

CITY OF TECUMSEH
SPECIAL COUNCIL MEETING
TECUMSEH CITY HALL
AUGUST 6, 2014
7:30 P.M.

AGENDA

1. Call to order
2. Pledge of Allegiance
3. Roll call
4. Approval of Agenda
5. Welcome Guests
6. Public Comment Re: Items on the Agenda
7. Public Hearing at 7:35 p.m. to hear comments regarding the creation of a Smart Zone/LDFA District with the City of Adrian and Ann Arbor Spark
8. New business:
 1. Resolution Re: Resolution to create a Smart Zone/LDFA District with the City of Adrian
 2. Resolution Re: Resolution to appoint Board Members to the Smart Zone/LDFA Authority
9. Public Comment Re: Items not on the Agenda
10. Miscellaneous business
11. Adjournment

The City of Tecumseh provides for reasonable accommodations for its programs, services and meetings under Title VI of its Non-Discrimination Policy and Limited English Proficiency Policy, with an advance 7 day notice to Kevin M. Welch at 517 424 6555.



Agenda Item Review Form
City Council
City of Tecumseh

Agenda Item Number: 8. New Business, item #1	Submitted by: Kevin M. Welch
--	--

Item: Resolution to Create a SmartZone/LDFA District with the City of Adrian	Department: City Manager
--	------------------------------------

Summary:

The attached resolution has been prepared for your consideration. The purpose of the resolution is to create a SmartZone/LDFA District, along with the City of Adrian as a satellite to Ann Arbor Spark/City of Ann Arbor/City of Ypsilanti.

Recommendation:

RESOLUTION

THE CITY COUNCIL OF THE CITY OF TECUMSEH RESOLVES:

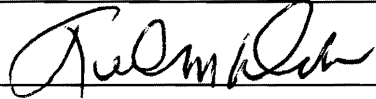
to adopt the attached resolution which creates a SmartZone/LDFA District with the City of Adrian and Ann Arbor Spark.

Council Action:

Approved
 Denied
 Continued

Bid/Purchase Item:

Budgeted \$ _____
_____ Page(s) in FY Budget
 Not Budgeted

 _____ City Manager _____ 7/29/2014

Signature Title Date

City of Tecumseh
County of Lenawee, State of Michigan

RESOLUTION CREATING A LOCAL DEVELOPMENT FINANCE AUTHORITY
WITH THE CITY OF ADRIAN, DESIGNATING BOUNDARIES OF THE
AUTHORITY DISTRICT AND PROVIDING FOR OTHER MATTERS

Minutes of a special meeting of the City Council of the City of Tecumseh, County of Lenawee, State of Michigan, held on August 6, 2014 at 7:30 p.m., prevailing Eastern Time.

PRESENT: Members _____

ABSENT: Members _____

The following preamble and resolution were offered by Member _____ and supported by Member _____:

WHEREAS, the City of Tecumseh, County of Lenawee, State of Michigan (“Tecumseh”) is authorized by the provisions of Act 281, Public Acts of Michigan, 1986, as amended (“Act 281”), to create a multi-jurisdictional local development finance authority with the City of Adrian, County of Lenawee, State of Michigan (“Adrian”, and together with Tecumseh, the “Cities”); and

WHEREAS, pursuant to Act 281, the City Council of Tecumseh (the “City Council”) intends to proceed with the establishment of such an authority; and

WHEREAS, pursuant to Act 281, the City Council conducted a public hearing on the establishment of a multi-jurisdictional local development finance authority with Adrian and the designation of the proposed boundaries of the authority district.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Determination of Necessity; Purpose. The City Council hereby determines that it is necessary and in the best interests of Tecumseh to create a multi-jurisdictional local development finance authority with Adrian pursuant to Act 281 in order to eliminate causes of unemployment, underemployment and joblessness and to promote economic growth in Tecumseh.

2. Creation of Authority. Tecumseh hereby agrees to create with Adrian, pursuant to Act 281, a multi-jurisdictional local development finance authority of the cities of Tecumseh and Adrian. The Authority shall be a public body corporate and shall be known and exercise its powers under title of the “LOCAL DEVELOPMENT FINANCE AUTHORITY OF THE CITIES OF TECUMSEH AND ADRIAN” (the “Authority”). The Authority may adopt a seal,

may sue and be sued in any court of this State and shall possess all of the powers necessary to carry out the purpose of its incorporation as provided by this resolution and Act 281. The enumeration of a power in this resolution or in Act 281 shall not be construed as a limitation upon the general powers of the Authority.

3. Designation of Authority District. The territory described in Exhibit A attached hereto and made a part hereof is hereby designated as the Authority District (the "Authority District").

4. Powers of Authority. Except as specifically otherwise provided in this resolution, the Authority shall have all powers provided by law subject to the limitations imposed by law and herein.

5. Board of Directors. Pursuant to Section 4 of Act 281, the Authority shall be under the supervision and control of a board of directors (the "Board"). The Board shall consist of eight (8) members, four (4) of whom shall be appointed by the City Council and four (4) of whom shall be appointed by the City Commission of Adrian. Members shall be appointed to serve for a term of four (4) years, except that of the members first appointed, an equal number, as near as is practicable, shall be appointed for terms of one (1) year, two (2) years, three (3) years and four (4) years. A member shall hold office until the member's successor is appointed and qualified. Before assuming the duties of office, a member shall qualify by taking and subscribing to the constitutional oath of office. An appointment to fill a vacancy shall be made in the same manner as the original appointment but for the unexpired term only. Members of the Board shall serve without compensation, but shall be reimbursed for actual and necessary expenses. The chairperson of the Board shall be elected by the Board. The Board shall adopt bylaws governing its procedures subject to the approval of the City Council and the City Commission of Adrian. Members of the Board may, after a public hearing, be removed from office for cause before the expiration of his or her term by resolution of the Board subject to the approval of the appointing body.

6. Termination; Disposition of Assets. Upon completion of its purposes, the Authority may be dissolved pursuant to approval by the Council and the City Commission of Adrian. The property and assets of the Authority, after dissolution and satisfaction of its obligations, shall be distributed between Tecumseh and Adrian based on the city from which the funds used to purchase the property or assets originated, except to the extent otherwise agreed by the Cities.

7. Fiscal Year; Adoption of Budget.

(a) The fiscal year of the Authority shall begin on July 1, of each year and end on June 30 of the following year.

(b) The Board shall prepare annually a budget and shall submit it to the City Council and the City Commission of Adrian for approval in the manner, at the time, and which budget shall contain the information required of the municipal departments. The Board shall not finally adopt a budget for any fiscal year until the budget has been

approved by both the City Council and the City Commission of Adrian. The Board may, however, temporarily adopt a budget in connection with the operation of any improvements which have been financed by revenue bonds where required to do so by the resolution authorizing the revenue bonds.

(c) The Authority shall submit financial reports to the City Council and the City Commission of Adrian at the same time and on the same basis as departments of the Cities are required to submit reports. The Authority shall be audited annually by an independent auditor as approved by the Board subject to the approval of the City Council and the City Commission of Adrian, and copies of the audit report shall be filed with the City Council and the City Commission of Adrian.

8. Publication, Recording and Filing. This resolution shall be published once after its adoption in full in the *Tecumseh Herald*, a newspaper of general circulation in Tecumseh and the City Clerk shall file a certified copy of this resolution with the Michigan Secretary of State promptly after its adoption.

9. Repealer. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

10. Effective Date. This resolution shall take effect immediately upon its publication.

AYES: Members _____

NAYS: Members _____

RESOLUTION DECLARED ADOPTED.

Mary Feight
City Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Tecumseh, County of Lenawee, State of Michigan, at a special meeting held on August 6, 2014, 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, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Mary Feight
City Clerk

EXHIBIT A

DESCRIPTION OF TERRITORY DESIGNATED AS AUTHORITY DISTRICT

- within the City of Tecumseh: Tecumseh Business and Technology Campus – 5695 E M-50 - South side of M-50 and West of Billmeyer Highway; Van-Rob Tecumseh – 1200 E M50 - South side of M-50 and East of Rogers Highway; Tecumseh High School – 706 Brown Street - South side of Brown Street , North side of M-50; Tecumseh Admin Building – 212 N. Ottawa Street - At the corner of SE. Shawnee Street and Ottawa; Tecumseh Middle School – 307 N Maumee St – At the corner of E. Logan Street and Maumee Street; Tecumseh District Library – 215 N Ottawa St – At the corner of E. Shawnee St and N. Ottawa; and
- within the City of Adrian: Adrian College, 110 S. Madison, roughly bound by Madison, Michigan, Williams and U.S. 23; Jackson College, 1376 North Main; Siena Heights University, 1247 East Siena Heights Drive, roughly bound by Siena Heights Drive, Oakwood and Elm; Lenawee ISD Tech Center, 1372 North Main; Adrian High School, 785 Riverside, roughly bound by Riverside, McKenzie and Stockford; Adrian Public Library, 143 East Maumee; City-owned greenfield site, 2610 West Beecher; City-owned greenfield site, 2900 West Beecher; City-owned greenfield site, 2817 West Beecher; City-owned industrial park, 1456 Enterprise Drive; City-owned industrial park, 1446 Enterprise Drive; City-owned industrial park, 1440 Enterprise Drive; City-owned industrial park - north, Industrial Drive; City-owned industrial park – south, Industrial Drive; Brownfield site, 1356 East Beecher; Brownfield site, 430 North Dean; Brownfield site, 1407 East Maumee; City-owned greenfield site, 2300 North Adrian Highway; City-owned greenfield site, 2930 North Adrian Highway; City-owned property, North Adrian Highway; City-owned industrial park, 1470 Enterprise Drive.

22715436.2\153360-00001

L DFA/SmartZone Steps

Step	Required Date	Completed	Who	Documents needed/Who will prepare
1. Set Public Hearing	7/14/2014	7/14/2014	Adrian/Tecumseh Council/Commission	
2. 2 Publications in Telegram	20 days prior to hearing	7/15 & 7/16/2014	Adrian/Tecumseh	
3. Notification sent to property owners in district.	20 days prior to hearing	7/15/2014	Adrian/Tecumseh	
4. Notification sent to taxing jurisdictions	By cert mail – 20 days prior to hearing	7/15/2014	Adrian/Tecumseh	
5. Public Hearing Held to Establish L DFA/SmartZone	8/6/2014	8/6/2014	Adrian/Tecumseh	
6. Resolution establishing Authority and Boundaries	As early as 8/6/14		Adrian/Tecumseh	Miller Canfield <ul style="list-style-type: none"> • Resolution • By-Laws
7. Resolution approving authority - Lenawee County	8/13/2014 1:30 pm		Lenawee County	Miller Canfield <ul style="list-style-type: none"> • Resolution
8. Resolution in 7 & 8 published once	8/14/2014 – Tecumseh – Herald	?	Adrian and Tecumseh	
9. Resolution in 7 & 8 filed with Secretary of State	8/7/2014	?	Adrian and Tecumseh	
10. Board Members Appointed by Tecumseh City Council & Adrian Commission	8/6/2014	?	Adrian/Tecumseh	
11. C. Develop a Satellite SmartZone Plan that includes the following criteria:	8/1/2014		Tecumseh/Adrian/ Lenawee Now	

<p>a) Identify the unique characteristics and specialties offered by the public and private resources available in the Satellite SmartZone.</p> <p>b) Identify the benefits to regional cooperation and collaboration.</p> <p>c) Identify how the Satellite SmartZone adds value to the mission of the Host SZ.</p>				
12. Authority approved by County	8/13/2014		County Commission	MC
13. By-Laws Approved by Tecumseh/Adrian	9/1/2014		Authority	MC
14. By-Laws Approved	Week of 8/18/2014		Authority	
15. Plan is approved (3 page summary only)	Week of 8/18/2014		Authority	Tecumseh/Adrian/LN
16. D. Approach municipality that governs the Host SZ and its LDFA and convince them of the merits of creating a Satellite SmartZone.	8/21/2014		Lenawee Now/SPARK	
17. E. The Host SZ's LDFA determines that the Satellite SmartZone meets the criteria set forth in Chapter 12b of the Act (included above as C(a), (b) and	9/1 AA 9/2 YPSI 9/1 Tec 9/1 Adrian		Ann Arbor/Ypsi	

(c), above) and passes a resolution recommending the designation of the Satellite SmartZone.				
18. F. The municipality of the Host SZ passes resolution to approve the designation of the Satellite SmartZone.	9/1 AA 9/2 YPSI		Ann Arbor/Ypsi	A2/A /T Mtg 1/3 Mon Ypsi 1/3 Tue.
19. G. The municipality of the Host SZ and the new LDFA enter into an agreement to designate the Satellite SmartZone (this agreement is required under Section 12b of the Act).	9/1 AA 9/2 YPSI 9/1 Tec 9/1 Adrian		Ann Arbor/Ypsi	
20. The municipality of the Host SZ provides the MEDC with a copy of its agreement with the Satellite LDFA.	9/30/2014		Ann Arbor/Ypsi	
21. I. The MEDC amends the SmartZone agreement it has with the Host SZ that has agreed to sponsor the Satellite SmartZone to include the Satellite SmartZone.			Lenawee Now/Spark	

<p>22. . Upon completion of steps 11-18 AND upon approval and completion of a TIF and Development Plan (following the sections of 12 & 15 of The Local Development Act 281 of 1986) by the Satellite LDFA and Satellite municipality, the Satellite SmartZone has the ability to capture local taxes.</p>				
<p>23. Three Satellite SmartZones may be authorized by the State Treasurer to capture school taxes, in addition to local taxes. If the Satellite SmartZone wishes to capture school taxes, it must provide its TIF and Development Plan to MEDC. The MEDC will review and forward to the State Treasurer for approval.</p>				
<p>24. TIF Plan Approved and submitted to State</p>	<p>6/30/2015 latest date</p> <p>5/30/2015 to capture 2015 taxes</p>			



**Agenda Item Review Form
City Council
City of Tecumseh**

Agenda Item Number: 8. New Business, item #2	Submitted by: Kevin M. Welch
--	--

Item: Resolution to Appoint Board Members for SmartZone/LDFA	Department: City Manager
--	------------------------------------

Summary:

The City of Tecumseh has four representatives on the SmartZone/ LDFA Board. Therefore, the City Council can appoint these members as it would any other board or commission. The Board members can be anyone as long as they are city residents for at least 12 months and are registered voters.

I would suggest that at least one member represent the Library and one represent the School District since the LDFA TIF capture impacts both entities. However, this decision is entirely up to the City Council.

I offer the attached list of names for you to consider, which includes names of individuals who may have applied to serve on our board or commissions through our bi-annual notice in the paper. I have contacted each of these individuals and each is willing to serve on this board, but also understands that the City can only select four. The City Clerk has verified that each individual meets the Charter requirements to serve on this board.

The City Council can also select council members as well, with Councilmembers Jack Baker, Ron Wimple and Richard Johnson offering to serve as well. Since Council terms of office may exceed the Authority terms of office, I would suggest that you appoint council members by name only.

The term of the Board members is four years. However, the first appointment is staggered to avoid having a complete turnover of members.

The initial terms are 1 year, 2 year, 3 year and 4 year. I would suggest that you adopt a separate resolution for each member. A sample resolution is proposed below.

Recommendation:

RESOLUTION

THE CITY COUNCIL OF THE CITY OF TECUMSEH
RESOLVES:

to appoint (name) to the Tecumseh/Adrian SmartZone/LDFA Authority, with a term of office beginning August 7, 2014, for (1, 2, 3 or 4) year(s), ending on August 6, (2015 for 1-year, 2016 for 2-year, 2017 for 3-year, 2018 for 4-years).

Council Action:

Approved

Denied

Continued

Bid/Purchase Item:

Budgeted \$_____

_____ Page(s) in FY Budget

Not Budgeted

City Manager

7/29/2014

Signature

Title

Date

SmartZone/LDFA Possible Members

- Council Members
- Dick McLaughlin – Suggestion from Tecumseh District Library
- Rick Hilderley - Suggestion from Tecumseh Public Schools
- Brendt Gnodtke – Recommended by City Staff
- Harvey Schmidt- Recommended by Mayor Johnson

The City Clerk has also received applications for board appointments from the following individuals. These individuals applied for specific boards that did not include the LDFA at the time.

- Thomas Griffith – Will be asked to serve on the ZBA.
- Barb Hammond – Applied for Planning Commission.
- Harold Ruhl – Applied for Planning Commission.
- Kathleen Beutenmiller – Applied for Historical Preservation Commission.
- Robert Salsberry – Appointed to Board of Review.
- Vicki Lantzy- Applied for Board of Review. Currently serves on Planning Commission.