

VILLAGE OF LEXINGTON (810) 359-8631

**SPECIAL COUNCIL MEETING**

VILLAGE HALL 7227 HURON AVENUE, LEXINGTON, MI 48450

**AGENDA**

**DATE OF MEETING:** MONDAY, FEBRUARY 11, 2019

**TIME OF MEETING:** 6:00 P.M.

**TYPE OF MEETING:** SPECIAL COUNCIL MEETING

**PLEDGE OF ALLEGIANCE**

**CALL TO ORDER**

**ROLL CALL**

**PUBLIC COMMENT**

**BUSINESS:**

1. Downtown Development Authority Tiff Plan

**PUBLIC COMMENT**

**ADJOURNMENT**

## COMMUNITY DEVELOPMENT § 26-38

### **Sec. 26-34. Board membership.**

The affairs of the downtown development authority shall be governed by a board consisting of the village president and eight additional members. (Ord. No. 88, § 3, 4-14-1986)

State law reference-Downtown development authority governing board, MCL 125.1654, MSA 5.3010(4).

### **Sec. 26-35. Officers and meetings.**

The board of the downtown development authority shall elect a chairman, vice-chairman, treasurer and secretary. The board shall prepare bylaws to govern the procedure of meetings and powers of its officers, which shall be submitted to the village council for approval prior to their adoption by the board.

(Ord. No. 88, § 4, 4-14-1986)

### **Sec. 26-36. Sources of revenue; permitted expenditures.**

The activities of the downtown development authority shall be financed from one or more of the funding sources set out in section 11 of Public Act No. 197 of 1975 (MCL 125.1661, MSA 5.3010(11)» and shall expend no moneys without prior approval of village council. (Ord. No. 88, § 5, 4-14-1986)

### **Sec. 26-37. Authority subject to state law.**

The downtown development authority shall be controlled and regulated strictly by Public Act No. 197 of 1975 (MCL 125.1651 et seq., MSA 5.3010 et seq.). (Ord. No. 88, § 6, 4-14-1986)

### **Sec. 26-38. Development plan and tax increment plan.**

(a) Pursuant to Public Act No. 197 of 1975 (MCL 125.1651 et seq., MSA 5.3010(1) et seq.), the village adopts a development plan and tax increment plan for the downtown development authority. Such plans are adopted by reference, and such plans are available for inspection during regular business hours at the village clerk's office.

(b) Such development plan and tax increment plan are adopted pursuant to proper public notice and posting consistent with section 18 of Public Act No. 197 of 1975 (MCL 125.1668, MSA 5.3010(18)). After a public hearing on the development plan and tax increment plan was held on November 10, 1986, pursuant to section 19 of Public Act No. 197 of 1975 (MCL 125.1669, MSA 5.3010(19)) and at such hearing the village council determined that:

(1) The plan meets the requirements as set forth in section 17(2) of Public Act No. 197 of 1975 (MCL 125.1667(2), MSA 5.3010(17)), (2)».

(2) The proposed method of financing the development is feasible and the authority has the ability to arrange the financing.

VILLAGE OF LEXINGTON  
DOWNTOWN DEVELOPMENT AUTHORITY  
BOARD

BYLAWS AND RULES OF PROCEDURE

The main function or purpose of the following bylaws is to establish the rules of operation for the DDA (Downtown Development Authority). In addition to establishing procedure, the bylaws also describe the organization framework of the DDA and in general terms, define the duties and responsibilities of the DDA

Village of Lexington  
Lexington, Michigan 48450

VILLAGE OF LEXINGTON  
DDA

Bylaws and Rules of Procedure

**Article I: Authority**

The rules of procedures of the Village of Lexington DDA Board are subordinate and subject to Public Act 197 of the Compiled Laws of Michigan of 1975, as amended and Ordinance No. 88 as amended, of the Village of Lexington.

**Article II: Title**

The title of the governing body shall be “ The Village of Lexington Downtown Development Authority Board” or “Board”.

**Article III: Members**

**Section 1**

The Board shall be composed of the Village President and not less than eight (8) or not more than twelve (12) members. Members shall be appointed by the Village President, such appointment to be subject to approval by a majority vote of the members-elect of the Village Council.

**Section 2**

The terms of office of the members of the Board shall begin on the first day of November nearest the date of their appointment. The term of office of each member of the board shall be four (4) years, except that in the case of the first Board appointed hereunder, an equal number of members of said members shall be appointed for a term of one year, two years, three years, and four years in so far as is possible. All members shall hold office until their successors are appointed, thereafter, each member shall serve for a term of four years. Vacancies occurring otherwise than through the expiration of the term shall be filled for the unexpired term by the Village President, subject to approval by a majority of the Village of Lexington Council. The Chairperson of the board shall be elected by the board.

### Section 3

Members of the Board may, after a public hearing, be removed from office in accordance with the provisions of the statute under which these bylaws are adopted. Members of the Board shall serve without compensation, but shall be reimbursed for actual and necessary expense.

A member that has a conflict of interest regarding any matter before the Board shall disclose the interest prior to any action the Board may take with respect to the matter. The disclosure shall become part of the record. Any member making such disclosure shall then refrain from participating in the Board's decision making process relative to the matter.

## Article IV: Officers

### Section 1

The officers of the board shall be:

A Chairman, who shall preside at all meetings and shall have such other duties as further prescribed in the bylaws, and shall have authority to preside at all adjourned meetings and call and preside at all special meetings

A Vice-Chairman, who shall, in the absence of the Chairman or his inability to act, preside at all regular adjourned or special meetings, public hearings, and committee meetings of the board, and shall have the power to function in the same capacity as the chairman.

A Secretary, who shall attend meetings of the board and keep a record of all proceedings and who shall have the authority to execute documents in the name of the board and shall perform such other duties as the board may, from time to time determine.

A Treasurer, who shall handle all financial matters of the authority. The treasurer shall be bonded by a Michigan authorized bonding company in the amount of \$100,000.

### Section 2

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

### Section 3

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

## Article V: Meetings

### Section 1

The regular meetings of the board shall be held on the second Wednesday of each month at 7:00 p.m. Any regular meeting may be adjourned to a definite date, by a majority vote of a quorum of the members, Adjourned or special meetings may be held at any time or place established by the board. Special meetings may be held as necessary, subject to the call of the Chairman or acting Chairman or upon the request of a majority of the board.

The Board shall hold at least one (1) regular meeting each month unless there is no business on the Agenda; in such case there shall be no meeting

### Section 2

All meetings of the board shall be held in accordance with the provisions of the PA 230 of 1976, the Open Meetings Act. Parliamentary procedure at board meeting shall be governed by Robert's Rules of Order. The chairman shall be the Parliamentarian.

A majority of the members of the Board shall constitute a quorum. The vote of the majority of the members present shall constitute the action of the board.

## **Article VI: The Order of Business**

### **Section 1**

The order of business for a regular meeting shall be:

1. Call to order by Chairman or Vice-Chairman
2. Roll call
3. Determination of a quorum
4. Approval of Minutes of last preceding meeting
5. Hearings
6. Old Business
7. New Business
8. Adjournment

### **Section 2**

The Chairman shall have the discretion to change the order of business whenever he deems it advisable to do so either before or during the progress of the meeting.

## **Article VII: Minutes**

### **Section 1**

The board shall keep a set of minutes of all regular meetings and adjourned meetings and at special meetings where official business was transacted. These minutes shall become public record and shall be filed with the Village Clerk

### **Section 2**

The Secretary or the Chairman shall sign all minutes, after approval by the board members, at the following meeting.

## **Article VIII: Committees**

There may be such special committees as the board may, from time to time deem necessary.

## **Article IX: Amendment of the bylaws**

These bylaws may be changed or added to by the affirmative vote of the majority of members and approved by Council. No change shall be made unless written notice to amend shall be filed with the secretary at the regular meeting, preceding the meeting at which the motion to change is made. This requirement may be waived by the board by unanimous vote of the full board.

## **Article X: Contracts, Loans, Checks and Deposits**

### **Section 1 Contracts**

The board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Downtown Development Authority (DDA) and such authority may be general or confined to specific instances.

### **Section 2 Checks, Drafts, etc**

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

### **Section 3 Deposits**

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

### **Section 4 Sources of Revenue & Permitted Expenditures**

The activities of the Board shall be financed from one or more of the funding sources set out in Section II of Act 197 of Public Acts of 197 as amended. The DDA must obtain Village Council approval of all development and financial plans. The annual operation budget and any modification also requires approval of the Village Council

## **Article XII: Fiscal Year**

The fiscal year of the DDA shall correspond at all times to the fiscal year of the Village of Lexington.



Section 1 Budgets

The Board shall prepare and submit a budget for the operation of the DDA for approval by the Village Council

**Article XIII: Certification**

The undersigned being, respectively, the duly appointed Clerk of the Village of Lexington and duly appointed Chairman of the Lexington Downtown Development Authority do hereby certify that the foregoing bylaws were adopted at a meeting of the DDA Board on \_\_\_\_\_ and approved by the Village Council at its meeting of \_\_\_\_\_, subsequently amended as follows:

\_\_\_\_\_  
Beth Grohman, Clerk  
Village of Lexington

\_\_\_\_\_  
Lee Jones, Chairman  
Lexington Downtown Development Authority

Eeg2210

**GENERAL PROCEDURE POLICY OF THE DOWNTOWN DEVELOPMENT  
AUTHORITY FOR THE VILLAGE OF LEXINGTON**

**I. PURPOSE**

The purpose or purposes for this procedural policy is established is to assist in the general operation of the Downtown Development Authority for the Village of Lexington (“DDA”) in accordance with Act 197 of the Public Acts of 1975 and as further authorized by the Village of Lexington and the State of Michigan. These policies are meant to be advisory only, the policies are not intended and do not supersede any authority of the State of Michigan or Village of Lexington.

**II. MEMBER CONDUCT**

Members of the DDA (“member”) shall maintain reasonable attendance to meetings and should conduct themselves in a civil manner and in good faith as to the fulfillment of their duties, without misconduct, malfeasance or for their own sole interest.

If, upon proper notice and the opportunity to be heard, the majority of the DDA Board (“Board”) finds that a member is not conducting themselves in a manner necessary to the good faith fulfillment of his or her duties, the DDA Chairperson (“Chairperson”) or other person so designated by the Board, shall, in writing, report said member to the Village Manager and to the Village Council, along with a summary the Board’s finding and the requested action of the Village Council as to said member.

**A. Board Absences.**

In order to maintain the maximum participation of all appointed members at all scheduled meetings, the following is the attendance guide and procedure policy for “excused” or “unexcused” absences:

1. When appointed, each member should state his/her willingness and intention to attend each scheduled meeting of the DDA.
2. In the event of unplanned personal matters, business trips, family vacation trips, changed job requirements, sickness, or other physical disabilities that prohibit the member from attending the scheduled meeting, the Chairperson should be notified as soon as possible prior to the time of the scheduled meeting of their inability to attend. The member upon this notification will receive an “excused absence” for the involved scheduled meeting.
3. If any Board member is absent from three (3) consecutive scheduled meetings without an “excused absence” for any of the three (3) meetings, the member’s absences shall be reported in writing to the Village Manager and the Village Council, with a request for the Village Manager to contact the member in writing and question his/her continued ability or interest in being on the Board, giving the member a chance to rectify the attendance issue or submit a resignation.

4. There will be no limit on the number of consecutive "excused absences" for any Board member. However, if the member is repeatedly absent for at least 50% of the yearly scheduled meetings, that member will also be reported in writing to the Village Manager and the Village Council with a request for the Village Manager to contact the member in writing and question the member's continued ability or interest to be on the Board.

5. If the above stated processes do not rectify a member's nonattendance, the Board may request the Village Council take official action as to said member.

### **III. DISCLOSURE OF INTEREST**

A member who has a direct interest in any matter before the DDA shall disclose his/her interest prior to the DDA taking any action with respect to the matter which disclosure shall become a part of the record of the DDA's official proceedings. Further, any member making such disclosure shall then refrain from participating in the DDA's decision-making process relative to such matter.

### **IV. MEETINGS**

#### **A. Annual Meeting**

The annual meeting shall be held on the second Wednesday of July. The election of officers shall occur at the annual organizational meeting. If the election of officers should not occur on the day designated, or any adjournment thereof, the Board shall cause the election to be held at a regular special meeting of the Board within ninety days of the annual meeting.

#### **B. Regular Meetings**

Regular meetings of the Board shall be held on the second Wednesday of each month at a time and location agreed to by the Board. In the event the meeting day shall fall on a holiday; the meeting will occur on the following day or at a time and date agreed to by the Board. The financial records shall always be open to the public. Any regularly scheduled meeting may be cancelled for lack of quorum. Notice of all meetings shall be posted in accordance with the Michigan Open Meetings Act.

#### **C. Special Meetings**

Special meetings of the Board may be called by the Chairperson, by the Vice-Chairperson in the absence of the Chairperson, by any three members, or by the Village Council. Notice of all meetings shall be posted in accordance with the Michigan Open Meetings Act.

#### **D. Notice of Meetings**

All meetings shall be preceded by public notice in accordance with the Open Meetings Act (Act 267 of the Public Acts of 1976, as amended.) Notice to the members of the board and to the public shall be the responsibility of the DDA Secretary ("Secretary").

### **E. Agenda**

The Chairperson may direct the Secretary or other person designated by the Board to prepare the agendas for all meetings and send them to the DDA members at least twenty-four prior to a meeting. Any member of the DDA may request any item to be placed upon the Agenda. Approval of the agenda, including items added or deleted, shall be one of the first items of business at each meeting.

### **F. Quorum and Voting**

A majority of the members of the board in office shall constitute a quorum for the transaction of business. In the event that effective membership is reduced because of disclosure of interest, a majority of the remaining members eligible to vote shall constitute the action of the board.

### **G. Rules of Order**

Robert's Rules of Order will govern the conduct of all meetings.

### **H. Public Comment During Meetings**

The DDA wishes to provide for orderly public comment during its meetings and wishes to express its procedure for allowing public comment at its meetings in compliance with Open Meetings Act, Public 267 of the Public Acts of 1976.

1. At any meeting, any interested person may address the Board on any agenda item prior to the vote on that agenda item if recognized by the Chairperson or upon request of any two Board members present.
2. Any interested person may address the Board on any matter relevant to the purposes and powers of DDA during the agenda item designated public comments.
3. The Chairperson shall have the authority to limit and terminate any public comment that becomes disruptive, repetitive, or impedes the orderly progress of the meeting. The Chairperson shall control the order and duration of any public comment, subject to appeal.
4. Any public comment may be limited in time to not more than five (5) minutes.
5. Prior to engaging in public comment, each person shall identify themselves and the group that is being represented.

### **V. EMPLOYMENT OF PERSONNEL UNDER MCL 125.1655**

The DDA may employ personnel deemed necessary by the board as authorized by MCL 125.1655.

## **VI. COMMITTEES AND ADVISORY BOARDS**

### **A. Committees**

The Board, by resolution, may designate and appoint one or more committees to advise the DDA. The Chairperson shall appoint the committee members and select the committee chairman. The committees may be terminated by a vote of the Board. At the annual meeting, the committees will be evaluated and reappointed or dissolved.

### **B. Advisory Boards**

The Board may by resolution authorize the establishment of advisory boards to the DDA. The Chairperson shall select, with the advice and consent of the Board, the advisory board members. The advisory board shall elect their own officers and establish rules governing their actions.

## **VII. FINANCIAL PROCEDURE & MANAGMENT**

### **A. Financial Management Policy**

The Board may authorize a Financial Management Policy for the DDA and said Financial Management Policy should be reviewed annually by the Board and they may be altered, amended, or repealed, and new policies adopted, by a majority of the members present at any regular meeting, subject to the authority and laws of the Village of Lexington and the State of Michigan.

### **B. Funds**

All checks, drafts, or orders for the payment of money, notes, or other evidence of indebtedness issued in the name of the Authority shall have action taken as guided by the Financial Management Policy. All funds of the DDA shall be placed in such banks, trust companies, or other depositories as selected by the Board.

### **C. Contributions or Gifts**

The Board may accept on behalf of the DDA any contribution, gift, request, or device for the general purposes or for any special purpose of the DDA.

## **VIII. BOOKS AND RECORDS**

### **A. Books and Records**

The DDA shall keep correct and complete records of books and accounts and minutes of the meetings. The records shall be kept at the principal office of the DDA which will have a record of the names and addresses of the members of the DDA. All books and records of the DDA shall

be open to the public. An audit by an independent certified public account will be conducted as required by law.

**B. Fiscal Year**

The fiscal year of the Authority shall at all times conform to the fiscal year of the Village of Lexington.

**IX. AMENDMENT TO PROCEDURAL POLICY**

These procedural policies should be reviewed annually by the Board and they may be altered, amended, or repealed, and new policies adopted, by a majority of the members present at any regular meeting, subject to the authority and laws of the Village of Lexington and the State of Michigan.

DEVELOPMENT PLAN AND TAX INCREMENT  
FINANCING PLAN FOR THE VILLAGE OF LEXINGTON DEVELOPMENT AREA

Village Of Lexington Downtown Development Authority  
Village of Lexington, Sanilac County, Michigan  
October 10, 1986

Prepared by:

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## DEVELOPMENT PLAN

Act 197, Public Acts of Michigan, 1975, as amended (the "DDA Act") requires that certain information be set forth in a development plan and this Development Plan, therefore, will follow the outline of information required by Section 17 (2) of the DDA Act.

- A. The designation of boundaries of the development area in relation to highways, streets, streams, or otherwise.

The boundaries of the proposed development area shall be the same as the current Downtown Development District as described in Exhibit A.

The boundaries of the development area on the north are the northern Village limits; the south boundaries are the southern Village limits; the west boundaries vary as shown on Exhibit B. The eastern boundaries also vary as shown on Exhibit B.

- B. The location and extent of existing streets and other public facilities within the development area and shall designate the location, character, and extent of categories of public and private land uses then existing and proposed for the development area, including residential, recreational, commercial, industrial, educational, and other uses and shall include a legal description of the development area.

The location and extent of existing streets, the approximate location and size of existing public utilities, including watermains, sanitary sewers, sewage pumping stations and water towers are shown on the enclosed maps labeled Exhibit C, "Location of Public Facilities within Downtown Development Area."

The existing land uses and zoning of the proposed development area, and any future proposed zoning changes are shown on Exhibit D, Exhibit G, and Exhibit H.

- C. A description of existing improvements in the development area to be demolished, repaired, or altered, a description of any repairs and alterations, and an estimate of the time required for completion.

AND

- D. The location, extent, character, and estimated cost of the improvements including rehabilitation contemplated for the development area and an estimate of the time required for completion.

AND

- E. A statement of the construction or stages of construction planned, and the estimated time of completion of each stage.

Any projects to be undertaken by the Downtown Development Authority will have approvals by the Downtown Development Authority and Village Council.



The Downtown Development Authority is proposing the following projects. The projects listed in this Development Plan are as follows:

- \* Village Harbor Park improvements
- \* New street lighting along Huron Avenue and Main Street
- \* Street and drainage improvements along Main Street
- \* Street improvements along Huron Avenue
- \* Sidewalk improvements
- \* Relocation of D.P.W. garage to new site by waste stabilization lagoons
- \* Beautification projects
- \* Landscaping along existing municipal trailer park at the northern limits of the development area.
- \* Senior citizen housing project adjacent to existing ball diamonds south of Lester Street
- \* Parking lot expansion in downtown area
- \* Parcel acquisition within development area

The Village Harbor Park improvements, street lighting, and sidewalk improvement projects are to be undertaken first.

The construction time table for each project is dependent to a large extent on Tax Increment Revenues which in turn are dependent primarily on new construction in the development area. A supplemental or amended Development Plan and Tax Increment Financing Plan will be approved, if necessary, prior to the commencement of any future project.

#### Village Harbor Park Improvements

The Village is proposing to complete the improvements recently started at the Village Park located on Lake Huron. A master plan has been prepared which outlines the improvements proposed. Work activities to be completed by the Downtown Development Authority would be as follows:

- \* Installation of parking lot lights.
- \* Installation of lighting along boardwalk and sidewalks.
- \* Construction of two 36 ft. dia. pavilions for family reunions.
- \* Construction of a wooden boardwalk and concrete sidewalks throughout the park, and along Huron Ave. from the Park to Coles Alley.
- \* Installation of new recreation equipment for children.
- \* Addition of a tennis court, adjacent to the existing tennis court.
- \* Installation of picnic tables and grills.
- \* Installation of park benches
- \* Installation of volleyball courts.
- \* Construct new bituminous parking area north of Simons Street with storm drainage.
- \* Landscape entire park.
- \* Installation of shuffleboard courts, horseshoe courts, 10 ft. dia. Gazebo.
- \* Placement of the 2nd lift of asphalt on the main parking lot.
- \* Seating and small amphitheater for cultural and social events.

The construction time table for the project is dependent to a large extent on Tax Increment Revenues which in turn are dependent primarily on new construction in the development area. A supplemental or amended Development Plan and Tax Increment Financing Plan will be approved, if necessary, prior to the commencement of construction.

#### Street Lighting

The Village DDA is proposing to replace, and add additional street lighting within the district. The Village DDA is currently working with Village officials and residents to develop a theme for street lighting. Once the theme is established the DDA will install the street lights throughout the DDA district, with Huron Avenue being completed first.

#### Sidewalk Improvements

The Village DDA is planning to rehabilitate, expand and replace sidewalks throughout the DDA district. Various sections of sidewalks will be replaced each year as a sidewalk improvements program. The Huron Avenue area immediately downtown will be completed first.

#### Other Projects:

The construction time table, detailed cost estimates and detailed work tasks for the remaining projects are dependent to a large extent on Tax Increment Revenues which in turn are dependent primarily on new construction in the development area. A supplemental or amended Development Plan and Tax Increment Financing Plan will be approved, if necessary, prior to the commencement of construction.

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

The purpose of the Harbor Park project is to provide open space for recreation and enjoyment of the lake for Village residents and tourists. Open spaces and the use thereof will not be affected by the proposed projects.

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

At the present time, the Authority has no plans to sell, donate, exchange or lease to or from the Municipality any part of the development area.

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

No changes in zoning, streets, street levels, or intersections are contemplated as part of the projects noted in the Development Plan.

I. An estimate of the cost of the development, a statement of the proposed method of financing the development and the ability of the authority to arrange the financing.

1. Harbor Park Improvement Project

It is estimated that the aggregate cost of the improvements planned for the Harbor Park Improvement Project including administrative costs and professional fees incurred will be \$ 207,000. The D.D.A. will plan to undertake only portions of the project each year. This is dependent on the amount of tax revenues received during that year.

The estimated cost of the project is as follows:

Construction costs	\$ 180,000
Administrative, legal, engineering fees, and contingencies	<u>\$ 27,000</u>
Total Cost:	\$ 207,000

2. Street Lighting and Sidewalk Improvements

It is estimated that the aggregate cost of these two items will be dependent upon the amount of the revenues received during the year. The D.D.A. has estimate that it is possible to expend \$10,000 per year for these two projects.

3. Other Projects

All other projects will be undertaken with tax increment revenues not used specifically for principal and interest payments on any bond issues, if a bond issue is used to undertake a project.

J. Designation of the person or persons, natural or corporate, to whom all or a portion of the development is to be leased, sold, or conveyed in any manner and for whose benefit the project is being undertaken if that information is available to the authority.

1. Harbor Park Improvement Project

The park will be owned and maintained by the Village of Lexington. The improvements will benefit the Village residents and tourists coming to Lexington.

K. The procedures for bidding for the leasing, purchasing, or conveying in any manner of all or a portion of the development upon its completion, if there is no express or implied agreement between the authority and persons, natural or corporate, that all or a portion of the development will be leased, sold, or conveyed in any manner to those persons.

Not applicable.

- L. Estimate of the number of persons residing in the development area and the number of families and individuals to be displaced. If occupied residences are designated for acquisition and clearance by the authority, a development plan shall include a survey of the families and individuals to be displaced, including their income and racial composition, a statistical description of the housing supply in the community, including the number of private and public units in existence, the number of owner-occupied and renter-occupied units, the annual rate of turnover of the various types of housing and the range of rents and sale prices, and estimate of the total demand for housing in the community, and the estimated capacity of private and public housing available to displaced families and individuals.

The estimated number of persons residing in the development area is \_\_\_\_\_. No occupied residences are designated for acquisition and clearance by the authority.

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

Not applicable.

- N. Provision for the costs of relocating persons displaced by the development and financial assistance and reimbursement of expenses, including litigation expenses and expenses incident to the transfer of title, in accordance with the standards and provisions of the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, being Public Law 91-646, 42 U.S.C. Sections 4601, et seq.

Not applicable.

- O. A plan for compliance with Act No. 227 of the Public Acts of 1972, being Sections 213.321 to 213.332 of the Michigan Compiled Laws.

Not applicable.

- P. Other material which the authority, local public agency, or governing body deem pertinent.

The development area may be expanded as deemed pertinent. When and if such modifications are required, an amended or supplemental development plan and tax increment financing plan will be submitted.

VILLAGE OF LEXINGTON  
SANILAC COUNTY, MICHIGAN  
TAX INCREMENT FINANCING PLAN

Section 14(2) of the DDA Act provides that when the authority determines that it is necessary for the achievement of the purposes of the DDA Act, the authority shall prepare and submit a tax increment financing plan to the governing body of the municipality. The DDA Act requires that the plan include: (A) a detailed explanation of the tax increment procedure, (B) the maximum amount of bonded indebtedness to be incurred, (C) the duration of the program, (D) compliance with Section 15 of the DDA Act, (E) a statement of the estimated impact of tax increment financing on the assessed value of all taxing jurisdictions in which the development area is located and (F) a statement of the portion of the captured assessed value intended to be used by the authority.

A. Detailed explanation of tax increment financing procedure.

The DDA Act enables downtown development authorities to undertake a broad range of downtown improvement activities which will contribute to the economic growth and the halting of deterioration of property values in a designated downtown district. These improvement activities include, but are not limited to, the following: plan and propose construction, renovation, repair, remodeling, rehabilitation, restoration or reconstruction of public facilities; development of longrange plans; and otherwise implement any plan of development in the downtown district necessary to achieve the purposes of the DDA Act.

In order to provide the Downtown Development Authority with the means of financing the planning and implementation of development proposals, the DDA Act affords the opportunity to undertake tax increment financing of the development program. These programs must be identified in a tax increment financing plan which has been approved by the governing body of a municipality.

Simply stated, tax increment financing permits the authority to capture tax revenues attributable to increases in value of real and personal property located within an approved development area. The increases in property value may be attributable to new construction, rehabilitation, remodeling, alteration, additions, or to such other factors as the assessor may deem appropriate.

At the time the ordinance establishing the tax increment financing plan is approved, the sum of the most recently assessed values, i.e., the values as finally equalized by the State Board of Equalization, of those taxable properties located within the development area is established as the "Initial Assessed Value". Property exempt from taxation at the time of determination of the Initial Assessed Value shall be included as zero.

In each subsequent year, the total assessed value of real and personal property within the district is termed the "Current Assessed Value".

The difference in any one year between the Current Assessed Value and the Initial Assessed Value is the "Captured Assessed Value". During that period during which the tax increment financing plan is in place, local taxing jurisdictions continue to receive ad valorem taxes based on the Initial Assessed Value. Taxes paid on the Captured Assessed Value in years subsequent to the establishment of the development are, however, are payable to the authority for the purposes set forth in the tax increment financing plan.

For example, in Year One a development area is created in the downtown district. An Initial Assessed Value of \$10,000,000 is established. Assuming a 50 mill tax rate, the tax revenue from the development area is \$500,000. In Year Two, new construction within the development area increases the total assessed valuation to \$11,000,000. The difference between the Current Assessed Value, \$11,000,000, and the Initial Assessed Value, \$10,000,000. While the normal taxing jurisdictions continue to receive \$500,000 the authority would receive tax increment revenue equal to the Captured Assessed Value, \$1,000,000, times the rate, 50 mills.

The tax increment payable to the authority in Year Two is, therefore, \$50,000. Additional increases in value would augment the authority's tax increment revenues commensurately while the normal taxing jurisdictions would continue to receive \$500,000 annually for the duration of the tax increment financing program.

**B. Maximum Amount of Bonded Indebtedness to be Incurred.**

There are no projects to be bonded at this time.

**C. The Duration of the Program.**

The plan will remain in effect until the projects, as listed in the development plan, are fully completed.

**D. Compliance with Section 15 of Act No. 197, Public Acts of Michigan, 1975, as amended.**

It is recognized that the amount of tax increment revenue to be transmitted to the authority by the Village Treasurer and Township Treasurer shall be that portion of the tax levy of all taxing bodies paid annually on the assessed value of real and personal property in the development area in excess of the initial assessed value.

It is further recognized that tax increment revenues shall be expended only in accordance with the provisions of the tax increment financing plan and the surplus tax increment revenues not used for projects as listed in the development plan, shall revert proportionately to the respective local taxing jurisdictions.

It is also recognized that tax increment revenues shall not be used to circumvent existing levy limit laws and that the Village of Lexington

Council may abolish the tax increment financing plan when it finds that the purposes for which the plan was created are accomplished.

Pursuant to Section 15(3) of the DDA Act, the authority shall submit to the Village Council an annual report on the status of the tax increment financing account. The report shall include, but not be limited to, the following items:

1. Amount and source of revenue in the account.
2. Amount and purpose of expenditures from the account.
3. Amount of principal and interest on outstanding bonded indebtedness, if any.
4. Initial assessed value of the project area.
5. Captured assessed value retained by the authority.
6. Tax increments received by the authority.
7. Such other additional information as is deemed necessary by the Lexington Village Council.

The authority shall publish or cause to be published the annual tax increment financing account report in the local legal newspaper, that currently being the Sanilac County Jeffersonian.

- E. Statement of the estimated impact of tax increment financing on the assessed value of all taxing jurisdictions in which the development area is located.

The tax increment financing plan will in no way diminish the assessed values of property within the area boundaries. Local taxing jurisdictions, Village of Lexington, Lexington Township, Sanilac County, Croswell Lexington School District, Sanilac County Intermediate School District, will therefore, suffer no loss of current tax revenues.

For the period during which the tax increment financing plan is in effect, the assessed values of properties within the development area will effectively remain constant insofar as the local taxing jurisdictions are concerned. Any increase in property values will generate tax increment revenues which will be available only to the authority during the duration of the plan unless excess funds are available and if available will be distributed proportionately to the taxing units.

It should be noted, however, that Act No. 404 of the Public Acts of 1974, as amended, specifically authorizes the exclusion of the Captured Assessed Value of the development area in computations made by school districts to determine state financial assistance.

It is anticipated that the development activities of the authority financed in whole or in part by tax increment revenues will produce a positive,

material effect on the assessed values of property within and in the proximity of the development and will ultimately result in the eventual collection of greater real and personal property tax revenues than would otherwise have been available; and that the improvements will be fully paid for in less than fifteen years.

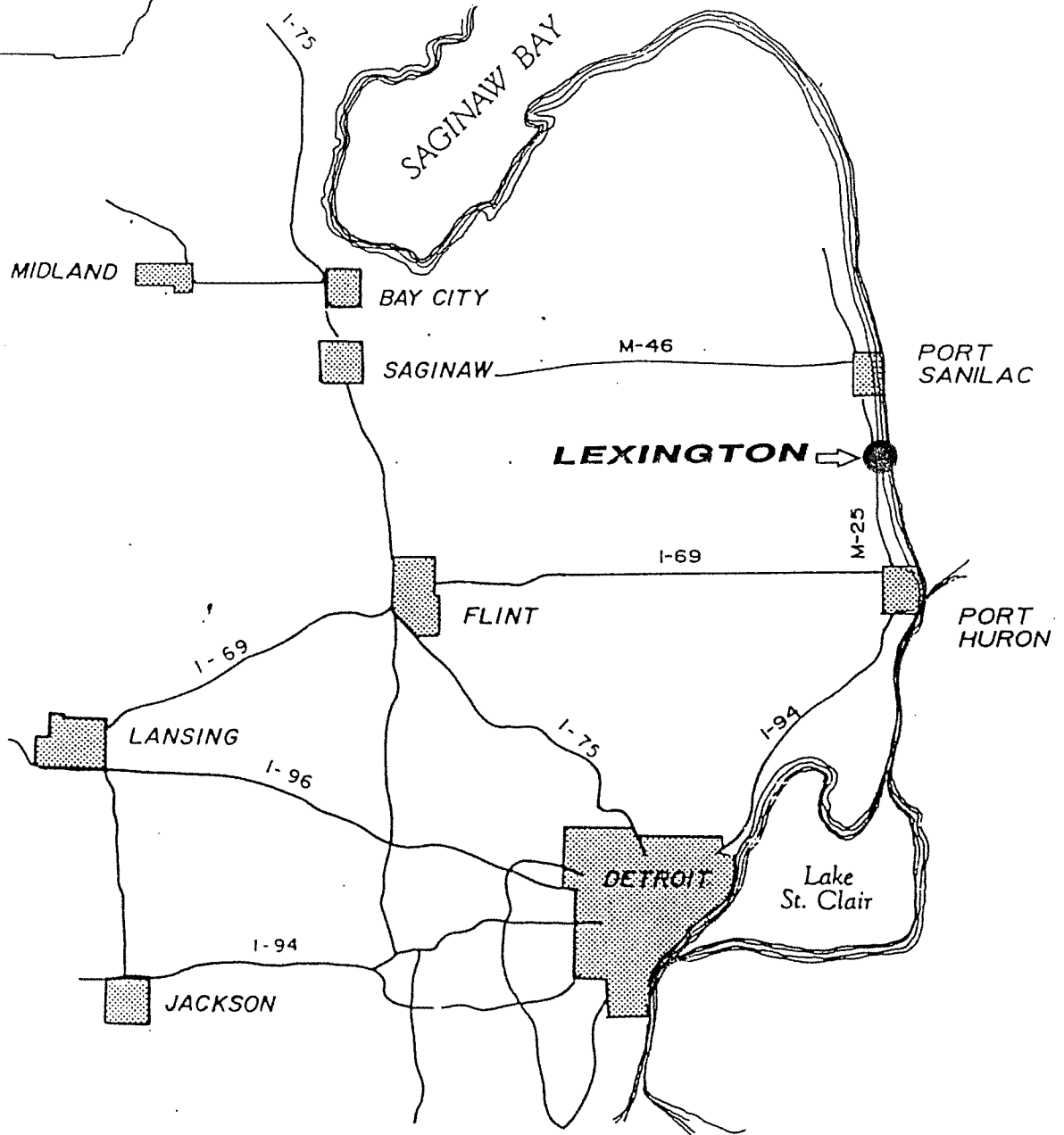
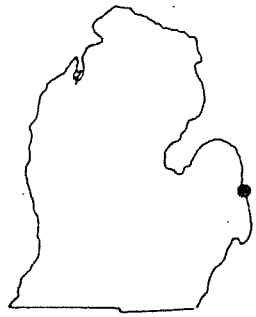
Pursuant to Section 14(4) of the DDA Act, the authority shall fully inform the members of the Sanilac County Board of Commissioners and the members of the various school boards of the fiscal and economic implications of the proposed development area.

**F. Statement of the portion of the Captured Assessed Value intended to be used by the authority.**

In view of the necessity of halting property value deterioration and of promoting economic growth within the downtown area, it is the intention of the authority to expend or otherwise obligate all tax increment revenues collected to achieve the purposes of the DDA Act.

The tax increment revenues which are generated by the Captured Assessed Value will be used to pay costs which are not financed by the issuance of bonds, in connection with the described projects or to amortize bonds if used for future projects.





**LOCATION MAP**

NO SCALE

**Roberts, Bartow & Associates, Inc.**  
Engineers / Planners / Surveyors  
Bay City, Michigan 48708

EXHIBIT A

LEGAL DESCRIPTION OF LANDS WITHIN THE VILLAGE OF LEXINGTON,  
SANILAC COUNTY, MICHIGAN.

This legal description is by the section type description method rather than by metes and bounds type description for ease of reading and understanding.

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Land in the east half of Section 25 and the northeast quarter of Section 36, T10N-R16E, and in the west half of Section 30 and the northwest quarter of Section 31, T10N-R17E, Village of Lexington, Sanilac County, Michigan, described as:

All that land lying in and adjacent to Main Street between a line 132 feet west of and parallel to the west right of way line and a line 132 feet east of and parallel to the east right of way line from the south Village Limits and extending to the north Village Limits, also,

That part of the northeast quarter of Section 36 lying south of "Rueben Simons Addition to Village of Lexington" and east of a line 214.5 feet east of the east line of Union St., except the south 198 feet of the west 155 feet of the east 320 feet, and except the north 132 feet of the west 198 feet of the east 363 feet, and except the north 231 feet of the south 462 feet of the west 183 feet thereof, also,

That part of Section 36 being Lots 46 thru 56 and Lots 61, 71 & 72, "Commissioner's Plat of Village of Lexington" and that part of Boyington Street lying north of said Lot 61, also all of "James Plat of Village of Lexington" and all of Huron Avenue lying east of Vulclan Street, also,

That part of Section 25 being the south 198 feet of the west 462 feet of the east 627 feet thereof, also,

That part of the southeast quarter of Section 25 lying north of Dennison Street, also including the westerly 1075 feet of Dennison Street, except the west 726 feet of the east 891 feet of the south 234 feet lying north of the north line of Dennison Street, and except the west 664 feet of the east 1555 feet of the south 350 feet lying north of the north line of Dennison Street, also,

That part of the northeast quarter of Section 25 being the south 490 feet thereof, also

That part of the southwest quarter of Section 30 lying west of Lake Huron north of a line 300 feet north of the north line of Jefferson Street and south of a line 1072.5 feet south of the north Village Limits, except the north 120 feet of the easterly 450 feet thereof, also,

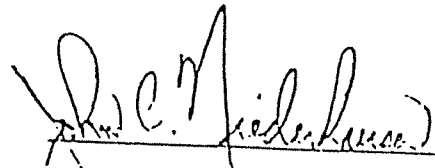
That part of Section 30 and Section 31 lying south of the north line of Simons Street and north of the south line of Boyington Street, also including lots 1, 2 and 3 "Anson Simons Plat", also,

That part of the northwest quarter of Section 31 being the north 484 feet of the south 764 feet thereof.

By:

BOLDT, McLEOD & JOHNSON, INC.  
CONSULTING ENGINEERS & LAND SURVEYORS  
1904 POPLAR STREET

PORT HURON, MICHIGAN 48060  
(313) 984-5596

  
John C. Niederhauser, L.S.

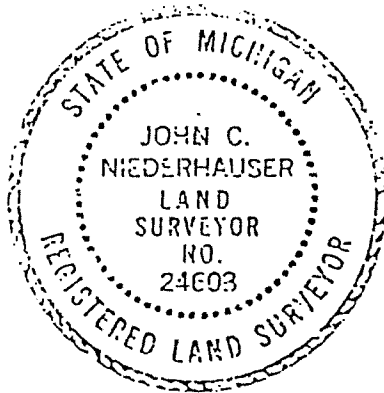
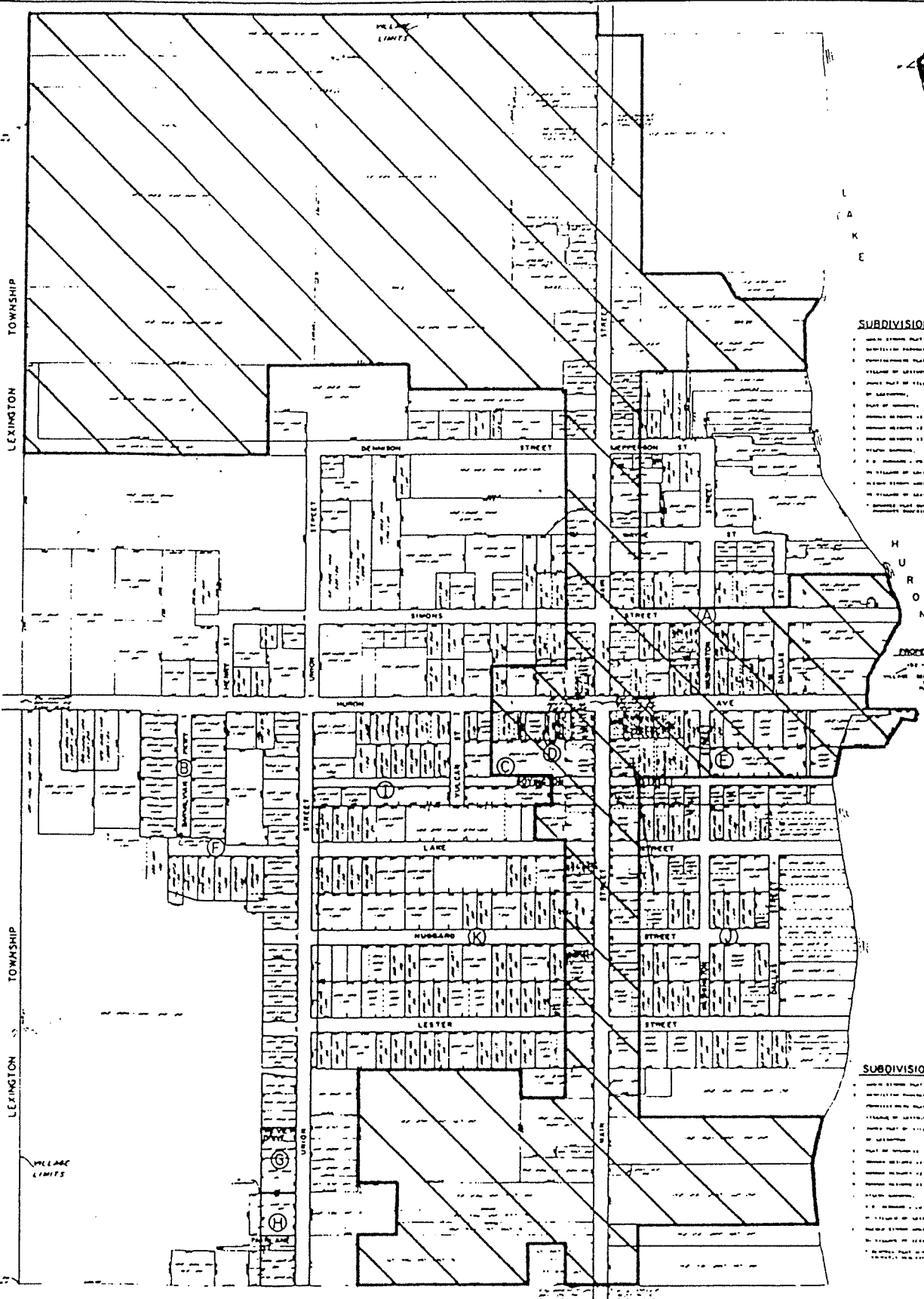


EXHIBIT B



**SUBDIVISION PLAT KEY**

•	1/4 SECTION	1/4 SECTION
•	1/2 SECTION	1/2 SECTION
•	3/4 SECTION	3/4 SECTION
•	1/4 SECTION	1/4 SECTION
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**PROPERTY PARCEL KEY**

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**SUBDIVISION PLAT KEY**

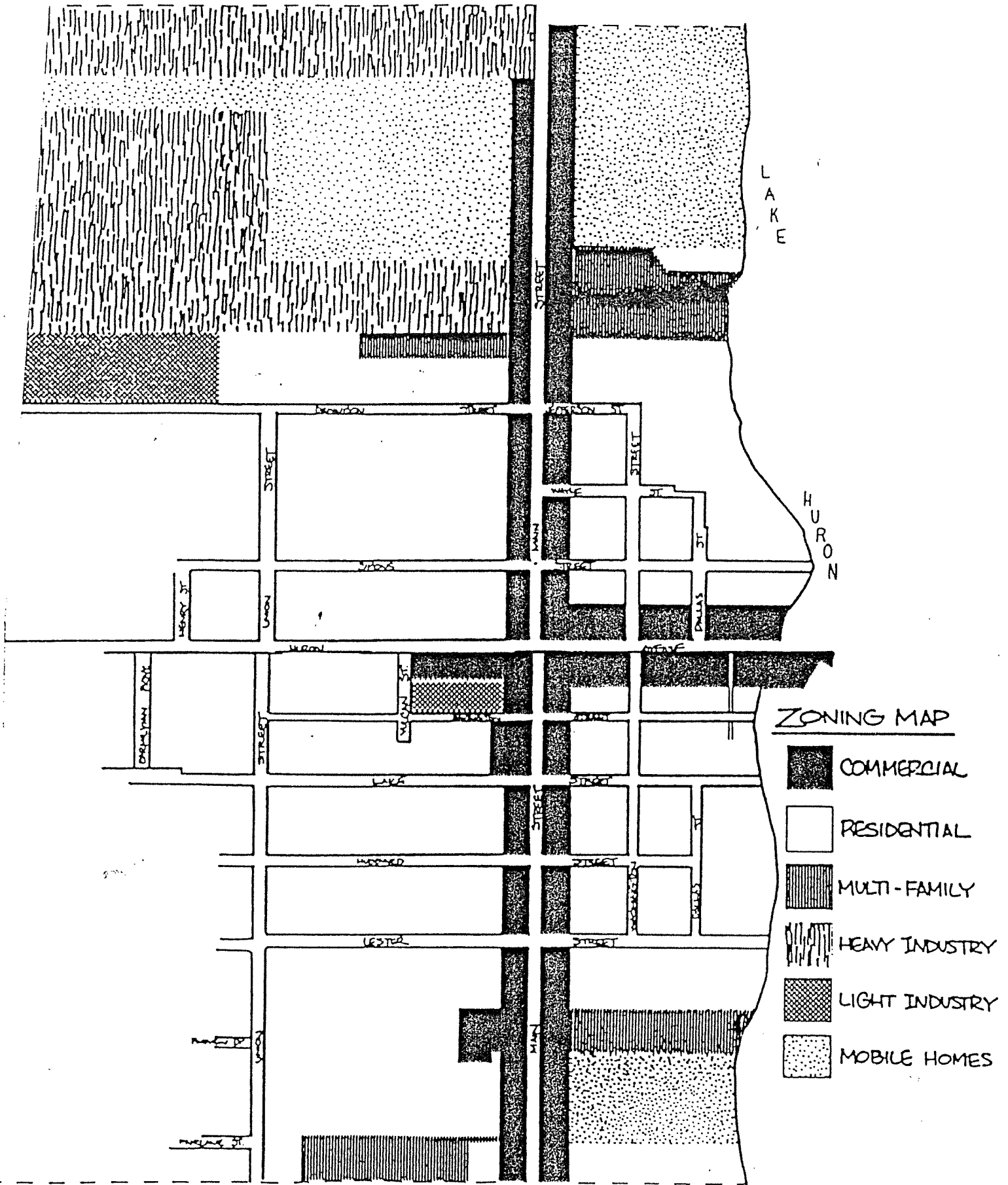
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**DOWNTOWN DEVELOPMENT AUTHORITY  
DISTRICT BOUNDARIES**

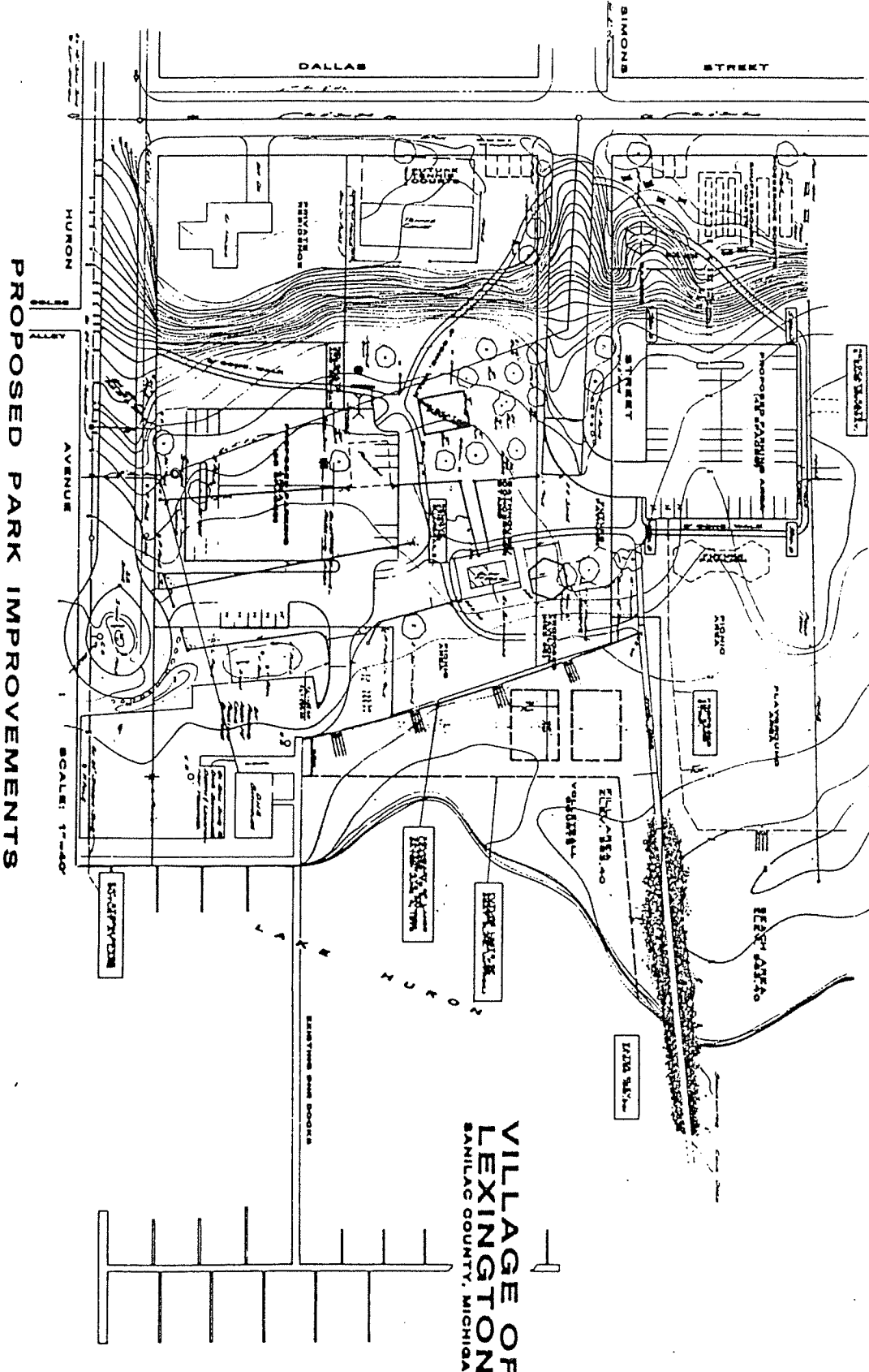
PROPERTY PARCEL MAP  
VILLAGE OF LEXINGTON  
SANDS COUNTY, MICHIGAN



**EXHIBIT "D"**  
**VILLAGE OF LEXINGTON**  
**SANILAC COUNTY MICHIGAN**  
**EXISTING ZONING MAP**



WORTH



VILLAGE OF  
LEXINGTON  
SANILAC COUNTY, MICHIGAN

EXHIBIT "E"

PROPOSED PARK IMPROVEMENTS

Robert, Ertow & Associates, Inc.	
Professional Engineer - Michigan	
177 E. Johnson Ave. Saginaw, Mich. 49783-4211	
DATE: 10/1/88	SCALE: 1"=40'
PROJECT: PARK IMPROVEMENTS	SHEET: 1 OF 1

MATERIALS REGARDING NOVEMBER 10, 1986, AMENDMENT TO LEXINGTON  
DOWNTOWN DEVELOPMENT AUTHORITY.

ADDITIONAL MATERIALS NEEDED:

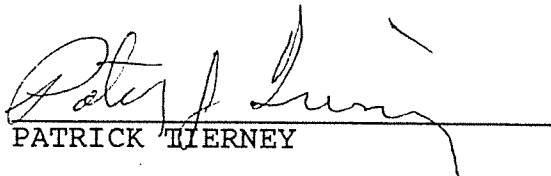
A. PROOF OF FILING AMENDMENTS WITH SECRETARY OF STATE.



PROOF OF POSTING

I posted a copy of the attached Notice at the following public places located within the Village of Lexington Downtown Development Authority District on October 13, 1986:

Total Gas Station  
Project Blessing  
Village Hall  
Bea's Restaurant  
Lex Plaza Market  
A & W Restaurant  
Water Works Shop  
Brite & Clean Laundry  
Sam's Barber Shop  
Town Shop  
Old Fudge Shop  
U.S. Post Office  
Ehardt's Pharmacy  
Richard Home Furnishing  
Foley's Market  
Shell Gas Station - Rowland  
Village Park  
Cal's Standard Gas Station & Party Store  
Esselink Plumbing  
Dairy Queen  
The General Store

  
PATRICK TIERNEY

**NOTICE OF PUBLIC HEARING ON THE ADOPTION  
OF AN ORDINANCE APPROVING A DEVELOPMENT  
PLAN FOR THE LEXINGTON DOWNTOWN DEVELOPMENT AUTHORITY**

PLEASE TAKE NOTICE that a public hearing will be held on the adoption of a proposed ordinance adopting a development plan for the Lexington Downtown Development Authority.

The description of the development area in relation to highways, streets, and streams, as well as a map of the entire area, is available for public inspection during regular business hours at the office of the Village Clerk for the Village of Lexington.

All aspects of the proposed development plan will be open for discussion at said public hearing.

Said hearing shall take place on MONDAY, NOVEMBER 10, 1986 in the Town Hall in the Village of Lexington, at 7:00 p.m., Eastern Standard Time.

\_\_\_\_\_  
David X. Regan, Village Clerk

Prepared by:  
RIGNEY AND TEEPLE  
Attorneys for Village of Lexington  
34 East Sanilac Avenue  
Sandusky, MI. 48471

*Notices Mailed 10-13-86*

NOTICE OF PUBLIC HEARING TO AMEND  
BOUNDARIES OF LEXINGTON DOWNTOWN  
DEVELOPMENT AUTHORITY DISTRICT

PLEASE TAKE NOTICE that a public hearing will be held on the adoption of an amendment to the boundaries of the Lexington Downtown Development Authority District to include additional lands in said Downtown Development Authority District described as follows:

Land situated in the Village of Lexington, Township of Lexington, County of Sanilac, State of Michigan, Section 36, to-wit:

Lots 11, 12, 13 of Wilcox Gardens Subdivision;  
AND

Lot 74 excepting the East 8 feet thereof, Lots 75, 76, 77, 78, 79, 92, 93, 94, 95, 108, 110 of Simons Plat of the Village of Lexington;  
AND

Lot 65 excepting the East 18 feet thereof, Lots 66 and 67 of Commissioners Plat of the Village of Lexington.

Said hearing shall take place on MONDAY, NOVEMBER 10, 1986 in the Town Hall in the Village of Lexington, at 7:00 p.m. Eastern Standard Time.

---

DAVID X. REGAN, Village Clerk

Prepared by:  
RIGNEY & TEEPLE  
Attorneys for Village of Lexington  
34 East Sanilac Avenue  
Sandusky, MI. 48471