an authority before March 1, 1999.

22 (iv) Meets all of the following requirements:

23 (A) Has a population of 13,000 or more.

24 (B) Is located in a county with a population of 150,000 or  
25 more.

26 (C) Adopted a master zoning plan before February 1, 1987.

27 (v) Meets all of the following requirements:

1 (A) Is located in a county with a population of 1,000,000 or  
2 more.

3 (B) Has a written agreement with an adjoining township to  
4 develop 1 or more public facilities on contiguous property located  
5 in both townships.

6 (C) Has a master plan in effect.

7 (vi) Meets all of the following requirements:

8 (A) Has a population of less than 10,000.

9 (B) Has a state equalized valuation for all real and personal  
10 property located in the township of more than \$280,000,000.00.

11 (C) Adopted a master zoning plan before February 1, 1987.

12 (D) Has within its boundaries a combination of parcels under  
13 common ownership that is 199 acres or larger, is located within 1  
14 mile of a limited access highway, and is located within 1 mile of  
15 an existing sewer line.

16 (E) Has rail service.

17 (F) Establishes an authority before May 7, 2009.

18 Sec. 3. (1) Except as otherwise provided by subsection (2), a  
19 municipality may establish not more than 1 authority under the  
20 provisions of this act. An authority established under this  
21 subsection shall exercise its powers in all authority districts.

22 (2) In addition to an authority established under subsection  
23 (1), a municipality may join with 1 or more other municipality  
24 located within the same county to establish an authority under this  
25 act. An authority created under this subsection may only exercise  
26 its powers in a certified technology park designated in an  
27 agreement made under section 12a. A municipality shall not

1 establish more than 1 authority under this subsection.

2 (3) A NEXT MICHIGAN DEVELOPMENT CORPORATION MAY ESTABLISH NOT  
3 MORE THAN 1 AUTHORITY UNDER THE PROVISIONS OF THIS ACT. AN  
4 AUTHORITY ESTABLISHED UNDER THIS SUBSECTION SHALL EXERCISE ITS  
5 POWERS WITHIN ITS AUTHORITY DISTRICT AND IN ALL NEXT MICHIGAN  
6 DEVELOPMENT AREAS. THE AUTHORITY DISTRICT IN WHICH THE AUTHORITY  
7 MAY EXERCISE ITS POWERS SHALL INCLUDE ALL OR PART OF THE TERRITORY  
8 OF A NEXT MICHIGAN DEVELOPMENT CORPORATION, AS DETERMINED BY THE  
9 GOVERNING BODY OF THE NEXT MICHIGAN DEVELOPMENT CORPORATION.

10 (4) ~~(3)~~—The authority shall be a public body corporate which  
11 may sue and be sued in any court of this state. The authority  
12 possesses all the powers necessary to carry out the purpose of its  
13 incorporation. The enumeration of a power in this act shall not be  
14 construed as a limitation upon the general powers of the authority.  
15 The powers granted in this act to an authority may be exercised  
16 notwithstanding that bonds are not issued by the authority.

17 Sec. 4. (1) The governing body of a municipality may declare  
18 by resolution adopted by a majority of its members elected and  
19 serving its intention to create and provide for the operation of an  
20 authority.

21 (2) In the resolution of intent, the governing body proposing  
22 to create the authority shall set a date for holding a public  
23 hearing on the adoption of a proposed resolution creating the  
24 authority and designating the boundaries of the authority district  
25 or districts. Notice of the public hearing shall be published twice  
26 in a newspaper of general circulation in the municipality, not less  
27 than 20 nor more than 40 days before the date of the hearing. ~~Not~~

1 **EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (8), NOT** less than 20  
2 days before the hearing, the governing body proposing to create the  
3 authority shall also mail notice of the hearing to the property  
4 taxpayers of record in a proposed authority district and, for a  
5 public hearing to be held after February 15, 1994, to the governing  
6 body of each taxing jurisdiction levying taxes that would be  
7 subject to capture if the authority is established and a tax  
8 increment financing plan is approved. Beginning June 1, 2005, the  
9 notice of hearing within the time frame described in this  
10 subsection shall be mailed by certified mail to the governing body  
11 of each taxing jurisdiction levying taxes that would be subject to  
12 capture if the authority is established and a tax increment  
13 financing plan is approved. Failure of a property taxpayer to  
14 receive the notice shall not invalidate these proceedings. The  
15 notice shall state the date, time, and place of the hearing, and  
16 shall describe the boundaries of the proposed authority district or  
17 districts. At that hearing, a resident, taxpayer, or property owner  
18 from a taxing jurisdiction in which the proposed district is  
19 located or an official from a taxing jurisdiction with millage that  
20 would be subject to capture has the right to be heard in regard to  
21 the establishment of the authority and the boundaries of that  
22 proposed authority district. The governing body of the municipality  
23 in which a proposed district is to be located shall not incorporate  
24 land into an authority district not included in the description  
25 contained in the notice of public hearing, but it may eliminate  
26 lands described in the notice of public hearing from an authority  
27 district in the final determination of the boundaries.



1           (3) ~~Not~~ **EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (8), NOT**  
2 more than 60 days after a public hearing held after February 15,  
3 1994, the governing body of a taxing jurisdiction with millage that  
4 would otherwise be subject to capture may exempt its taxes from  
5 capture by adopting a resolution to that effect and filing a copy  
6 with the clerk of the municipality proposing to create the  
7 authority. However, a resolution by a governing body of a taxing  
8 jurisdiction to exempt its taxes from capture is not effective for  
9 the capture of taxes that are used for a certified technology park.  
10 The resolution takes effect when filed with that clerk and remains  
11 effective until a copy of a resolution rescinding that resolution  
12 is filed with that clerk.

13           (4) ~~Not~~ **EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (8), NOT**  
14 less than 60 days after the public hearing, if the governing body  
15 creating the authority intends to proceed with the establishment of  
16 the authority, it shall adopt, by majority vote of its members  
17 elected and serving, a resolution establishing the authority and  
18 designating the boundaries of the authority district or districts  
19 within which the authority shall exercise its powers. The adoption  
20 of the resolution is subject to any applicable statutory or charter  
21 provisions with respect to the approval or disapproval of  
22 resolutions by the chief executive officer of the municipality and  
23 the adoption of a resolution over his or her veto. This resolution  
24 shall be filed with the secretary of state promptly after its  
25 adoption and shall be published at least once in a newspaper of  
26 general circulation in the municipality.

27           (5) The governing body may alter or amend the boundaries of an

1 authority district to include or exclude lands from that authority  
2 district or create new authority districts pursuant to the same  
3 requirements prescribed for adopting the resolution creating the  
4 authority.

5 (6) The validity of the proceedings establishing an authority  
6 shall be conclusive unless contested in a court of competent  
7 jurisdiction within 60 days after the last of the following takes  
8 place:

9 (a) Publication of the resolution creating the authority as  
10 adopted.

11 (b) Filing of the resolution creating the authority with the  
12 secretary of state.

13 (7) Except as otherwise provided by this subsection, if 2 or  
14 more municipalities desire to establish an authority under section  
15 3(2), each municipality in which the authority district will be  
16 located shall comply with the procedures prescribed by this act.  
17 The notice required by subsection (2) may be published jointly by  
18 the municipalities establishing the authority. The resolutions  
19 establishing the authority shall include, or shall approve an  
20 agreement including, provisions governing the number of members on  
21 the board, the method of appointment, the members to be represented  
22 by governmental units or agencies, the terms of initial and  
23 subsequent appointments to the board, the manner in which a member  
24 of the board may be removed for cause before the expiration of his  
25 or her term, the manner in which the authority may be dissolved,  
26 and the disposition of assets upon dissolution. An authority  
27 described in this subsection shall not be considered established

1 unless all of the following conditions are satisfied:

2 (a) A resolution is approved and filed with the secretary of  
3 state by each municipality in which the authority district will be  
4 located.

5 (b) The same boundaries have been approved for the authority  
6 district by the governing body of each municipality in which the  
7 authority district will be located.

8 (c) The governing body of the county in which a majority of  
9 the authority district will be located has approved by resolution  
10 the creation of the authority.

11 (8) FOR AN AUTHORITY CREATED UNDER SECTION 3(3), EXCEPT AS  
12 OTHERWISE PROVIDED BY THIS SUBSECTION, THE NEXT MICHIGAN  
13 DEVELOPMENT CORPORATION SHALL COMPLY WITH THE PROCEDURES PRESCRIBED  
14 FOR A MUNICIPALITY BY SUBSECTIONS (1) AND (2) AND THIS SUBSECTION.  
15 THE PROVISIONS OF SUBSECTIONS (3) AND (4) SHALL NOT APPLY TO AN  
16 AUTHORITY EXERCISING ITS POWERS UNDER SECTION 3(3). THE NOTICE  
17 REQUIRED BY SUBSECTION (2) MAY BE PUBLISHED BY THE NEXT MICHIGAN  
18 DEVELOPMENT CORPORATION IN A NEWSPAPER OR NEWSPAPERS OF GENERAL  
19 CIRCULATION WITHIN THE MUNICIPALITIES WHICH ARE CONSTITUENT MEMBERS  
20 OF THE NEXT MICHIGAN DEVELOPMENT CORPORATION, AND NOTICE SHALL NOT  
21 BE REQUIRED TO BE MAILED TO THE PROPERTY TAXPAYERS OF RECORD IN THE  
22 PROPOSED AUTHORITY DISTRICT. THE GOVERNING BODY OF THE NEXT  
23 MICHIGAN DEVELOPMENT CORPORATION SHALL BE THE GOVERNING BODY OF THE  
24 AUTHORITY. A TAXING JURISDICTION LEVYING AD VALOREM TAXES WITHIN  
25 THE AUTHORITY DISTRICT THAT WOULD OTHERWISE BE SUBJECT TO CAPTURE  
26 WHICH IS NOT A PARTY TO THE INTERGOVERNMENTAL AGREEMENT MAY EXEMPT  
27 ITS TAXES FROM CAPTURE BY ADOPTING A RESOLUTION TO THAT EFFECT AND



1 FILING A COPY NOT MORE THAN 60 DAYS AFTER THE PUBLIC HEARING WITH  
2 THE RECORDING OFFICER OF THE NEXT MICHIGAN DEVELOPMENT CORPORATION.  
3 THE NEXT MICHIGAN DEVELOPMENT CORPORATION SHALL MAIL NOTICE OF THE  
4 PUBLIC HEARING TO THE GOVERNING BODY OF EACH TAXING JURISDICTION  
5 WHICH IS NOT A PARTY TO THE INTERGOVERNMENTAL AGREEMENT NOT LESS  
6 THAN 20 DAYS BEFORE THE HEARING. FOLLOWING THE PUBLIC HEARING, THE  
7 GOVERNING BODY OF THE NEXT MICHIGAN DEVELOPMENT CORPORATION SHALL  
8 ADOPT A RESOLUTION DESIGNATING THE BOUNDARIES OF THE AUTHORITY  
9 DISTRICT WITHIN WHICH THE AUTHORITY SHALL EXERCISE ITS POWERS,  
10 WHICH MAY INCLUDE ANY CERTIFIED TECHNOLOGY PARK WITHIN THE PROPOSED  
11 AUTHORITY DISTRICT IN ACCORDANCE WITH THIS SUBSECTION AND MAY  
12 INCLUDE PROPERTY ADJACENT TO OR WITHIN 1,500 FEET OF A ROAD  
13 CLASSIFIED AS AN ARTERIAL OR COLLECTOR ACCORDING TO THE FEDERAL  
14 HIGHWAY ADMINISTRATION MANUAL "HIGHWAY FUNCTIONAL CLASSIFICATION -  
15 CONCEPTS, CRITERIA AND PROCEDURES" OR OF ANOTHER ROAD IN THE  
16 DISCRETION OF THE NEXT MICHIGAN DEVELOPMENT CORPORATION, AND  
17 PROPERTY ADJACENT TO THAT PROPERTY WITHIN THE TERRITORY OF THE NEXT  
18 MICHIGAN DEVELOPMENT CORPORATION, AS PROVIDED IN THE RESOLUTION.  
19 THE RESOLUTION SHALL BE EFFECTIVE WHEN ADOPTED, SHALL BE FILED WITH  
20 THE SECRETARY OF STATE AND THE PRESIDENT OF THE MICHIGAN STRATEGIC  
21 FUND PROMPTLY AFTER ITS ADOPTION, AND SHALL BE PUBLISHED AT LEAST  
22 ONCE IN A NEWSPAPER OF GENERAL CIRCULATION IN THE TERRITORY OF THE  
23 NEXT MICHIGAN DEVELOPMENT CORPORATION. IF AN AUTHORITY DISTRICT  
24 DESIGNATED UNDER THIS SUBSECTION INCLUDES A CERTIFIED TECHNOLOGY  
25 PARK WHICH IS WITHIN THE AUTHORITY DISTRICT OF ANOTHER AUTHORITY  
26 AND WHICH IS SUBJECT TO AN EXISTING DEVELOPMENT PLAN OR TAX  
27 INCREMENT FINANCING PLAN, THEN THAT CERTIFIED TECHNOLOGY PARK MAY



1 BE CONSIDERED TO BE UNDER THE JURISDICTION OF THE AUTHORITY  
2 ESTABLISHED UNDER SECTION 3(3) IF SO PROVIDED IN THE RESOLUTION OF  
3 THE AUTHORITY ESTABLISHED UNDER SECTION 3(3) AND IF APPROVED BY  
4 RESOLUTION OF THE GOVERNING BODY OF THE MUNICIPALITY WHICH CREATED  
5 THE OTHER AUTHORITY, AND BY THE PRESIDENT OF THE MICHIGAN STRATEGIC  
6 FUND. IF SO PROVIDED AND APPROVED, THEN THE DEVELOPMENT PLAN AND  
7 TAX INCREMENT FINANCING PLAN APPLICABLE TO THE CERTIFIED TECHNOLOGY  
8 PARK, INCLUDING ALL ASSETS AND OBLIGATIONS UNDER THE PLANS, SHALL  
9 BE CONSIDERED ASSIGNED AND TRANSFERRED FROM THE OTHER AUTHORITY TO  
10 THE AUTHORITY CREATED UNDER SECTION 3(3), AND THE INITIAL ASSESSED  
11 VALUE OF THE CERTIFIED TECHNOLOGY PARK PRIOR TO THE TRANSFER SHALL  
12 REMAIN THE INITIAL ASSESSED VALUE OF THE CERTIFIED TECHNOLOGY PARK  
13 FOLLOWING THE TRANSFER. THE TRANSFER SHALL BE EFFECTIVE AS OF THE  
14 LATER OF THE EFFECTIVE DATE OF THE RESOLUTION OF THE AUTHORITY  
15 ESTABLISHED UNDER SECTION 3(3), THE RESOLUTION APPROVED BY THE  
16 GOVERNING BODY OF THE MUNICIPALITY WHICH CREATED THE OTHER  
17 AUTHORITY, AND THE APPROVAL OF THE PRESIDENT OF THE MICHIGAN  
18 STRATEGIC FUND.

19       Sec. 5. (1) The authority shall be under the supervision and  
20 control of a board of 7 members appointed by the chief executive  
21 officer of the city, village, or urban township creating the  
22 authority subject to the approval of the governing body creating  
23 the authority. The board shall include 1 member appointed by the  
24 county board of commissioners of the county in which the authority  
25 is located. The board shall include 1 member representing a  
26 community or junior college in whose district the authority is  
27 located appointed by the chief executive officer of that community

1 or junior college. The board shall also include 2 members appointed  
2 by the chief executive officer of each local governmental unit,  
3 other than the city, village, or urban township creating the  
4 authority, which levied 20% or more of the ad valorem property  
5 taxes levied against all property located in an authority district  
6 in the year before the year in which the authority district is  
7 established. However, those additional members shall only vote on  
8 matters relating to authority districts located within their  
9 respective local unit of government. Of the members first  
10 appointed, an equal number, as near as possible, shall have terms  
11 designated by the governing body creating the authority of 1 year,  
12 2 years, 3 years, and 4 years. However, a member shall hold office  
13 until the member's successor is appointed. After the first  
14 appointment, each member shall serve for a term of 4 years. An  
15 appointment to fill a vacancy shall be made in the same manner as  
16 the original appointment. An appointment to fill an unexpired term  
17 shall be for the unexpired portion of the term only. Members of the  
18 board shall serve without compensation, but shall be reimbursed for  
19 actual and necessary expenses.

20 (2) The chairperson of the board shall be elected by the  
21 board.

22 (3) Before assuming the duties of office, a member shall  
23 qualify by taking and subscribing to the constitutional oath of  
24 office.

25 (4) The board shall adopt rules governing its procedure and  
26 the holding of regular meetings, subject to the approval of the  
27 governing body. Special meetings may be held when called in the

1 manner provided in the rules of the board. Meetings of the board  
2 shall be open to the public, in accordance with the open meetings  
3 act, ~~Act No. 267 of the Public Acts of 1976, being sections 15.261~~  
4 ~~to 15.275 of the Michigan Compiled Laws 1976 PA 267, MCL 15.261 TO~~  
5 **15.275.**

6 (5) Subject to notice and an opportunity to be heard, a member  
7 of the board may be removed before the expiration of his or her  
8 term for cause by the governing body. Removal of a member is  
9 subject to review by the circuit court.

10 (6) All expense items of the authority shall be publicized  
11 annually and the financial records shall be open to the public  
12 pursuant to the freedom of information act, ~~Act No. 442 of the~~  
13 ~~Public Acts of 1976, being sections 15.231 to 15.246 of the~~  
14 ~~Michigan Compiled Laws 1976 PA 442, MCL 15.231 TO 15.246.~~

15 **(7) THE PROVISIONS OF SUBSECTIONS (1) AND (5) OF THIS SECTION**  
16 **SHALL NOT APPLY TO AN AUTHORITY EXERCISING ITS POWERS UNDER SECTION**  
17 **3(3).**

18 Sec. 12. (1) If the board determines that it is necessary for  
19 the achievement of the purposes of this act, the board shall  
20 prepare and submit a tax increment financing plan to the governing  
21 body. The plan shall be in compliance with section 13 and shall  
22 include a development plan as provided in section 15. The plan  
23 shall also contain the following:

24 (a) A statement of the reasons that the plan will result in  
25 the development of captured assessed value that could not otherwise  
26 be expected. The reasons may include, but are not limited to,  
27 activities of the municipality, authority, or others undertaken

1 before formulation or adoption of the plan in reasonable  
2 anticipation that the objectives of the plan would be achieved by  
3 some means.

4 (b) An estimate of the captured assessed value for each year  
5 of the plan. The plan may provide for the use of part or all of the  
6 captured assessed value or, subject to subsection (3), of the tax  
7 increment revenues attributable to the levy of any taxing  
8 jurisdiction, but the portion intended to be used shall be clearly  
9 stated in the plan. The board or the municipality creating the  
10 authority may exclude from captured assessed value a percentage of  
11 captured assessed value as specified in the plan or growth in  
12 property value resulting solely from inflation. If excluded, the  
13 plan shall set forth the method for excluding growth in property  
14 value resulting solely from inflation.

15 (c) The estimated tax increment revenues for each year of the  
16 plan.

17 (d) A detailed explanation of the tax increment procedure.

18 (e) The maximum amount of note or bonded indebtedness to be  
19 incurred, if any.

20 (f) The amount of operating and planning expenditures of the  
21 authority and municipality, the amount of advances extended by or  
22 indebtedness incurred by the municipality, and the amount of  
23 advances by others to be repaid from tax increment revenues.

24 (g) The costs of the plan anticipated to be paid from tax  
25 increment revenues as received.

26 (h) The duration of the development plan and the tax increment  
27 plan.

1 (i) An estimate of the impact of tax increment financing on  
2 the revenues of all taxing jurisdictions in which the eligible  
3 property is or is anticipated to be located.

4 (j) A legal description of the eligible property to which the  
5 tax increment financing plan applies or shall apply upon  
6 qualification as eligible property.

7 (k) An estimate of the number of jobs to be created as a  
8 result of implementation of the tax increment financing plan.

9 (l) The proposed boundaries of a certified technology park to  
10 be created under an agreement proposed to be entered into pursuant  
11 to section 12a **OR OF A NEXT MICHIGAN DEVELOPMENT AREA DESIGNATED**  
12 **UNDER SECTION 12C**, an identification of the real property within  
13 the certified technology park **OR THE NEXT MICHIGAN DEVELOPMENT AREA**  
14 to be included in the tax increment financing plan for purposes of  
15 determining tax increment revenues, and whether personal property  
16 located in the certified technology park **OR THE NEXT MICHIGAN**  
17 **DEVELOPMENT AREA** is exempt from determining tax increment revenues.

18 (2) Except as provided in subsection (7), a tax increment  
19 financing plan shall provide for the use of tax increment revenues  
20 for public facilities for eligible property whose captured assessed  
21 value produces the tax increment revenues or, to the extent the  
22 eligible property is located within a business development area **OR**  
23 **A NEXT MICHIGAN DEVELOPMENT AREA**, for other eligible property  
24 located in the business development area **OR THE NEXT MICHIGAN**  
25 **DEVELOPMENT AREA**. Public facilities for eligible property include  
26 the development or improvement of access to and around, or within  
27 the eligible property, of road facilities reasonably required by

1 traffic flow to be generated by the eligible property, and the  
2 development or improvement of public facilities that are necessary  
3 to service the eligible property, whether or not located on that  
4 eligible property. If the eligible property identified in the tax  
5 increment financing plan is property to which section 2(p)(iv)  
6 applies, the tax increment financing plan shall not provide for the  
7 use of tax increment revenues for public facilities other than  
8 those described in the development plan as of April 1, 1991.  
9 Whether or not provided in the tax increment financing plan, if the  
10 eligible property identified in the tax increment financing plan is  
11 property to which section 2(p)(iv) applies, then to the extent that  
12 captured tax increment revenues are utilized for the costs of  
13 cleanup of identified soil and groundwater contamination, the  
14 captured tax increment revenues shall be first credited against the  
15 shares of responsibility for the total costs of cleanup of  
16 uncollectible parties who are responsible for the identified soil  
17 and groundwater contamination pursuant to law, and then shall be  
18 credited on a pro rata basis against the shares of responsibility  
19 for the total costs of cleanup of other parties who are responsible  
20 for the identified soil and groundwater contamination pursuant to  
21 law.

22 (3) The percentage of taxes levied for school operating  
23 purposes that is captured and used by the tax increment financing  
24 plan and the tax increment financing plans under 1975 PA 197, MCL  
25 125.1651 to 125.1681, the tax increment finance authority act, 1980  
26 PA 450, MCL 125.1801 to 125.1830, and the brownfield redevelopment  
27 financing act, 1996 PA 381, MCL 125.2651 to 125.2672, shall not be

1 greater than the percentage capture and use of taxes levied by a  
2 municipality or county for operating purposes under the tax  
3 increment financing plan and tax increment financing plans under  
4 1975 PA 197, MCL 125.1651 to 125.1681, the tax increment finance  
5 authority act, 1980 PA 450, MCL 125.1801 to 125.1830, and the  
6 brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651  
7 to 125.2672. For purposes of the previous sentence, taxes levied by  
8 a county for operating purposes include only millage allocated for  
9 county or charter county purposes under the property tax limitation  
10 act, 1933 PA 62, MCL 211.201 to 211.217a.

11 (4) Except as otherwise provided by this subsection, approval  
12 of the tax increment financing plan shall be in accordance with the  
13 notice, hearing, disclosure, and approval provisions of sections 16  
14 and 17. If the development plan is part of the tax increment  
15 financing plan, only 1 hearing and approval procedure is required  
16 for the 2 plans together. For a plan submitted by an authority  
17 established by 2 or more municipalities under sections 3(2) and  
18 **4(7) OR BY AN AUTHORITY ESTABLISHED BY A NEXT MICHIGAN DEVELOPMENT**  
19 **CORPORATION UNDER SECTIONS 3(3) AND 4(8)**, the notice required by  
20 section 16 may be published jointly by the municipalities in which  
21 the authority district is located **OR BY THE NEXT MICHIGAN**  
22 **DEVELOPMENT CORPORATION.** ~~The~~ **FOR A PLAN SUBMITTED BY AN AUTHORITY**  
23 **EXERCISING ITS POWERS UNDER SECTIONS 3(2) AND 4(7), THE** plan shall  
24 not be considered approved unless each governing body in which the  
25 authority district is located makes the determinations required by  
26 section 17 and approves the same plan, including the same  
27 modifications, if any, made to the plan by any other governing



1 body. A PLAN SUBMITTED BY AN AUTHORITY EXERCISING ITS POWERS UNDER  
2 SECTIONS 3(3) AND 4(8) SHALL BE APPROVED IF THE GOVERNING BODY OF  
3 THE NEXT MICHIGAN DEVELOPMENT CORPORATION MAKES THE DETERMINATIONS  
4 REQUIRED BY SECTION 17.

5 (5) Before the public hearing on the tax increment financing  
6 plan, the governing body shall provide a reasonable opportunity to  
7 the taxing jurisdictions levying taxes subject to capture to  
8 express their views and recommendations regarding the tax increment  
9 financing plan. The authority shall fully inform the taxing  
10 jurisdictions about the fiscal and economic implications of the  
11 proposed tax increment financing plan. The taxing jurisdictions may  
12 present their recommendations at the public hearing on the tax  
13 increment financing plan. The authority may enter into agreements  
14 with the taxing jurisdictions and the governing body of the  
15 municipality in which the authority district is located to share a  
16 portion of the captured assessed value of the district or to  
17 distribute tax increment revenues among taxing jurisdictions. Upon  
18 adoption of the plan, the collection and transmission of the amount  
19 of tax increment revenues, as specified in this act, shall be  
20 binding on all taxing units levying ad valorem property taxes or  
21 specific local taxes against property located in the authority  
22 district.

23 (6) Property qualified as a public facility under section  
24 ~~2(aa)(ii)~~ **2(CC)(ii)** that is acquired by an authority may be sold,  
25 conveyed, or otherwise disposed to any person, public or private,  
26 for fair market value or reasonable monetary consideration  
27 established by the authority with the concurrence of the Michigan

1 economic development corporation and the municipality in which the  
2 eligible property is located based on a fair market value appraisal  
3 from a fee appraiser only if the property is sold for fair market  
4 value. Unless the property acquired by an authority was located  
5 within a certified business park, ~~or~~ a certified technology park,  
6 **OR A NEXT MICHIGAN DEVELOPMENT AREA** at the time of disposition, an  
7 authority shall remit all monetary proceeds received from the sale  
8 or disposition of property that qualified as a public facility  
9 under section ~~2(aa)(ii)~~ **2(CC)(ii)** and was purchased with tax  
10 increment revenues to the taxing jurisdictions. Proceeds  
11 distributed to taxing jurisdictions shall be remitted in proportion  
12 to the amount of tax increment revenues attributable to each taxing  
13 jurisdiction in the year the property was acquired. If the property  
14 was acquired in part with funds other than tax increment revenues,  
15 only that portion of the monetary proceeds received upon  
16 disposition that represent the proportion of the cost of  
17 acquisition paid with tax increment revenues is required to be  
18 remitted to taxing jurisdictions. If the property is located within  
19 a certified business park, ~~or~~ **A** certified technology park, **OR A**  
20 **NEXT MICHIGAN DEVELOPMENT AREA** at the time of disposition, the  
21 monetary proceeds received from the sale or disposition of that  
22 property may be retained by the authority for any purpose necessary  
23 to further the development program for the certified business park,  
24 ~~or~~ certified technology park, **OR NEXT MICHIGAN DEVELOPMENT AREA** in  
25 accordance with the tax increment financing plan.

26 (7) The tax increment financing plan may provide for the use  
27 of tax increment revenues from a certified technology park for

1 public facilities for any eligible property located in the  
2 certified technology park. **THE TAX INCREMENT FINANCING PLAN MAY**  
3 **PROVIDE FOR THE USE OF TAX INCREMENT REVENUES FROM A NEXT MICHIGAN**  
4 **DEVELOPMENT AREA FOR PUBLIC FACILITIES WITHIN OR WITHOUT THE NEXT**  
5 **MICHIGAN DEVELOPMENT AREA FROM WHICH THE TAX INCREMENT REVENUES ARE**  
6 **DERIVED, PROVIDED THAT THE TAX INCREMENT REVENUES SHALL BE USED FOR**  
7 **PUBLIC FACILITIES WITHIN A NEXT MICHIGAN DEVELOPMENT AREA WITHIN**  
8 **THE MUNICIPALITY WHOSE LEVY HAS CONTRIBUTED TO THE TAX INCREMENT**  
9 **REVENUES EXCEPT AS OTHERWISE PROVIDED IN THE INTERGOVERNMENTAL**  
10 **AGREEMENT CREATING THE NEXT MICHIGAN DEVELOPMENT CORPORATION.**

11 (8) If title to property qualified as a public facility under  
12 section ~~2(aa)(ii)~~ **2(CC)(ii)** and acquired by an authority with tax  
13 increment revenues is sold, conveyed, or otherwise disposed of  
14 pursuant to subsection (6) for less than fair market value, the  
15 authority shall enter into an agreement relating to the use of the  
16 property with the person to whom the property is sold, conveyed, or  
17 disposed of, which agreement shall include a penalty provision  
18 addressing repayment to the authority if any interest in the  
19 property is sold, conveyed, or otherwise disposed of by the person  
20 within 12 years after the person received title to the property  
21 from the authority. This subsection shall not require enforcement  
22 of a penalty provision for a conveyance incident to a merger,  
23 acquisition, reorganization, sale-lease back transaction, employee  
24 stock ownership plan, or other change in corporate or business form  
25 or structure.

26 (9) The penalty provision described in subsection (8) shall  
27 not be less than an amount equal to the difference between the fair

1 market value of the property when originally sold, conveyed, or  
2 otherwise disposed of and the actual consideration paid by the  
3 person to whom the property was originally sold, conveyed, or  
4 otherwise disposed of.

5 SEC. 12C. (1) A NEXT MICHIGAN DEVELOPMENT CORPORATION  
6 ESTABLISHING AN AUTHORITY UNDER SECTION 3(3) SHALL NOTIFY THE  
7 MICHIGAN ECONOMIC DEVELOPMENT CORPORATION OF THE DESIGNATION OF A  
8 NEXT MICHIGAN DEVELOPMENT AREA.

9 (2) IF THE NEXT MICHIGAN DEVELOPMENT CORPORATION DETERMINES  
10 THAT A SALE PRICE OR RENTAL VALUE AT BELOW MARKET RATE WILL ASSIST  
11 IN INCREASING EMPLOYMENT OR PRIVATE INVESTMENT IN A NEXT MICHIGAN  
12 DEVELOPMENT AREA, THE AUTHORITY HAS AUTHORITY TO DETERMINE THE SALE  
13 PRICE OR RENTAL VALUE FOR PUBLIC FACILITIES OWNED OR DEVELOPED BY  
14 THE AUTHORITY IN THE NEXT MICHIGAN DEVELOPMENT AREA AT BELOW MARKET  
15 RATE.

16 (3) IF PUBLIC FACILITIES ARE CONVEYED OR LEASED AT LESS THAN  
17 FAIR MARKET VALUE OR AT BELOW MARKET RATES, THE TERMS OF THE  
18 CONVEYANCE OR LEASE SHALL INCLUDE LEGAL AND EQUITABLE REMEDIES AND  
19 RIGHTS TO ASSURE THAT THE PUBLIC FACILITIES ARE USED AS ELIGIBLE  
20 PROPERTY. LEGAL AND EQUITABLE REMEDIES AND RIGHTS MAY INCLUDE  
21 PENALTIES AND ACTUAL OR LIQUIDATED DAMAGES. IF PUBLIC FACILITIES  
22 FOR PUBLIC BENEFIT ARE PROVIDED TO PRIVATE OWNERS OR USERS OF  
23 ELIGIBLE PROPERTY, THE TERMS OF THE CONVEYANCE OR LEASE SHALL  
24 INCLUDE A BENEFIT TO THE PRIVATE OWNER OR USER.

25 (4) THE MICHIGAN ECONOMIC DEVELOPMENT CORPORATION SHALL MARKET  
26 THE AUTHORITY DISTRICT INCLUDING NEXT MICHIGAN DEVELOPMENT AREAS.

27 (5) FOR AN AUTHORITY EXERCISING ITS POWERS UNDER SECTION 3(3),

1 EACH MUNICIPALITY AND COUNTY WHICH IS A PARTY TO THE INTERLOCAL  
2 AGREEMENT ESTABLISHING THE NEXT MICHIGAN DEVELOPMENT CORPORATION,  
3 OR ANY 1 OF THEM, BY A MAJORITY VOTE OF THE MEMBERS OF ITS  
4 GOVERNING BODY, MAY MAKE A LIMITED TAX PLEDGE TO SUPPORT THE  
5 AUTHORITY'S TAX INCREMENT BONDS ISSUED UNDER SECTION 14 OR, IF  
6 AUTHORIZED BY THE VOTERS OF THE MUNICIPALITY OR COUNTY, MAY PLEDGE  
7 ITS FULL FAITH AND CREDIT FOR THE PAYMENT OF THE PRINCIPAL OF AND  
8 INTEREST ON THE BONDS. THE MUNICIPALITIES OR COUNTIES THAT HAVE  
9 MADE A PLEDGE TO SUPPORT THE AUTHORITY'S TAX INCREMENT BONDS MAY  
10 APPROVE BY RESOLUTION AN AGREEMENT AMONG THEMSELVES ESTABLISHING  
11 OBLIGATIONS EACH MAY HAVE TO THE OTHER PARTY OR PARTIES TO THE  
12 AGREEMENT FOR REIMBURSEMENT OF ALL OR ANY PORTION OF A PAYMENT MADE  
13 BY A MUNICIPALITY OR COUNTY RELATED TO ITS PLEDGE TO SUPPORT THE  
14 AUTHORITY'S TAX INCREMENT BONDS.

1. SET PUBLIC HEARING DATE:

- A. TUESDAY, OCTOBER 20, 2009 AT APPROXIMATELY 7:00 P.M. –  
REQUEST OF SENSITILE SYSTEMS, LLC, LOCATED AT 1735  
HOLMES ROAD IN YPSILANTI TOWNSHIP, FOR AN INDUSTRIAL  
FACILITIES EXEMPTION CERTIFICATE

# OTHER BUSINESS

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CHECK REGISTER REPORT

Date: 09/30/2009

Time: 3:15pm

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Charter Township of Ypsilanti

BANK: HAND CHECKS

Check Number	Check Date	Status	Vendor Number	Vendor Name	Check Description	Amount
98766	09/10/2009	Printed	0872	STATE OF MICHIGAN#	FOIA - GREENBRIAR MOBILE HOME	127.75
98767	09/14/2009	Printed	6821	AT & T	ACCT. #734 485-1174 097 4	1,785.48
98768	09/14/2009	Printed	0118	DTE ENERGY	GAS & ELECTRIC INVOICES	17,857.57
98769	09/22/2009	Printed	15572	AVI FOODSYSTEMS INC.	K-99-929-211-03 - 2008 BOR	4,905.19
98770	09/22/2009	Printed	5049	BLUE CROSS BLUE SHIELD OF MI	HEALTH INSURANCE - OCT. 2009	141,544.28
98771	09/22/2009	Printed	15571	STAMFORD COMPUTER GROUP	K-99-929-939-02 - 2008 BOR	603.87
98772	09/24/2009	Printed	0119	DTE ENERGY**	STREETLIGHTS - AUG. 2009	67,584.61
98773	09/24/2009	Printed	6821	AT & T	ACCT. #734 487-8104 411 3	3,832.69
98774	09/25/2009	Printed	15573	DR. EDWARD HOLLENBERG, M.D.	COMPREHENSIVE EYE EXAM	165.00
98775	09/30/2009	Printed	15423	MESSENGER PRINTING	PUBLISHING - POLICE SVCS MILL	7,186.76
98776	09/30/2009	Printed	6263	STANDARD INSURANCE COMPANY	LIFE & DISABILITY - OCT. 2009	4,137.08
					Total Checks: 11	Bank Total: 249,730.28
					Total Checks: 11	Grand Total: 249,730.28

Accounts Payable Checks - 1,420,402.11

Hand Checks 249,730.28

Total 1,670,132.39



## CHECK REGISTER REPORT

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Charter Township of Ypsilanti

BANK:

Check Number	Check Date	Status	Vendor Number	Vendor Name	Check Description	Amount
98854	09/30/2009	Printed	0001	A.F. SMITH ELECTRIC	REPAIRS - COMMUNITY CENTER	827.13
98855	09/30/2009	Printed	0235	ABSOPURE WATER COMPANY	H & C COOLER	28.00
98856	09/30/2009	Printed	6940	ALL AROUND LAWN CARE, INC.	LAWN CARE	14,211.08
98857	09/30/2009	Printed	0049	ALL SEASONS LANDSCAPING CO.	SUPPLIES	900.83
98858	09/30/2009	Printed	2939	ANDERSON PAINT COMPANY	MARKING PAINT FOR LINING ATHLE	320.00
98859	09/30/2009	Printed	0017	ANN ARBOR CLEANING SUPPLY	SUPPLIES	1,139.47
98860	09/30/2009	Printed	0022	ANN ARBOR WELDING SUPPLY CO	CYLINDERS	178.50
98861	09/30/2009	Printed	6820	ANN ARBOR.COM	PUBLISHING	840.50
98862	09/30/2009	Printed	6901	AQUACIDE COMPANY	CASE AQUASHADE LIQUID DYE FOR	292.38
98863	09/30/2009	Printed	0675	ARBOR VACUUM & SMALL APPLIANCE	SUPPLIES	53.85
98864	09/30/2009	Printed	15372	ASPEN PUBLISHERS, INC.	MICH OSHA COMPLIANCE GUIDE	118.48
98865	09/30/2009	Printed	0039	ATLANTIC WELDING SUPPLY	SUPPLIES	16.00
98866	09/30/2009	Printed	0215	AUTO VALUE YPSILANTI	SUPPLIES	767.34
98867	09/30/2009	Printed	6885	BACK TO NATURE LAWN CARE	LOCATION: 20 S. HEWITT	216.50
98868	09/30/2009	Printed	6397	BARR ENGINEERING COMPANY	PROFESSIONAL SERVICES	6,198.00
98869	09/30/2009	Printed	6702	BELFOR USA	LOCATION: 7327 LOCHMORE	1,322.96
98870	09/30/2009	Printed	0057	BOONE AND DARR, INCORPORATED	REPAIRS - 14B COURT	480.00
98871	09/30/2009	Printed	6446	BROADWING COMMUNICATIONS LLC	ACCT. #909649P	712.33
98872	09/30/2009	Printed	6959	BUTZEL LONG	PROFESSIONAL SERVICES	6,373.95
98873	09/30/2009	Printed	8416	C. BARRON & SONS	REPLENISH FUEL TANKS AT HQ	3,004.61
98874	09/30/2009	Printed	2905	CABLES FOR LESS	FIBER JUMPER CABLES	131.39
98875	09/30/2009	Printed	1193	CARROT-TOP INDUSTRIES, INC.	FLAGS FOR TOWNSHIP FACILITIES	354.25
98876	09/30/2009	Printed	3460	CDW GOVERNMENT INC	SUPPLIES	168.34
98877	09/30/2009	Printed	6925	CHARTER TWP OF YPSILANTI	BALANCE - 2009 OPEB OBLIGATION	340,082.00
98878	09/30/2009	Printed	6718	CIGAR MAN	CIGARS	96.75
98879	09/30/2009	Printed	2276	CINCINNATI TIME SYSTEMS	EQUIP. RENTAL - JULY/AUG/SEPT	2,010.00
98880	09/30/2009	Printed	15497	CIRQUE AMONGUS	SENIOR PROGRAM	250.00
98881	09/30/2009	Printed	15452	COLD CUT KRUISE	PRO SHOP RESALE	74.20
98882	09/30/2009	Printed	2929	KATHY COLLINS	REIMBURSEMENT - EDUCATION	123.07
98883	09/30/2009	Printed	0102	COLMAN-WOLF SANITARY SUPPLY CO	SUPPLIES	258.75
98884	09/30/2009	Printed	0363	COMCAST CABLE	ACCT. #09588 305185-03-3	388.03
98885	09/30/2009	Printed	0601	COMMERCIAL LAWNMOWER	SUPPLIES	63.37
98886	09/30/2009	Printed	1312	COMPLETE BATTERY SOURCE	SUPPLIES	65.97
98887	09/30/2009	Printed	3976	CONFINED SPACE SERVICES	STAND BY RESCUE - TURBINE INSP	1,225.00
98888	09/30/2009	Printed	0582	CONGDON'S	SUPPLIES	416.48
98889	09/30/2009	Printed	0813	CONTINENTAL RESEARCH CORP.	URINAL SHIELDS FOR CIVIC CENTE	277.63
98890	09/30/2009	Printed	0223	CORRIGAN OIL COMPANY	EQUIPMENT & PARTS	61.55
98891	09/30/2009	Printed	5567	CURRENT ELECTRIC	PARTS FOR COMMUNITY CENTER BOI	639.00
98892	09/30/2009	Printed	1421	DIUBLE EQUIPMENT INC.	PART FOR MOWER - EMERGENCY REP	618.56
98893	09/30/2009	Printed	4706	ED'S GARAGE	REPAIRS	403.01

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BANK:

Check Number	Check Date	Status	Vendor Number	Vendor Name	Check Description	Amount
98894	09/30/2009	Printed	2913	EMERGENCY VEHICLE SERVICES	INSTALL EQUIPMENT HOOKS IN CAB	315.52
98895	09/30/2009	Printed	15576	JOAN ENGLE	REFUND - ROOM RENTAL	80.00
98896	09/30/2009	Printed	15525	ENVIRONMENTAL RESPONSE GROUP	FIRE STATION #1 MAINTENANCE TO	588.00
98897	09/30/2009	Printed	15186	FCR	CURBSIDE RECYCLING DISPOSAL	847.00
98898	09/30/2009	Printed	1200	FEDERAL EXPRESS CORPORATION	PUBLISHING	69.11
98899	09/30/2009	Printed	15584	FIRST PITCH PROPERTIES	FIRE BOND RTN - 1779 KNOWLES	7,681.00
98900	09/30/2009	Printed	15421	FLEET SERVICES	GAS & OIL	2,008.12
98901	09/30/2009	Printed	0135	FORMS TRAC, ENTERPRISES	PAPER FOR CASH PRINTER	827.06
98902	09/30/2009	Printed	6314	RONALD K. FULTON	REIMBURSEMENT - EDUCATION	275.00
98903	09/30/2009	Printed	6917	ROBERT GABRYS	RENTAL - ELECTIONS	425.00
98904	09/30/2009	Printed	0073	GENE BUTMAN FORD	AUTO PARTS	97.37
98905	09/30/2009	Printed	1233	GORDON FOOD SERVICE INC.	SUPPLIES	208.00
98906	09/30/2009	Printed	0107	GRAINGER	MAINTENANCE TOOLS	969.22
98907	09/30/2009	Printed	0070	GREAT LAKES TELECOM, INC.	MONTHLY USAGE CHARGES	97.96
98908	09/30/2009	Printed	1386	GREAT LAKES TRUCK & TRAILER	SUPPLIES	50.00
98909	09/30/2009	Printed	11957	GRIFFIN PEST SOLUTIONS	MONTHLY SERVICE - STATION #1	84.00
98910	09/30/2009	Printed	0426	GUARDIAN ALARM	BILLING: 14B COURT	600.00
98911	09/30/2009	Printed	0426	GUARDIAN ALARM	BILLING: 2025 E CLARK	1,182.12
98912	09/30/2009	Printed	15582	MONICA GULLEDGE	REFUND - ROOM RENTAL	100.00
98913	09/30/2009	Printed	11506	TAMMY HALL	REFUND - BODY BALANCE FITNESS	77.00
98914	09/30/2009	Printed	0158	MARK HAMILTON	ATTY FEES - OCT. 2009	1,500.00
98915	09/30/2009	Printed	6542	HARBOR FREIGHT	SUPPLIES	159.98
98916	09/30/2009	Printed	6760	HARPER ELECTRIC	BUILDING MAINTENANCE	427.16
98917	09/30/2009	Printed	6547	HERITAGE NEWSPAPERS	PUBLISHING	38.40
98918	09/30/2009	Printed	15579	ROBIN HINE	REFUND - FLAG FOOTBALL	94.00
98919	09/30/2009	Printed	0503	HOME DEPOT	SUPPLIES	794.10
98920	09/30/2009	Printed	15578	KATHY HOWELL	REFUND - CARTOONING & VOCAL	204.00
98921	09/30/2009	Printed	6147	HP DIRECT	UPGRADED BATTERY & FIBER SX CO	5,005.00
98922	09/30/2009	Printed	6435	IMPERIAL HEADWEAR	PRO SHOP RESALE	320.29
98923	09/30/2009	Printed	14977	J. ZAHN CO.	MAGNETIC LETTERS FOR PRICING B	106.13
98924	09/30/2009	Printed	15496	J.F. MOORE & ASSOCIATES, LLC	SMALL CLAIMS	5.00
98925	09/30/2009	Printed	6636	JOHN HANCOCK LIFE INSURANCE	OFFICIALS RETIREMENT - AUG	4,468.47
98926	09/30/2009	Printed	15577	LATIANA JONES	REFUND - ROOM RENTAL	100.00
98927	09/30/2009	Printed	6110	KEB INC.	PRINTING OF "50 & BEYOND" MONT	261.96
98928	09/30/2009	Printed	0391	KONICA MINOLTA - ALBIN	METER CHARGE	50.74
98929	09/30/2009	Printed	2904	LEHMAN TRUCKING	REPLENISH PLAYGROUND MULCH AT	2,608.00
98930	09/30/2009	Printed	0230	LESCO INCORPORATED	SUPPLIES	257.29
98931	09/30/2009	Printed	15574	STEVEN A. LEWIS	OVERPAYMENT - 2009 TAX BILL	817.45
98932	09/30/2009	Printed	0209	LIVELY TRAVELERS	REIMBURSEMENT - GAS	95.00
98933	09/30/2009	Printed	6467	LOWES	SUPPLIES	200.25

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Charter Township of Ypsilanti

BANK:

Check Number	Check Date	Status	Vendor Number	Vendor Name	Check Description	Amount
98934	09/30/2009	Printed	15580	KELLY MARCUM	REFUND - BELLY DANCE BOOT CAMP	54.00
98935	09/30/2009	Printed	6476	MASA	ADULT FALL SOFTBALL PROGRAM	340.00
98936	09/30/2009	Printed	15124	JOHN MCAULIFFE	INSTRUCTOR FEE - UKELELE	38.50
98937	09/30/2009	Printed	1057	MERS	BALANCE - 2009 OPEB OBLIGATION	251,246.00
98938	09/30/2009	Printed	15402	MIDWEST MEDICAL CENTER	HOSPITAL PHYSICALS	120.00
98939	09/30/2009	Printed	1460	MOORE MEDICAL SUPPLY	MEDICAL SUPPLIES	59.89
98940	09/30/2009	Printed	15195	MARK NELSON	MAGISTRATE - OCT. 2009	1,875.00
98941	09/30/2009	Printed	2997	OFFICE EXPRESS	SUPPLIES	419.90
98942	09/30/2009	Printed	0309	ORCHARD, HILTZ & MCCLIMENT INC	PROFESSIONAL SERVICES	4,019.00
98943	09/30/2009	Printed	15173	DIANA B. OWINGS	TRANSLATOR FEES	837.00
98944	09/30/2009	Printed	1989	HAROLD OWINGS	UNIFORM ALLOWANCE	600.00
98945	09/30/2009	Printed	15369	PAPER MART	BAGS TO TRANSPORT ELECTION SUP	60.28
98946	09/30/2009	Printed	0913	PARKWAY SERVICES, INC.	EQUIPMENT RENTAL	285.00
98947	09/30/2009	Printed	0319	PITNEY BOWES INC.*^	EQUIPMENT RENTAL	1,860.00
98948	09/30/2009	Printed	6506	PM TECHNOLOGIES, LLC	PREVENTIVE MAINTENANCE	615.60
98949	09/30/2009	Printed	0339	POST, SMYTHE, LUTZ AND ZIEL	PROFESSIONAL SERVICES	701.25
98950	09/30/2009	Printed	0722	PRINTING SYSTEMS	VOTER ID CARDS	2,091.96
98951	09/30/2009	Printed	15583	PROFESSIONAL SOFTWARE & SVCS	FIXED ASSET SOFTWARE	350.00
98952	09/30/2009	Printed	15575	PULTE LAND COMPANY LLC	REFUND - MODEL HOME BOND	2,000.00
98953	09/30/2009	Printed	6438	RACKSPACE MANAGED HOSTING	HOSTING FEE - SEPTEMBER 2009	300.00
98954	09/30/2009	Printed	11340	RECYCLE ANN ARBOR	SWITCHOUT RECYCLE BOX	4,190.00
98955	09/30/2009	Printed	15386	RICOH AMERICAS CORPORATION	EQUIPMENT MAINTENANCE	1,607.18
98956	09/30/2009	Printed	15581	SARAH ROLDAN	REFUND - PRE SCHOOL SOCCER	30.00
98957	09/30/2009	Printed	0383	SHERWIN WILLIAMS COMPANY	SUPPLIES	50.98
98958	09/30/2009	Printed	0395	SHRADER TIRE & OIL	EQUIPMENT & PARTS	919.94
98959	09/30/2009	Printed	1507	SPARTAN DISTRIBUTORS	REPAIR PARTS	3,212.78
98960	09/30/2009	Printed	0399	SPEARS FIRE & SAFETY SERVICE	FIRE & SAFETY SERVICES	526.35
98961	09/30/2009	Printed	3212	STANLEY CONVERGENT SECURITY	MONITORING & MAINTENANCE	711.27
98962	09/30/2009	Printed	6442	STATE OF MICHIGAN D.E.Q.	ANNUAL CERTIFICATION FEE	61.50
98963	09/30/2009	Printed	6442	STATE OF MICHIGAN D.E.Q.	ANNUAL CERTIFICATION FEE	61.50
98964	09/30/2009	Printed	1235	SURE-FIT LAUNDRY COMPANY	LAUNDRY - PKS & GROUND	1,991.52
98965	09/30/2009	Printed	0449	SYSCO FOOD SERVICES OF DETROIT	PRO SHOP RESALE	897.60
98966	09/30/2009	Printed	8063	TELEGATION	ACCT. #8119-0000	83.90
98967	09/30/2009	Printed	0356	TIME EMERGENCY EQUIPMENT	WILDLAND FIRE GRASS BROOM - FO	139.66
98968	09/30/2009	Printed	2943	TRI COUNTY INTERNATIONAL	WHEEL COVER FOR BUS #62	1,640.10
98969	09/30/2009	Printed	1637	TURF GRASS INC.	FERTILIZER	5,230.60
98970	09/30/2009	Printed	4779	U.S. BANK, N.A.	BOND PAYMENT - CAPITAL IMPROVE	67,982.50
98971	09/30/2009	Printed	6215	UNITED STATES POSTMASTER	POSTAGE - 2009/2010 BROCHURE	4,744.60
98972	09/30/2009	Printed	3082	UNIVERSITY TRANSLATORS	TRANSLATOR SERVICE	140.00
98973	09/30/2009	Printed	6303	USA TRAILERS	HUB AND WHEEL ASSEMBLY FOR TRA	73.00

BANK:

Check Number	Check Date	Status	Vendor Number	Vendor Name	Check Description	Amount
98974	09/30/2009	Printed	0497	VAN BUREN STEEL & FABRICATING	REPAIR - HYDRO	552.00
98975	09/30/2009	Printed	6920	VARNUM RIDDERING SCHMIDT	PROFESSIONAL SERVICES	4,335.50
98976	09/30/2009	Printed	6627	VICTORY LANE	FULL SERVICE OIL CHANGE	298.18
98977	09/30/2009	Printed	2857	WASHTENAW COUNTY MAPSTORE	GPS RENTAL FEE	475.00
98978	09/30/2009	Printed	0444	WASHTENAW COUNTY TREASURER#	WEB DESIGN	9,000.00
98979	09/30/2009	Printed	0444	WASHTENAW COUNTY TREASURER#	SHERIFF PATROL	453,890.69
98980	09/30/2009	Printed	0631	WASTE MANAGEMENT	ACCT. #389-0054671-1389-9	3,597.42
98981	09/30/2009	Printed	6039	WASTE MANAGEMENT*	RECYCLE CONTRACT/PILOT TONNAGE	157,975.53
98982	09/30/2009	Printed	3011	WEST PAYMENT CENTER	PUBLISHING	146.40
98983	09/30/2009	Printed	3867	WOLVERINE FREIGHTLINER*	SUPPLIES	66.95
98984	09/30/2009	Printed	0480	YPSILANTI COMMUNITY	MONTHLY MAINT. - FORD BLVD	7,352.82
98985	09/30/2009	Printed	6417	YPSILANTI TWP PETTY CASH	REIMBURSE PETTY CASH	330.61
98986	09/30/2009	Printed	0729	ZEP MANUFACTURING COMPANY	SUPPLIES	408.69
					Total Checks: 133	Bank Total: 1,420,402.11
					Total Checks: 133	Grand Total: 1,420,402.11