

City of Ypsilanti
Ordinance No. 1239

An Ordinance to amend Ordinance No. 2014-1212 in order to provide for a service charge in lieu of taxes for two additional parcels of a housing project for low income persons and families pursuant to the provisions of the State Housing Development Authority Act of 1966 (1966 PA 346, as amended; MCL 125.1401, et seq) (the "Act").

WHEREAS on February 4, 2014, City Council for the City of Ypsilanti adopted Ordinance No. 2014-1212, "City of Ypsilanti Tax Exemption Ordinance-Scattered Site"; and

WHEREAS this ordinance established a Payment in Lieu of Taxes (PILOT) for several parcels to serve as housing for low income persons and families owned and operated by Strong Future LDHA Limited Partnership; and

WHEREAS since adopting this PILOT, two additional parcels have been added to the project; and

WHEREAS the PILOT needs to be amended to incorporate these additional parcels; and

NOW THEREFORE:

1. THE CITY OF YPSILANTI ORDAINS that Section 2 of Ordinance No. 2014-1212, "City of Ypsilanti Tax Exemption Ordinance-Scattered Site" be amended to read as follows:

It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide housing for its low income persons and families and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the Act. The City of Ypsilanti (the "City") 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 ad valorem 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 low income persons and families is a public necessity, and as the City will be benefited and improved by such housing, the encouragement of the same by providing real estate tax exemption for such housing is a valid public purpose. It is further acknowledged that the continuance of the provisions of this Ordinance for exemption from ad valorem taxation and the service charge in lieu of all ad valorem taxes during the period contemplated in this Ordinance are essential to the determination of economic feasibility of the housing projects that is constructed or rehabilitated with financing extended in reliance on such tax exemption.

The City acknowledges that the Sponsor (as defined below) has offered, subject to the approval of an application to the U.S. Department of Housing and Urban Development's Rental Assistance Demonstration Program and subject to receipt of an allocation under the LIHTC Program by the Michigan State Housing Development Authority, to acquire, rehabilitate, own, and operate a housing project identified as Scattered Site Housing Project on certain property located at parcels 11-11-09-170-023, 11-11-39-145-029, 11-11-10-267-003, 11-11-39-414-005, 11-11-37-100-001, 11-11-37-202-001, 11-11-37-152-010, 11-11-10-355-037, 11-11-37-153-007, 11-11-37-201-001, 11-11-39-481-010, 11-11-39-145-030, 11-11-09-170-024 and 11-11-39-484-001 in the City to serve low income persons and families (the "Project"), and that the Sponsor has offered to pay the City on account of this housing project an annual service charge for public services in lieu of all ad valorem property taxes.

2. Copies to be available. Copies of the Ordinance are available at the office of the city clerk for inspection by, and distribution to, the public during normal office hours.

3. Publication and Effective Date. The City Clerk shall cause this Ordinance, or a summary of this Ordinance, to be published by printing the same in the Ypsilanti Courier. This Ordinance shall become effective after publication at the expiration of 30 days after adoption.

MADE, PASSED AND ADOPTED BY THE YPSILANTI CITY COUNCIL THIS 20th DAY OF January, 2015.

Frances McMullan, City Clerk

Attest

I do hereby confirm that the above Ordinance No. 1239 was published in Washtenaw Now on the 20th day of January, 2015.

Frances McMullan, City Clerk

CERTIFICATE OF ADOPTING

I hereby certify that the foregoing is a true copy of the Ordinance passed at the regular meeting of the City Council held on the 20th day of January, 2015.

Frances McMullan, City Clerk

Notice Published: December 25, 2014

First Reading: January 6, 2015

Second Reading: January 20, 2015

Published: January 29, 2015

Effective Date: February 20, 2015