

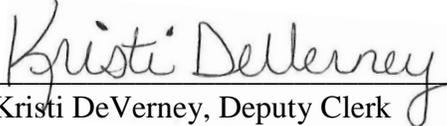
GRAND HAVEN CHARTER TOWNSHIP
NOTICE OF POSTING OF PROPOSED ORDINANCE

NOTICE IS HEREBY GIVEN that the following Ordinance has been proposed for adoption by the Charter Township of Grand Haven, Ottawa County, Michigan:

AN ORDINANCE TO PROVIDE FOR A SERVICE CHARGE IN LIEU OF TAXES FOR A MULTIPLE FAMILY DWELLING PROJECT FOR ELDERLY PERSONS OF LOW INCOME TO BE FINANCED OR ASSISTED PURSUANT TO THE PROVISIONS OF THE STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966.

The proposed Ordinance has been posted at the office of the Township Clerk, 13300 - 168th Avenue, Grand Haven, Michigan and on the Township's web site: www.ght.org

The proposed Ordinance was first introduced at a regular meeting of the Township Board on May 22, 2017. Copies of the proposed Ordinance are available upon request at the office of the Township Clerk.


Kristi DeVerney, Deputy Clerk
Grand Haven Charter Township

POSTED LEGAL AD: June 3, 2017

ORDINANCE NO. _____

**TAX EXEMPTION ORDINANCE
GRAND HAVEN CHARTER TOWNSHIP**

AN ORDINANCE TO PROVIDE FOR A SERVICE CHARGE IN LIEU OF TAXES FOR A MULTIPLE FAMILY DWELLING PROJECT FOR ELDERLY PERSONS OF LOW INCOME TO BE FINANCED OR ASSISTED PURSUANT TO THE PROVISIONS OF THE STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966.

GRAND HAVEN CHARTER TOWNSHIP, COUNTY OF OTTAWA, AND STATE OF MICHIGAN, ORDAINS:

SECTION 1. Name of Ordinance.

This Ordinance shall be known and cited as the "Grand Haven Charter Township Tax Exemption Ordinance for The Village at Rosy Mound."

SECTION 2. Preamble.

It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide housing for its Elderly citizens of low income and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the State Housing Development Authority Act of 1966 (1966 PA 346, as amended, MCL Section 125.1401 et. seq.; the "Act"). Grand Haven Charter Township (the "Township") is authorized by this Act to establish or change the service charge to be paid in lieu of taxes by any or all classes of housing exempt from taxation under this Act at any amount it chooses not to exceed the taxes that would be paid but for this Act. It is further acknowledged that such housing for Elderly persons of low income is a public necessity, and as the Township will be benefitted and improved by such housing, the encouragement of the same by providing certain real estate tax exemption for such housing is a valid public purpose; further, that the continuance of the provisions of this Ordinance for tax exemption and the service charge in lieu of taxes during the period contemplated in this Ordinance are essential to the determination of economic feasibility of Housing Developments which are constructed and financed in reliance on such tax exemption.

The Township acknowledges that Rosy Mound Limited Dividend Housing Association Limited Partnership (the "Sponsor") has offered subject to receipt of a Mortgage Loan from the Michigan State Housing Development Authority, to erect, own and operate a 116 unit Elderly Housing Development identified as The Village at Rosy Mound on certain property more fully described in Exhibit A, which is attached hereto, in the Township to serve Elderly persons of low income, and that the Sponsor has offered to pay the Township on account of this Housing Development an annual service charge for public services in lieu of all taxes.

SECTION 3. Definitions.

- A. Act means the State Housing Development Authority Act, being Public Act 346 of 1966, of the State of Michigan, as amended.
- B. Annual Shelter Rent means the total collections during an agreed annual period from all occupants of a Housing Development or any amount paid to the Sponsor on behalf of any occupant representing rent or occupancy charges, exclusive of charges for fuel, water, sanitary sewer service, electrical service, or other utilities furnished to the occupants.
- C. Authority means the Michigan State Housing Development Authority.
- D. Elderly means a single person who is 55 years of age or older, or housing occupied by a family and/or household in which at least one member is 55 years of age or older and all other members are 50 years of age or older.
- E. Housing Development means a development which contains a significant element of housing for Elderly persons of low income and such elements of other housing, commercial, recreational, industrial, communal, and educational facilities as the Authority determines improve the quality of the Housing Development as it relates to housing for Elderly persons of low income.
- F. Housing for the Elderly means housing occupied by a single person who is 55 years of age or older, or housing occupied by a family and/or household in which at least one member is 55 years of age or older and all members are 50 years of age or older.
- G. Mortgage Loan means a loan to be made by the Authority to the Sponsor for the construction and/or permanent financing of the Housing Development.
- H. Sponsor means person(s) or entities which have applied to the Authority for a Mortgage Loan to finance a Housing Development, specifically The Village at Rosy Mound.
- I. Utilities mean fuel, water, sanitary sewer service, electrical service, and other utilities which are paid by the Housing Development.

SECTION 4. Class of Housing Developments.

It is determined that the class of Housing Developments to which the tax exemption shall apply and for which a service charge shall be paid in lieu of such taxes shall be Housing for the Elderly, which are financed or assisted pursuant to the Act including, but not limited to an allocation of low income housing tax credit. It is further determined that The Village at Rosy Mound is of this class.

SECTION 5. Establishment of Annual Service Charge.

The Housing Development identified as The Village at Rosy Mound and the property on which it is constructed shall be exempt from all property taxes from and after the commencement of construction. The Township, acknowledging that the Sponsor and the Authority have established the economic feasibility of the Housing Development in reliance upon the enactment and continuing effect of this Ordinance and the qualification of the Housing Development for exemption from all property taxes and a payment in lieu of taxes as established in this Ordinance, and in consideration of the Sponsor's offer, subject to receipt of a Mortgage Loan from the Authority, to construct, own and operate the Housing Development, agrees to accept payment of an annual service charge for public services in lieu of all property taxes. The annual service charge shall be equal to four percent (4%) of the difference between the Annual Shelter Rents actually collected and Utilities. The Township shall distribute the annual service charge among all local units of government with general property tax authority over the property, but for the tax exemption granted by this Ordinance, as required by Section 15a(4) of the Act.

SECTION 6. Limitation on the Payment of Annual Service Charge.

Notwithstanding Section 5 above, the service charge to be paid each year in lieu of taxes for the part of the Housing Development which is tax exempt and which is occupied by other than low income persons or families shall be equal to the full amount of the taxes which would be paid on that portion of the Housing Development if the Housing Development were not tax exempt.

The term "low income" as used herein shall be the same as found in Section 15a(7) of the Act.

SECTION 7. Contractual Effect of Ordinance.

Notwithstanding the provisions of Section 15a(5) of the Act, to the contrary, a contract between the Township and the Sponsor with the Authority as third party beneficiary under the contract, to provide tax exemption and accept payments in lieu of taxes, as previously described, is effectuated by enactment of this Ordinance.

SECTION 8. Payment of Service Charge.

The service charge in lieu of taxes as determined under the Ordinance shall be payable in the same manner as general property taxes are payable to the Township except that the annual payment shall be paid on or before August 1st of each year. On or before June 1st of each year, the Sponsor shall file with the Township an audit showing the number of units in The Village at Rosy Mound occupied by Elderly persons of low income as of December 31 of the previous year, and showing the rent or occupancy charges received from those units during the previous calendar year.

SECTION 9. Benefits.

The benefits of the property tax exemption granted pursuant to this Ordinance shall be for the benefit of low-income households residing at The Village at Rosy Mound in the form of reduced Annual Shelter Rent. The Sponsor shall, at the request of the Township, submit to the

Township such evidence and documentation as may be reasonably necessary to demonstrate the ongoing rent differential between low-income rents and market rate rents and to ensure the Sponsor's compliance with this requirement.

SECTION 10. Duration.

This Ordinance shall remain in effect and shall not terminate so long as the Mortgage Loan remains outstanding and unpaid or the Authority has any interest in the property; provided, that construction of the Housing Development commences within one year from the effective date of this Ordinance.

SECTION 11. Lien.

The service charges in lieu of taxes payable under this Ordinance shall be a lien on The Village at Rosy Mound, and if delinquent, shall be collected and enforced in the same manner as general property taxes.

SECTION 12. No Severability.

The various sections and provisions of this Ordinance shall not be deemed to be severable. Should any section or provision of this Ordinance be declared by any court of competent jurisdiction to be unconstitutional or invalid the same shall terminate the validity of the Ordinance, unless the Township takes action to readopt the remaining provisions of this Ordinance.

SECTION 13. Effective Date.

This Ordinance was approved and adopted by the Township Board of the Charter Township of Grand Haven, Ottawa County, Michigan, on _____, after introduction and a first reading on _____, and publication after such first reading as required by Michigan Act 359 of 1947, as amended. This Ordinance shall be effective on _____, which date is at least 30 days after publication of the Ordinance.

Mark Reenders, Supervisor

Laurie Larsen, Clerk

CERTIFICATE

I, Laurie Larsen, the Clerk for the Charter Township of Grand Haven, Ottawa County, Michigan, certify that the foregoing Tax Exemption Ordinance for The Village at Rosy Mound was adopted at a regular meeting of the Grand Haven Charter Township Board held on _____, 2017. The following members of the Township Board were present at that meeting: _____

_____.

The following members of the Township Board were absent: _____.

The Ordinance was adopted by the Township Board with members of the Board _____ voting in favor and members of the board _____ voting in opposition.

The Ordinance was published as required after adoption on _____, 2017.

Laurie Larsen, Township Clerk

EXHIBIT A

SENIOR CONGREGATE MSHDA PARCEL (REVISED):
Part of Section 4, Town 7 North, Range 16 West, Grand Haven Township, Ottawa County, Michigan, described as: Commencing at the South 1/4 corner of said section; thence N00°14'49"E 1669.02 feet along the North-South 1/4 line of said section; thence N89°56'15"W 1299.16 feet along the South line of the North 3/4 of the Northeast 1/4 of the Southwest 1/4 of said section; thence Northwesterly 203.39 feet along a 51517.06 foot radius curve to the right, said curve having a central angle of 00°13'34", and a chord that bears N00°06'44"W 203.39 feet along the East right-of-way line of Lakeshore Drive to the Point of Beginning; thence continuing along said right-of-way line Northeasterly 503.27 feet along a 51517.06 foot radius curve to the right, said curve having a central angle of 00°33'35", and a chord bearing N00°16'51"E 503.27 feet; thence N89°58'54"E 713.75 feet; thence S62°36'28"E 72.28 feet; thence Northeasterly 36.27 feet along a 224.00 foot radius curve to the right, said curve having a central angle of 09°16'37", and a chord bearing N50°32'44"E 36.23 feet; thence Northeasterly 156.94 feet along a 400.00 foot radius curve to the left, said curve having a central angle of 22°28'49", and a chord bearing N43°56'38"E 155.94 feet; thence N32°42'13"E 89.74 feet; thence Northeasterly 34.96 feet along a 100.00 foot radius curve to the left, said curve having a central angle of 20°01'54", and a chord bearing N22°41'17"E 34.78 feet; thence N12°40'20"E 101.38 feet; thence along the Southerly right-of-way line of Rosy Mound Drive Southeasterly 24.01 feet along a 395.33 foot radius curve to the left, said curve having a central angle of 03°28'45", and a chord bearing S78°04'15"E 24.00 feet; thence S12°40'20"W 101.69 feet; thence Southwesterly 43.35 feet along a 124.00 foot radius curve to the right, said curve having a central angle of 20°01'54", and a chord bearing S22°41'17"W 43.13 feet; thence S32°42'13"W 89.74 feet; thence Southwesterly 166.36 feet along a 424.00 foot radius curve to the right, said curve having a central angle of 22°28'49", and a chord bearing S43°56'38"W 165.29 feet; thence Southwesterly 86.48 feet along a 200.00 foot radius curve to the left, said curve having a central angle of 24°46'28", and a chord bearing S42°47'49"W 85.81 feet; thence S30°24'35"W 34.35 feet; thence S11°09'03"W 253.58 feet; thence S45°00'00"W 11.89 feet; thence N90°00'00"W 558.19 feet; thence S13°36'11"W 70.24 feet; thence S00°00'00"W 55.53 feet; thence N89°59'31"W 114.21 feet to the Point of Beginning. Containing 6.97 acres.
Subject to easements, restrictions, and rights-of-way of record.