



**CITY OF YPSILANTI
NOTICE OF ADOPTED ORDINANCE
Ordinance No. 1300**

An ordinance to amend Chapter 30, Article VI "Tax Exempt Housing" of the Ypsilanti City Code to repeal Divisions 2, 4, 5, 6, 7, 11, and 12; renumber the remaining Divisions and Sections of the Article; and other changes

1. THE CITY OF YPSILANTI HEREBY ORDAINS that Chapter 30, Article VI, "Tax Exempt Housing," of its Code of Ordinances be amended to read as follows:

DIVISION 1. - GENERALLY

Sec. 30-151. - Exemption restricted.

~~Except as specifically provided in this Code, and Pursuant to section 15a of Act No. 334 of the Public Acts of Michigan of 1968 (MCL 125.1415a), any and all classes of property which could qualify for exemption shall not be exempt in the city from taxation, with the exception of housing for elderly citizens and housing for low income residents financed by the state housing development authority of 100 units or more and properties financed under Section 236 of the National Housing Act in which the city participated directly and actively in the planning and development stages.~~

~~(Code 1983, § 1.141)~~

~~Sec. 30-152. —Effective date.~~

~~This article shall be effective with respect to housing projects for which an exemption has already been granted on December 31, 1975.~~

~~(Code 1983, § 1.142)~~

~~Secs. 30-153—30-19965. - Reserved.~~

~~DIVISION 2. —CHIDESTER PLACE~~

~~Sec. 30-166. —Determination of necessity.~~

~~(a) Pursuant to the authority vested in the city council by Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1401 et seq.) and by the Charter of the city, the city council hereby determines that the development is qualified for exemption from all~~

property taxes as provided in section 15a of Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1415a) as follows:

- ~~(1) It is the public purpose of the state and its principal subdivisions to provide housing for its elderly citizens, with such purpose and policy being enunciated in Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1401 et seq.), as amended, (herein called the "act");~~
- ~~(2) Section 15a of the act (MCL 125.1415a) provides for exemption from property taxation of those housing developments for elderly persons that are federally financed or federally aided;~~
- ~~(3) Such property tax exemption will serve to stimulate the development of housing for elderly citizens;~~
- ~~(4) The city will be benefited and improved by the development of such housing;~~
- ~~(5) The city establishes a class of housing projects, such class being defined as senior citizens housing developments of 100 units or more pursuant to Ordinance No. 471 and financed or aided federally by Section 8 of the National Housing Act or its similar predecessor or successor;~~
- ~~(6) Chidester Place Associates, a Michigan Limited Partnership (herein called the "developer"), proposes to erect, own and operate a housing development identified as Chidester Place (herein called the "development"), on certain property located in the city (herein called the "property"), the legal description of which is described in section 30-167;~~
- ~~(7) The owner developer has agrees to pay to the city, on or before April 15 of each year, on account of the development annual service charge for public services in lieu of all taxes on a sliding scale as provided in section 30-168;~~
- ~~(8) The city council understands that the developer is relying upon the continuing effect of this article and the qualification of the development for exemption from all property taxes in order to establish the operational feasibility of the development.~~

~~(Code 1983, § 1.145)~~

~~Sec. 30-167. Description of property.~~

~~The legal description of the property is as follows:~~

~~DESCRIPTION OF 4.40 ACRE PARCEL~~

~~(Not Surveyed)~~

~~Commencing at the southeast corner of Section 9, T3S, R7E, City of Ypsilanti, Washtenaw County, Michigan; thence N 18° 42' 30" W 1,063.83 feet along the centerline of Grove Street (a deflection of 18° 15' 30" to the left from the east line of said section); thence S 71° 17' 30" W 712.49 feet along the north line of Factory Street; thence S 88° 32' 40" W 1,385.75 feet to the northwest corner of Spring and Chidester Streets; thence N 00° 46' W 445.09 feet along the west line of Chidester Street for a place of beginning; thence~~

~~S 79° 29' W 427.77 feet; thence N 8° 34' E 755.54 feet along the range of the east line of a vacated alley; thence N 89° 58' 20" E 118.70 feet along the south line of Catherine Street; thence S 0° 46' E 148.51 feet; thence N 89° 58' 20" E 50.0 feet; thence S 0° 46' E 274.21 feet; thence N 79° 29' E 132.29 feet; thence S 0° 46' E 270.60 feet along the west line of said Chidester Street to the place of beginning, being a part of said Section 9, containing 4.40 acres of land more or less.~~

~~(Code 1983, § 1.145)~~

~~Sec. 30-168. Property tax exemption; payment of annual service charge for public services.~~

~~(a) Acknowledging the reliance of the developer on exemption from all property taxes as described above, the property and the development to be constructed on the property shall be exempt from all property taxes as provided in the section 15a of Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1415a) from and after completion of construction of the development, and, in consideration of the foregoing and on behalf of the city, the city council hereby agrees to accept payment of an annual service charge for public services in lieu of all property taxes on a sliding scale averaging 8.4375 percent beginning with seven percent and ending with ten percent of 95 percent of 100 percent of all gross rental revenue coming to the project during the preceding calendar year exclusive of utilities and the amount paid to the city during the preceding calendar year for the annual service charge, from and after the completion of the development, and spread over a 40-year period as follows:~~

~~(1) Seven percent for the first ten years of the project.~~

~~(2) Seven and one-half percent for years 11 through 15.~~

~~(3) Eight percent for years 16 through 20.~~

~~(4) Nine percent for years 21 through 30.~~

~~(5) Ten percent for years 31 through 40.~~

~~(b) Ordinance No. 493 shall remain in effect so long as the property is used exclusively for senior citizens or physically handicapped housing or both and shall not terminate for a period of 40 years from and after the date of completion of the development at which time the city council of the city shall reestablish a different service charge, or return the property to the tax rolls.~~

~~(Code 1983, § 1.146)~~

~~Secs. 30-169 - 30-180. Reserved.~~

~~DIVISION 32. - TOWNE CENTRE PLACE~~

~~Sec. 30-200-181. - Determination of necessity.~~

~~(a) Pursuant to the authority vested in the city council by Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1401 et seq.) and by the Charter of the city, the city council hereby determines that the development is qualified for exemption from all~~

property taxes as provided in section 15a of Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1401 et seq.) as follows:

- (1) It is the public purpose of the state and its political subdivisions to provide housing for its citizens of low and moderate income, with such purpose and policy being enunciated in Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1401 et seq.), as amended, (herein called the "act");
- (2) Section 15a of the act, (MCL 125.1415a) provides for exemption from all property taxation of those housing developments for persons of low and moderate income financed with a mortgage loan made by the state housing development authority (herein called the "authority");
- (3) Such property tax exemption will serve to stimulate the development of housing for citizens of low and moderate income;
- (4) The city will benefit from and be improved by the development of such housing;
- (5) F.C.E. Dillon, Inc., an Ohio corporation (herein called the "mortgagor"), proposes to erect, own, and operate a housing development identified as Ypsilanti Senior Citizens High Rise (herein called the "development"), on certain property located at Michigan Avenue near Hamilton Street, in the city (herein called the "property:") which development will be financed with a mortgage loan made by the authority (herein called the "mortgage loan") and which development is intended to serve persons of low and moderate income;
- (6) The mortgagor has agreed to pay to the city on account of the development an annual service charge for public services in lieu of all property taxes from and after the commencement of construction of the development so long as the mortgage loan remains outstanding and unpaid or the authority has any interest in the property;
- (7) The city council of the city understands that the mortgagor and the authority are relying upon the qualification of the development for exemption from all property taxes in order to establish the operational feasibility of the development.

(Code 1983, § 1.148)

Sec. 30-~~201~~182. - Description of property.

Such property is situated in the city and is described as follows:

Commencing at the northeast corner of Lot 15 of "Assessor's Plat No. 511 as recorded in Liber 9 of Plats, Page 32 of Washtenaw County Records, French Claim 691, City of Ypsilanti, Washtenaw County, Michigan, said point being the intersection of the original west line of Hamilton Street (66.0 feet wide) with the south line of Michigan Avenue (99.0 feet wide); thence S 89° 25' W 6.00 feet along the north line of said Lot 15 and the south line of Michigan Avenue for a place of beginning; thence S 31° 29' 30" E 9.71 feet along the present westerly line of Hamilton Street; thence S 0° 30' 30" E 279.99 feet along the present west line of Hamilton Street (1.0 feet west of and parallel with the original west line of Hamilton Street as set forth in said "Assessor's Plat No. 5"); thence S 76° 52' 10" W 83.51 feet along the north line of

Lot 19 of said "Assessor's Plat No. 5"; thence S 12° 22' 20" E 78.78 feet along the westerly line of said Lot 19 and the southerly extension thereof; thence S 72° 49' W 208.72 feet along the northerly line of Ferris Street and the southerly line of Lots 1, 2 and 3 of Ainsworth Park as recorded in Liber 4 of Plats, Pages 21 and 22 of Washtenaw County Records, French Claim 690, City of Ypsilanti, Washtenaw County, Michigan; thence N 17° 50' 30" W 137.00 feet along the westerly line of Lot 3 of said Ainsworth Park, thence N 72° 24' E 44.78 feet along the northerly line of Lot 3 of said Ainsworth Park and the southerly line of Lot 11 of said "Assessor's Plat No. 5"; thence N 0° 30' 30" W 299.27 feet; thence N 89° 25' E 258.00 feet along the south line of Michigan Avenue (99.0 feet wide) and the north line of Lots 11, 12, 13, 14, and 15 of said "Assessor's Plat No. 5" to the place of beginning, being a part of Lot 11 and Lots 12, 13, 14, 15, 16, 17, 18 and 20 of said "Assessors Plat No. 5" and being a part of Lot 1 and Lots 2 and 3 of said Ainsworth Park, containing 2.38 acres of land more or less, being subject to easements or restrictions of record.

Commonly described as Towne Centre Place, 401 West Michigan Avenue, Ypsilanti, Michigan.

(Code 1983, § 1.148; Ord. No. 898, 7-20-1999)

Sec. ~~30-202~~183. - Property tax exemption; payment of annual service charge for public services.

- (a) Acknowledging the reliance of the mortgagor and the authority on exemption from all property taxes as described in section 30-182, the property and the development to be constructed on the property shall be exempt from all property taxes as provided in section 15a of Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1415a) from and after the commencement of construction of the development, and, in consideration of the foregoing and on behalf of the city, the city council hereby agrees to accept payment of an annual service charge for public services in lieu of all property taxes, to be paid by the mortgagor to the city on or before august 15 of each year in an amount equal to five percent of 95 percent of the total rental or occupancy charges collected or to be collected by the mortgagor as to each of the living units within the development during the then-current calendar year.
- (b) Ordinance No. 439 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.
- (c) The various sections and provisions of Ordinance No. 439 shall be deemed to be severable, and should any section or provision of this division be declared by any court of competent jurisdiction to be unconstitutional or invalid, the invalid or unconstitutional provision shall not affect the validity of this division as a whole or any section or provision hereof other than the section or provision so declared to be unconstitutional or invalid.

Secs. ~~30-203~~184—~~30-249~~195. - Reserved.

~~DIVISION 4.—RIVERSIDE MANOR APARTMENTS~~

~~Sec. 30-196.— Determination of necessity.~~

- ~~(a) Pursuant to the authority vested in the city council of the city by Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1401 et seq.) and by the Charter of the city, the city council hereby determines that the development is qualified for exemption from all property taxes as provided in the section 15a of Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1415a) as follows:~~
- ~~(1) It is the public purpose of the state and its political subdivisions to provide housing for its citizens of low and moderate income, with such purpose and policy being enunciated in Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1401 et seq.), as amended, (herein called the "act");~~
 - ~~(2) Section 15a of the act (MCL 125.1415a) provides for exemption from all property taxation of those housing developments for persons of low and moderate income financed with a mortgage loan made by the state housing development authority (herein called the "authority");~~
 - ~~(3) Such property tax exemption will serve to stimulate the development of housing for citizens of low and moderate income;~~
 - ~~(4) The city will benefit from and be improved by the development of such housing;~~
 - ~~(5) Riverside Development Limited Dividend Housing Association Limited Partnership, a Michigan Limited Partnership of 2211 East Jefferson, Detroit, Michigan 48207 (herein called the "partnership") proposes to renovate, own, reconstruct, and operate a housing development (herein called "development") identified as Riverside Manor Apartments, on certain property located at 167, 209, 315, 225, 169, 165, 157 and 159 South Grove Road, in the city (herein called the "property") which development will be financed with a mortgage loan made by the authority (herein called the "mortgage loan") and which development is intended to serve a significant number of persons of low and moderate income;~~
 - ~~(6) The authority will be providing financing to the partnership for the project in reliance of the continued effectiveness of this division;~~
 - ~~(7) The city has participated directly and actively in the planning and development stages of this project;~~
 - ~~(8) The mortgagor has agreed to pay to the city on account of the development an annual service charge for public services in lieu of all property taxes so long as the mortgage loan remains outstanding and unpaid or the authority has any interest in the property;~~
 - ~~(9) The city council understands that the mortgagor and the authority are relying upon the qualification of the development for exemption from all property taxes in order to establish the operational feasibility of the development.~~

~~(Code 1983, § 1.150)~~

~~Sec. 30-197.— Description of property.~~

Such property is situate in the city and is described as follows:

~~Beginning at the Southeast corner of Lot 100 of Hunter's Addition to the Village (now city) of Ypsilanti, Washtenaw County, Michigan, according to the plat thereof as recorded in Liber "V" of Deeds at Page 166, Washtenaw County Records; said point being the intersection of the South line of said Lot 100 with the east line of Section 9, Town 3 South, Range 7 East, City of Ypsilanti, Washtenaw County, Michigan, and the centerline of Prospect Road; thence North $89^{\circ} 35'$ West 289.51 feet along the south line of said Lot 100; thence North $12^{\circ} 00'$ West 162.44 feet; thence South $89^{\circ} 55'$ East 16.00 feet; thence North $12^{\circ} 00'$ West 101.16 feet; thence North $84^{\circ} 35'$ East 37.09 feet; thence North $2^{\circ} 46'$ West 52.00 feet; thence South $89^{\circ} 52' 10''$ East 110.89 feet along the North line of said Lot 100; thence South 75 feet; thence South $89^{\circ} 52' 10''$ East 183.0 feet; thence south 239.86 feet along the East line of said Lot 100; the East line of Section 9 and the centerline of Prospect Road to the place of beginning, being a part of said Lot 100. Lot 101 in Hunter's Addition to the Village (now city) of Ypsilanti, Washtenaw County, Michigan, according to the plat thereof as recorded in Liber "V" of Deeds at Page 166, Washtenaw County Records; excepting and reserving therefrom all that part of said Lot 101 as described in Warranty Deed executed on February 3, 1964, and recorded June 5, 1964, in Liber 1071 at Page 422, Washtenaw County Records.~~

~~and~~

~~Commencing at an iron pipe monument marking the Northwest corner of Lot 100 of Hunter's Addition to the City of Ypsilanti, Washtenaw County, Michigan, according to the plat thereof as recorded in Liber V of Deeds at Pages 166 and 167, Washtenaw County Records, and running thence South $18^{\circ} 15' 20''$ East along the East line of Grove Street 186.60 feet for a place of beginning, an iron pipe monument; thence North $71^{\circ} 44'$ East 70.0 feet to an iron pipe monument; thence South $89^{\circ} 56'$ East 63 feet to an iron pipe monument; thence South $12^{\circ} 1' 20''$ East to an iron pipe monument in the South line of said Lot 100, thence West along the south line of said Lot 100 to the East line of Grove Street; thence North $18^{\circ} 15' 20''$ West along the East line of Grove Street 143.63 feet, more or less, to the place of beginning, being a part of Lot 100, Hunter's Addition to the City of Ypsilanti.~~

~~and~~

~~Commencing at the intersection of the East line of Grove Street and the North line of Lot 100 of Hunter's Addition to the City of Ypsilanti, Washtenaw County, Michigan, according to the plat thereof as recorded in Liber V of Deeds at Pages 166 and 167, Washtenaw County Records; thence Southeasterly along the East line of Grove Street 76.00 feet for a place of beginning; thence Easterly deflecting $77^{\circ} 11'$ to the left 159.91 feet; thence Southerly deflecting $83^{\circ} 24'$ to the right 101.16 feet; thence Westerly deflecting $102^{\circ} 05'$ to the right 79.00 feet; thence Southwesterly deflecting $18^{\circ} 19'$ to the left 70.00 feet to the East line of Grove Street; thence Northwesterly deflecting $90^{\circ} 00'$ to the right 110.60 feet along the East line of Grove Street to the place of beginning, being a part of Lot 100 of said Hunter's Addition.~~

~~and~~

~~That part of Lots 99 and 100 in Hunter's Addition to the Village (now city) of Ypsilanti, Washtenaw County, Michigan, according to the plat thereof as recorded in Liber V of Deeds at Pages 166 and 167, Washtenaw County Records, described as: beginning at the Northwest corner of Lot 100; thence Easterly along the North line of said Lot 217 feet to a stake; thence Southerly 52 feet to a stake set 197 feet East of the East line of Grove Street; thence Westerly 197 feet to a point in the East line of Grove Street 76 feet Southerly from the place of beginning; thence Northerly along the East line of said street 76 feet to the place of beginning, being a part of Lot 100. Also, beginning at the Northwest corner of said Lot 100; thence Easterly along the North line of said lot 217 feet to a stake; thence North 10 feet; thence Westerly along a line parallel to the North line of said Lot 100 to the East line of Grove Street; thence Southerly along the East line of Grove Street 10 feet to the place of beginning, being a part of Lot 99.~~

~~and~~

~~Lot 5, Jackson and Noll Resurvey of part of Lot 99 of Hunter's Addition to the City of Ypsilanti, Washtenaw County, Michigan, according to the plat thereof as recorded in Liber 11 of Plats at Page 18, Washtenaw County Records.~~

~~Commonly described as Riverside Manor Apartments, 167, 209, 215, 225, 169, 165, 157 and 159 South Grove Road, Ypsilanti, Michigan.~~

~~(Code 1983, § 1.150)~~

~~Sec. 30-198.—Property tax exemption; payment of annual service charge for public services.~~

- ~~(a) Acknowledging the reliance of the mortgagor and the authority on exception from all property taxes as described in section 30-197, the property and the development to be constructed on the property shall be exempt from all property taxes as provided in section 15a of Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1415a) from and after the commencement of reconstruction of the development, and, in consideration of the foregoing and on behalf of the city, the city council hereby agrees to accept payment of an annual service charge for public services in lieu of all property taxes, to be paid by the mortgagor to the city on or before August 15 of each year in an amount equal to two percent of the annual shelter rent as such term is defined in Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1411(m)).~~
- ~~(b) This division 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.~~
- ~~(c) Notwithstanding the provisions of section 15a(5) of Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1415a(5)) to the contrary, a contract between the city and the sponsor, with the authority as third party beneficiary thereunder, to provide tax exemption and accept payment in lieu thereof, as previously described, is effected by enactment of this division.~~

~~(d) During the first three full years of operation of the development, the city shall defer the collection of the two percent payment in lieu of tax, without interest, for a period not to exceed the first three full years of occupancy if the development is not able to attain sustaining occupancy according to the following schedule:~~

- ~~(1) Full 100 percent deferral if occupancy level is at 75 percent or less of the rent levels stipulated in the MSHDA Staff Report of June 30, 1988;~~
- ~~(2) Seventy five percent deferral if occupancy is at 76 percent through 85 percent of the rent levels stipulated in the MSHDA Staff Report of June 30, 1988;~~
- ~~(3) Fifty percent deferral if occupancy is at 86 percent through 94 percent of the rent levels stipulated in the MSHDA Staff Report of June 30, 1988; and~~
- ~~(4) No deferral if occupancy reaches 95 percent or more of the rent levels stipulated in the MSHDA Staff Report of June 30, 1988.~~

~~Such deferral is further conditioned upon the authority's director of management and reinvestment providing the city with a written opinion that such deferral is necessary to avoid financial distress and/or default on the mortgage. The developer shall agree at the closing that any deferral on payment in lieu of taxes shall be repaid prior to any distribution of operating profits to the partnership. Further, that any amount so deferred shall be repaid to the city no later than three years following the last year in which such payments were deferred.~~

~~(e) In the event of such deferral of payments in lieu of taxes and in the event that the developer fails to repay such deferred sums, the city shall possess the same powers of collection of such sums as it possesses pursuant to law for the collection of real property taxes in the city.~~

~~(Code 1983, § 1.151)~~

~~Secs. 30-199—30-210. Reserved.~~

~~DIVISION 5. PARKVIEW APARTMENTS~~

~~Sec. 30-211. Tax exemption; conditions.~~

~~Pursuant to section 15a of Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1415a), Parkview Apartments is hereby exempted from all city taxes for the period of its federal mortgage, effective January 1, 1975, unless one or all of the following events happen prior to such time:~~

- ~~(1) A federally aided mortgage in effect to Parkview Apartments is withdrawn.~~
- ~~(2) The present owners sell the premises.~~
- ~~(3) The Parkview Apartments loses its nonprofit status and becomes a for-profit corporation.~~

~~(Ord. No. 458, 4-21-1975)~~

~~Sec. 30-212. Withdrawal of exemption.~~

~~If any of the events listed in section 30-211 take place, or a sale of all of the assets of Parkview Apartments is completed, this exemption shall be withdrawn immediately without any further action being necessary to be taken by the city council.~~

~~(Ord. No. 458, § 1, 4-21-1975)~~

~~Sec. 30-213.—Payment of portion of shelter rents for public services.~~

~~Parkview Apartments shall pay in lieu of taxes to the city, ten percent of its annual shelter rents for public services. The amount to be paid to the city by Parkview Apartments may be changed by ordinance from time to time during the period of this exemption.~~

~~(Ord. No. 458, § 2, 4-21-1975)~~

~~Sec. 30-214.—Amount of service charge.~~

~~Notwithstanding the exemptions listed in this division, and the amount to be paid in lieu of taxes listed in this division, the service charge to be paid each year in lieu of taxes by Parkview Apartments to the city for that part of the housing project which is tax exempt but is occupied by other than low income persons or families shall be equal to the full amount of the taxes that would be paid on that portion of the project, if the project were not tax exempt. The benefit of any exemption granted by the city to the Parkview Apartments shall be allocated by such housing project exclusively for low income persons or families in the form of reduced housing charges.~~

~~(Ord. No. 458, § 3, 4-21-1975)~~

~~Sec. 30-215.—Low income persons or families; qualification of exemption.~~

~~Low income persons or families for the purpose of this division only means with respect to Parkview Housing project person qualified to live in 236 housing of the National Housing Act, as approved by federal government guidelines. Only that housing having person who qualify under this federal exemption shall be exempt from taxation. All other housing in the Parkview complex shall be taxed at the normal city tax rate.~~

~~(Ord. No. 458, § 4, 4-21-1975)~~

~~Sec. 30-216.—Effective date.~~

~~This exemption shall not take effect until January 1, 1975, and before such exemption shall take place Parkview Apartments shall comply with all the provisions of section 15a of Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1415a).~~

~~(Ord. No. 458, § 5, 4-21-1975)~~

~~Secs. 30-217—30-240.—Reserved.~~

~~DIVISION 6.—CROSS STREET VILLAGE~~

~~Sec. 30-241.—Definitions.~~

The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

~~*Act* means the state housing authority act, Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1401 et seq.), as amended.~~

~~*Annual shelter rent* means the total rents collected during the calendar year for all apartment units in the housing development representing rents or occupancy charges whether to be derived from low income persons or from governmental authorities exclusive of charges for gas, electricity, heat or other utilities furnished to the occupants.~~

~~*Authority* means the Michigan State Housing Authority.~~

~~*Housing development* means a development which contains a significant element of housing for low income persons and such elements of other housing, commercial, recreational, industrial, communal, and educational facilities as the authority determines improve the quality of the development as it relates to housing for persons of low income.~~

~~*Low income person* means persons and families eligible to occupy a housing development under the act.~~

~~*Owner* means the owner of a housing development which is qualified as a limited dividend housing association or corporation under the act.~~

~~*Rehabilitation plan* means a written plan setting forth the scope of work to be performed at the housing development by the owner.~~

~~*Tax credit period* means the period of time the housing development remains subject to income and rent restrictions pursuant to section 42 of the Internal Revenue Code of 1986, as amended.~~

(Ord. No. 867, § 3, 2-17-1988)

Sec. 30-242. Purpose:

(a) ~~It is acknowledged that it is a proper public purpose of the state and its political subdivisions to provide housing for its 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 act. 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 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 persons of low income is a public necessity, and as the city will be benefited 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 division for tax exemption and the service charge in lieu of taxes during the period contemplated in this division are essential to the determination of economic feasibility of housing developments which are constructed and financed in reliance on such tax exemption.~~

~~(b) The city acknowledges that YCCB-97 Limited Divided Housing Association Limited Partnership has offered, subject to receipt of an allocation of the low income housing tax credit, to erect, own, and operate a housing development identified as Cross Street Village on certain property located at 210 West Cross, Ypsilanti, Michigan, to serve citizens of low income, and that the sponsor has offered to pay the city on account of this housing development an annual service charge for public services in lieu of all taxes.~~

~~(Ord. No. 867, § 2, 2-17-1998)~~

~~Sec. 30-243.—Class of housing developments.~~

~~The class of housing developments to which the provisions of the division shall apply and for which a service charge shall be paid in lieu of taxes shall be the proposed senior citizen apartment complex to be located at 210 West Cross, Ypsilanti, Michigan, and all other housing developments containing more than 60 units constructed primarily for Senior Citizens which have received a reservation of low income housing tax credits pursuant to section 42 of the Internal Revenue Code of 1986, as amended.~~

~~(Ord. No. 867, § 4, 2-17-1998)~~

~~Sec. 30-244.—Tax exemption and establishment of annual service charge.~~

~~(a) Pursuant to the act, the class of housing developments set forth in section 30-243 shall be exempt from all property taxes from and after the commencement of construction and continuing until the expiration of the tax credit period or December 31, 2033.~~

~~(b) The city, acknowledging that the owner has established the economic feasibility of a housing development in reliance upon the enactment and continuing effect of this division and the qualification of the housing development for exemption from all property taxes in exchange for the payment of an annual service charge in lieu of taxes as established in this division, agrees to accept payment of an annual service charge for public services in lieu of all property taxes from and after the commencement of the rehabilitation plan. The annual service charge shall be equal to four percent of the annual shelter rents actually collected.~~

~~(Ord. No. 867, § 5, 2-17-1998)~~

~~Sec. 30-245.—Qualification of housing development as a member of the class.~~

~~The proposed senior citizen apartment complex to be located at 210 West Cross, Ypsilanti, Michigan, shall be qualified as a housing development to which this division shall apply. In order for a future housing development to qualify as a member of the class of housing developments to which this division will apply, the owner must satisfy the following requirements:~~

~~(1) The owner shall provide the assessing department with verification of its status as a limited dividend housing corporation or association as required by the act.~~

- ~~(2) The owner shall provide the assessing department with verification of its receipt of a reservation of low income housing tax credits pursuant to section 42 of the Internal Revenue Code of 1986, as amended.~~
- ~~(3) The owner shall obtain from the planning department a written approval of its rehabilitation plan which shall be submitted to the assessing department by the owner.~~

~~(Ord. No. 867, § 6, 2-17-1998)~~

~~Sec. 30-246. Owner's subsequent obligations.~~

~~In order for a housing development to continue to qualify as a member of the class of housing developments to which this division will apply, the owner must satisfy the following requirements:~~

- ~~(1) Upon completion of the rehabilitation of a housing development pursuant to an approved rehabilitation plan, the owner shall submit to the assessing department a certificate of completion which confirms the substantial completion of the work described in the rehabilitation plan.~~
- ~~(2) Annually, by March 31 of each year, the owner shall deliver to the assessing department a certificate setting forth the annual shelter rents for the prior calendar year.~~
- ~~(3) Annually, by December 1 of each year, the owner shall pay the service charge in lieu of taxes as determined pursuant to this division at the treasurer's office for the city.~~

~~(Ord. No. 867, § 7, 2-17-1998)~~

~~Sec. 30-247. Termination of exemption.~~

- ~~(a) The exemption from all property taxes provided to a housing development which qualifies under this division may be terminated by resolution of the board of trustees of the city if any of the following events of default occur and the owner does not cure the default within 30 days after receiving written notice of the default from the city:
 - ~~(1) The owner fails to submit the certificate of substantial completion required under section 30-246.~~
 - ~~(2) The owner fails to submit the certificate of annual shelter rents as required under section 30-246.~~
 - ~~(3) The owner fails to pay the annual service charge in lieu of taxes as required under section 30-246.~~~~
- ~~(b) Within 30 days after an owner receives a written notice of default, the owner shall be entitled to request a hearing before the board of trustees to determine whether the owner has failed to satisfy a requirement of this division. At the hearing, the board of trustees shall, for good cause shown, extend the time for compliance with the requirements of this division.~~

(Ord. No. 867, § 8, 2-17-1998)

~~Sec. 30-248.—Contractual effect of division:~~

~~Notwithstanding the provisions of section 15(a)(5) of the act to the contrary, a contract between the city and the owner, with the authority as a third party beneficiary to the contract, to provide tax exemption and accept payments in lieu of taxes as previously described, is effectuated by enactment of this division. The city will not be obligated to continue the tax exemption provided for herein pursuant to this section if the exemption is terminated in accordance with the provisions of section 30-247.~~

(Ord. No. 867, § 9, 2-17-1998)

~~Sec. 30-249.—Acknowledgment:~~

~~The city hereby acknowledges receipt of documentation from the authority indicating that the authority's participation with the housing development is limited solely to the allocation of tax credits under the low income housing tax credit program.~~

(Ord. No. 867, § 11, 2-17-1998)

~~Secs. 30-250—30-275.—Reserved:~~

~~DIVISION 7.—THE BLUFFS AT RIVER BEND~~

~~Sec. 30-276.—Definitions:~~

~~All terms shall be defined as set forth in the act, of the State of Michigan, as amended, except as follows:~~

~~*Act* means the State Housing Development Authority Act, being Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1401 et seq.), as amended:~~

~~*Annual shelter rent for rent restricted units* means the total collections during an agreed annual period from all low income occupants of the development representing rent or occupancy charges, exclusive of the portion of such charges attributable to gas, electricity, heat or other utilities furnished to the occupants by the sponsor.~~

~~*Authority* means the Michigan State Housing Development Authority.~~

~~*City* means the City of Ypsilanti, Washtenaw County, Michigan.~~

~~*City resident* means anyone currently residing in the city or anyone currently working or notified that they are hired to work in the city.~~

~~*Development or The Bluffs At River Bend* means the proposed 128 unit multiple-family housing development located in the city, on land more particularly described on exhibit A attached hereto and made a part hereof.~~

~~*Housing development* means a development which contains a significant element of housing for persons of low income and such elements of other housing, commercial, recreational, communal and educational facilities as the authority has determined improves the quality of the development as it relates to housing for persons of low income.~~

~~*Low income persons or families* means those persons and families whose income is 60 percent or less of area median income adjusted for family size and who are determined to be eligible to move into The Bluffs At River Bend under the provisions of section 42, the units of whom shall be rent restricted.~~

~~*Market rate persons or families* means those persons who shall be eligible to occupy units within The Bluffs At River Bend irrespective of income and the units of whom shall neither be rent restricted nor eligible for benefits of the reduction in taxes otherwise brought about by this division.~~

~~*Section 42* means section 42 of the Internal Revenue Code of 1986, as amended.~~

~~*Sponsor* means The Bluffs At River Bend Limited Dividend Housing Association Limited Partnership.~~

~~*Utilities* means fuel, water, sanitary sewer service and/or electrical service which are paid by the sponsor.~~

(Ord. No. 868, § 3, 2-17-1998)

Sec. 30-277. ~~Purpose of division.~~

(a) ~~It is acknowledged that it is a proper public purpose of the state and its political subdivisions to provide housing for its 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 Michigan State Housing Development Authority Act of 1966 (Act No. 346 of the Public Acts of Michigan of 1966 (MCL 125.1401 et seq.)). The city is authorized by this act to establish or change a 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 persons of low income is a public necessity, and as the city will be benefited and improved by such housing is a valid public purpose; further, that the continuance of the provisions of this division for tax exemption and the service charge in lieu of taxes during the period contemplated in this division are essential to the determination of economic feasibility of the proposed The Bluffs At River Bend Apartments housing development, which is to be constructed and financed in reliance on such tax exemption ordinance.~~

(b) ~~The city acknowledges that The Bluffs At River Bend Limited Dividend Housing Association Limited Partnership (the "sponsor") has offered, subject to receipt of an allocation under the low income housing tax credit ("LIHTC") provisions of the Internal Revenue Code of 1986, as amended, to erect, own and operate a housing development identified as The Bluffs At River Bend on certain property located in the city to serve persons of low and moderate income and that the sponsor has offered to pay the city on account of this housing development an annual service charge for public services in lieu of all taxes. In addition to units set aside for low and moderate income persons, the development shall also contain units which shall be reserved for~~

tenants who shall pay market rent. That portion of the development attributable to the market rate units shall pay its percentage of those taxes that would have been payable but for this division.

- (c) ~~The master plan for the city, drafted in 1997, recognizes the need for neighborhood preservation in certain areas of the city. The Bluffs At River Bend shall incorporate specific items as indicated in the neighborhood preservation section of the master plan. For example, the development will convey a portion of its property along the Huron River to the city as part of its river preservation district. Also, neighborhood revitalization efforts, as indicated in the master plan, will be incorporated, including the adoption and application of the Ypsilanti Crime Free Multi-Housing Program within the site plan and landscape design. Thus, the city, through the adoption of this PILOT ordinance, recognizes The Bluffs At River Bend development as being in accordance with the neighborhood preservation requirements of its master plan, and designates the area surrounding the development as being in an effectively treatable area.~~

~~(Ord. No. 868, § 2, 2-17-1998)~~

~~Sec. 30-278.—Application of division.~~

~~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 section 42 housing developments which have received a low income housing tax credit allocation from the authority pursuant to section 42. Based on representations and warranties of the sponsor, it is determined that The Bluffs At River Bend is a housing development eligible for tax exemption provided by section 15(a) of the act, upon such allocation being made.~~

~~(Ord. No. 868, § 4, 2-17-1998)~~

~~Sec. 30-279.—Establishment of annual service charge.~~

- (a) ~~The Bluffs At River Bend and the property on which it will be constructed shall be exempt from all property taxes commencing with the first January 1 following the commencement of construction or compliance by the sponsor with all requirements imposed on the owner by subsection (i) of section 15(a) of the act, whichever is later. The city, acknowledging that the sponsor and the authority have established the economic feasibility of the development in reliance upon the enactment and continuing effect of this division and the qualification of The Bluffs At River Bend for exemption from all property taxes and a payment in lieu of taxes as established in this division, and in consideration of the sponsor's offer, subject to receipt of a mortgage loan, and a low income housing tax credit allocation and notice of exemption from the authority, agrees to accept payment of an annual service charge for public services in lieu of all property taxes.~~
- (b) ~~For 1998 and 1999 the annual service charge shall be the total real estate taxes which would otherwise be assessed against the lands and premises on which The Bluffs At River Bend is to be built if they remained in an unimproved condition. Thereafter, the annual service charge shall consist of two components:~~

- (1) ~~The sum of 7.0 percent of the collections from the total annual shelter rent attributable to the rent restricted units during the period from January 1 through December 31 of each year (rent restricted component); and~~
- (2) ~~The full amount of taxes which would be paid if The Bluffs At River Bend were not tax exempt on that portion of development occupied by other than low income families as provided for in section 30-276 (market rate component).~~

~~Notwithstanding the provisions of the immediately preceding sentences for all years during which this section is operative, the annual service charge shall be no less than the total real estate taxes which would otherwise be assessed against the lands and premises on which the development is to be built if they remained in an unimproved condition.~~

- (c) ~~Notwithstanding any other provision in this section, the annual service charge shall be not less than \$50,000.00 per year, consisting of the rent restricted component and the market rate component.~~
- (d) ~~The determination of when each housing unit in The Bluffs At River Bend is occupied by low income persons or families shall be made for each year as of December 31 of the immediately preceding year.~~

~~(Ord. No. 868, § 5, 2-17-1998)~~

~~Sec. 30-280. Contractual effect of division.~~

~~Notwithstanding the provisions of section 15(a) of the act, to the contrary, a contract between the city 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 division.~~

~~Sec. 30-281. Payment of service charge.~~

~~The annual service charge in lieu of taxes as determined under this division shall be payable in the same manner as general property taxes are payable to the city except that the annual payment shall be paid on or before July 1 of each year. On or before May 15 of each year, the sponsor shall file with the city a certification by the sponsor showing the number of units in The Bluffs At River Bend occupied by persons who are not low income persons or families pursuant to section 30-276. The city shall compute the real estate taxes and invoice the sponsor no later than June 1 for the total service charge due July 1.~~

~~(Ord. No. 868, § 7, 2-17-1998)~~

~~Sec. 30-282. Preference to city residents.~~

~~To the extent permissible under federal, state or local fair housing laws, the sponsor shall give preference for occupancy of The Bluffs At River Bend to qualified applicants who are city residents.~~

~~(Ord. No. 868, § 8, 2-17-1998)~~

~~Sec. 30-283. Allocation of benefits of tax exemption.~~

~~The benefits of the tax exemption granted pursuant to this division shall be allocated by the sponsor exclusively to the low income persons or families of The Bluffs At River Bend in the form of reduced rent. Such benefits shall not be allocated to the market rate persons or families. The sponsor shall, at the request of the city, submit to the city such evidence and documentation as may be reasonably necessary to sponsor's compliance with this requirement.~~

~~(Ord. No. 868, § 9, 2-17-1998)~~

~~Sec. 30-284.—Duration.~~

~~Commencing with the tax year 2000 and ending with the tax year 2018, this division shall remain in effect and shall not terminate from the effective date hereof, provided that:~~

- ~~(1) The development remains subject to income and rent restrictions pursuant to section 42;~~
- ~~(2) Construction of the development commences on or before September 1, 1999; and~~
- ~~(3) The sponsor or its successors in interest may apply for further extension of this division but in no event of a term longer than through the tax year 2039. Whether an extension will be granted shall be in the sole discretion of the city council.~~

~~(Ord. No. 868, § 10, 2-17-1998)~~

~~Sec. 30-285.—Audits; inspection of records.~~

~~Subject to any limitations imposed by law, the sponsor shall provide to the city such accounting records, audits and financial reports as the city shall reasonably require to verify the computation of the annual service charge as provided by this division. The sponsor shall maintain such records of rent or occupancy charges received and the occupancy of units in the development as will permit the city to verify which of the units in the development have been occupied by low income persons or families. Subject to any limitations imposed by law, the books and records of the sponsor pertaining to the development shall be available for review and audit by the city at all reasonable times.~~

~~(Ord. No. 868, § 11, 2-17-1998)~~

~~Sec. 30-286.—Lien.~~

~~Annual service charges payable pursuant to this division shall be a lien on the development, and, if delinquent, shall be collected and enforced in the same manner as general property taxes.~~

~~(Ord. No. 868, § 12, 2-17-1998)~~

~~Secs. 30-287—30-386.—Reserved.~~

~~DIVISION 38. - CITY OF YPSILANTI TAX EXEMPTION ORDINANCE—CHIDESTER 2005 PROJECT~~

Sec. 30-~~250~~387. - Title.

This division shall be known and cited as the "City of Ypsilanti Tax Exemption Ordinance—Chidester 2005 Project."

(Ord. No. 1074, § 1, 11-7-2007)

Sec. 30-~~251~~388. - Purpose.

It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide housing for its 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 Michigan State Housing Development Authority Act of 1966 (I 966 PA 346, as amended, MCLA Section 125.1 401 et seq., MSA Section I 16.1 14(I) et sea.). The City of Ypsilanti ("city") is authorized by this act to establish or change a 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 persons of low income is a public necessity, and as the city will be benefited 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 division for tax exemption and the service charge in lieu of taxes during the period contemplated in this division are essential to the determination of economic feasibility of the housing development ("development"), which is being rehabilitated and financed in reliance upon such tax exemption ordinance.

The city acknowledges that Chidester 2005 Limited Dividend Housing Association L.L.C. ("owner") has offered, subject to receipt of an allocation under the low income housing tax credit ("LIHTC"~~m~~) laws, to rehabilitate, own and operate a housing development on certain property located in the city to serve persons of low income and that the owner has offered to pay the city on account of the development an annual service charge for public services in lieu of all taxes.

(Ord. No. 1074, § 2, 11-7-2007)

Sec. 30-~~252~~389. - Definitions.

All terms shall be defined as set forth in the act, except as follows:

Act means the State Housing Development Authority Act, being Public Act 346 of 1966, of the State of Michigan, as amended.

Annual shelter rent means the total collections during an agreed annual period from all low income occupants of the development, as provided for herein, representing rent or occupancy charges, exclusive of the portion of said charges attributable to gas, electricity, heat or other utilities furnished to the occupants by the owner.

Authority means the Michigan State Housing Development Authority.

Development means that residential rental housing senior citizen development located in the City of Ypsilanti, Washtenaw County, Michigan, on land more particularly

described on Exhibit "A" attached hereto and made a part hereof, known as Chidester Place.

Housing development means a development which contains a significant element of housing for persons of low income and such elements of other housing, commercial, recreational, industrial, communal and educational facilities as the authority has determined improves the quality of the development as it relates to housing for persons of low income.

Low income persons or families means those persons and families whose income is 60 percent or less of area median income as adjusted for family size and who are determined to be eligible to move into the development under the provisions of Section 42, the units of whom shall be rent restricted.

Section 42 means Section 42 of the Internal Revenue Code of 1986, as amended.

Senior citizen means a household composed of one or more persons at least one of whom is 55 years of age or more at the time of initial occupancy.

Owner means Chidester 2005 Limited Dividend Housing Association L.L.C.

City means the City of Ypsilanti, Washtenaw County, Michigan.

City resident means anyone currently residing in the city or anyone currently working or notified that such person has been hired to work in the city.

Utilities means fuel, water, sanitary sewer service and/or electrical service which are paid by the owner.

(Ord. No. 1074, § 3, 11-7-2007)

Sec. 30-~~253390~~. - 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 developments which have previously received tax exemption pursuant to the act and received an LIHTC allocation from the authority pursuant to Section 42. Based on representations and warranties of the owner, it is determined that the development is a housing development eligible for tax exemption provided by Section 15(a) of the act upon its award of said LIHTC.

(Ord. No. 1074, § 4, 11-7-2007)

Sec. 30-~~254391~~. - Establishment of annual service charge.

The development shall be exempt from all property taxes commencing with the first January 1 following (i) commencement of rehabilitation or (ii) compliance by the owner with all requirements imposed on the owner by subsection (i) of Section 15(a) of the act, whichever is later. The city, acknowledging that the owner and the authority have established the economic feasibility of the development in reliance upon the enactment and continuing effect of this division and the qualification of the development for exemption from all property taxes and a payment in lieu of taxes as established in this division, and in consideration of the owner's offer, subject to receipt of a LIHTC allocation

from the authority, to rehabilitate, own and operate the development, agrees to accept payment of an annual service charge for public services in lieu of all property taxes.

For calendar year 2008, the payment in lieu of taxes shall be zero percent of annual shelter rents. Thereafter the annual service charge shall be of four percent of the collections from the total annual shelter rents.

(Ord. No. 1074, § 5, 11-7-2007)

Sec. 30-~~255~~392. - Contractual effect of ordinance.

Notwithstanding the provisions of Section 15(a) of the act to the contrary, a contract between the city and the owner 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 division.

(Ord. No. 1074, § 6, 11-7-2007)

Sec. 30-~~256~~393. - Payment of service charge.

The annual 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 city except that the annual payment shall be paid on or before July 1 of the succeeding year.

(Ord. No. 1074, § 7, 11-7-2007)

Sec. 30-~~257~~394. - Preference to city residents.

To the extent permissible under federal, state or local fair housing laws, the owner shall give preference for occupancy of the development to qualified applicants who are city residents.

(Ord. No. 1074, § 8, 11-7-2007)

Sec. 30-~~258~~395. - Evidence of compliance.

The owner shall, at the request of the city, submit to the city such evidence and documentation as may be reasonably necessary to verify owner's continuing compliance with the requirements of Section 42 or its successor program.

(Ord. No. 1074, § 9, 11-7-2007)

Sec. 30-~~259~~396. - Duration.

This division shall remain in effect from the effective date hereof and not terminate so long as the development remains subject to income and rent restrictions at least as restrictive as those provided for in Section 42 and the project is MSHDA or federally aided, but in any event, not more than 50 years.

(Ord. No. 1074, § 10, 11-7-2007)

Sec. 30-~~260~~397. - Audits; inspection of records.

Subject to any limitations imposed by law, the owner shall provide to the city such accounting records, audits and financial reports as the city shall reasonably require to verify the computation of the annual service charge as provided by this division. Subject to any limitations imposed by law, the books and records of the owner pertaining to the development shall be available for review and audit by the city at all reasonable times.

(Ord. No. 1074, § 11, 11-7-2007)

Sec. 30-~~261~~398. - Lien.

Annual service charges payable pursuant to this division shall be a lien on the development, and, if delinquent, shall be collected and enforced in the same manner as general property taxes.

(Ord. No. 1074, § 12, 11-7-2007)

Sec. 30-~~262~~399. - Default.

The tax exemption extended hereunder may be terminated and the property restored to the tax rolls by resolution duly adopted by the city in any of the following events upon notice of default in writing to the owner by certified mail return receipt requested, by fax, with receipt acknowledged in writing or by nationally recognized overnight carrier with receipt acknowledged in writing to the address on file with the department of labor and economic growth (or any successor department) and a failure by owner to cure the default within 30 days following delivery of written notice to owner thereof by the city:

- (1) Failure of the owner or the development to remain in compliance with the terms of this division or the act;
- (2) Failure of owner to complete the rehabilitation of the development substantially in the manner heretofore approved by the city planning department on April 20, 2006; or
- (3) Owner files any petition for bankruptcy or in the event such a petition be involuntary, then upon same not being dismissed within 90 days. Determinations of the event and continuing existence of default and the sufficiency of actions taken to cure default shall be in the sole judgment of the city.

(Ord. No. 1074, § 13, 11-7-2007)

Secs. 30-~~263~~400—30-~~299~~430. - Reserved.

DIVISION 49. - CITY OF YPSILANTI TAX EXEMPTION ORDINANCE—PARKRIDGE

Sec. 30-~~300~~431. - Title.

This division shall be known and cited as the "City of Ypsilanti Tax Exemption Ordinance—Parkridge."

(Ord. No. 1211, § 1, 2-4-2014)

Sec. 30-~~301~~432. - 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 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 division for exemption from ad valorem taxation and the service charge in lieu of all ad valorem taxes during the period contemplated in this division 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 state housing development authority, to acquire, rehabilitate, own, and operate a housing project identified as Parkridge Housing Project on certain property located at parcel 11-11-39-468-010 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.

(Ord. No. 1211, § 2, 2-4-2014)

Sec. 30-302433. - Definitions.

The following words, terms and phrases when used in this division shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Authority means the Michigan state housing development authority.

Annual shelter rent means the total collections during an agreed annual period from or paid on behalf of all occupants of a housing project representing rent or occupancy charges (excluding all other income of the project), less utilities. This does not include any payments or subsidies collected from the U.S. Department of Housing and Urban Development or the state housing development authority.

LIHTC program means the low income housing tax credit program administered by the authority under Section 42 of the Internal Revenue Code of 1986, as amended.

Low income persons and families means persons and families eligible to move into a housing project.

Sponsor means the New Parkridge LDHA Limited Partnership, a Michigan limited partnership, its successor, or its assigns.

Utilities mean charges for gas, electric, water, and sanitary sewer furnished to the occupants that are paid by the housing project. Phone, cable, internet, and television services are specifically not considered utilities.

(Ord. No. 1211, § 3, 2-4-2014)

Sec. 30-~~303~~434. - Class of housing projects.

It is determined that the class of housing projects to which the exemption from ad valorem taxation shall apply and for which a service charge shall be paid in lieu of such taxes shall be as defined by Section 15a(1) of the Act, being MCL 125.1415a(1).

(Ord. No. 1211, § 4, 2-4-2014)

Sec. 30-~~304~~435. - Establishment of annual service charge.

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 state housing development authority, the project and the property on which it is located shall be exempt from all ad valorem property taxes from and after the commencement of construction or rehabilitation.

In consideration of the sponsor's offer to construct, rehabilitate, and operate the project, the city agrees to accept payment of an annual service charge for public services in lieu of all ad valorem property taxes. The annual service charge shall be (a) equal to ten percent of the annual shelter rents during each operating year, (b) the amount of taxes that would be paid but for this division, or (c) the amount permitted to be paid by applicable state or federal law in effect on the effective date of this division, whichever amount is lower. The annual service charge shall be paid as a first priority from the cash flow waterfall as determined on the annual audit of the operating year.

(Ord. No. 1211, § 5, 2-4-2014)

Sec. 30-~~305~~436. - Contractual effect of ordinance.

Notwithstanding the provisions of Section 15a(5) of the act to the contrary, a contract between the city 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 the ordinance from which this division is derived.

(Ord. No. 1211, § 6, 2-4-2014)

Sec. 30-~~306~~437. - Limitation on the payment of annual service charge.

Notwithstanding section 30-~~304~~435, the service charge to be paid each year in lieu of taxes for the part of the project that is exempt from ad valorem taxes but 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 project if the project were not tax exempt.

(Ord. No. 1211, § 7, 2-4-2014)

Sec. 30-~~307~~438. - Payment of service charge.

The annual service charge in lieu of taxes, as determined under this division, shall be payable to the city and distributed to the several units levying the general property tax in accordance with Section 15a(4) of the Act. The annual payment for each operating year shall be paid on or before April 15 of the following year.

(Ord. No. 1211, § 8, 2-4-2014)

Sec. 30-~~308~~439. - Duration.

This division shall remain in effect and shall not terminate so long as (a) the project remains subject to income and rent restrictions under the LIHTC program or (b) the project remains exempt from ad valorem taxation pursuant to Section 15a(5) of the act.

(Ord. No. 1211, § 9, 2-4-2014)

Secs. 30-~~309~~440—30-~~32~~460. - Reserved.

DIVISION ~~510~~. - CITY OF YPSILANTI TAX EXEMPTION ORDINANCE—SCATTERED SITE

Sec. 30-~~325~~461. - Title.

This division shall be known and cited as the "City of Ypsilanti Tax Exemption Ordinance-Scattered Site."

(Ord. No. 1211, § 1, 2-4-2014)

Sec. 30-~~326~~462. - 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 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 division for exemption from ad valorem taxation and the service charge in lieu of all ad valorem taxes during the period contemplated in this division 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 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.

(Ord. No. 1211, § 2, 2-4-2014)

Sec. 30-~~327~~463. - Definitions.

The following words, terms and phrases when used in this division shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Authority means the Michigan state housing development authority.

Annual shelter rent means the total collections during an agreed annual period from or paid on behalf of all occupants of a housing project representing rent or occupancy charges (excluding all other income of the project), less utilities. This does not include any payments or subsidies collected from the U.S. Department of Housing and Urban Development or the state housing development authority.

LIHTC program means the low income housing tax credit program administered by the authority under Section 42 of the Internal Revenue Code of 1986, as amended.

Low income persons and families means persons and families eligible to move into a housing project.

Sponsor means the strong future LDHA limited partnership, a Michigan limited partnership, its successor, or its assigns.

Utilities mean charges for gas, electric, water, and sanitary sewer furnished to the occupants that are paid by the housing project. Phone, cable, internet, and television services are specifically not considered utilities.

(Ord. No. 1211, § 3, 2-4-2014)

Sec. 30-~~328~~464. - Class of housing projects.

It is determined that the class of housing projects to which the exemption from ad valorem taxation shall apply and for which a service charge shall be paid in lieu of such taxes shall be as defined by Section 15a(1) of the Act, being MCL 125.1415a(1).

(Ord. No. 1211, § 4, 2-4-2014)

Sec. 30-~~329~~465. - Establishment of annual service charge.

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 state housing development authority, the project and the property on which it is located shall be exempt from all ad valorem property taxes from and after the commencement of construction or rehabilitation.

In consideration of the sponsor's offer to construct, rehabilitate, and operate the project, the city agrees to accept payment of an annual service charge for public services in lieu of all ad valorem property taxes. The annual service charge shall be (a) equal to ten percent of the annual shelter rents during each operating year, (b) the amount of taxes that would be paid but for this division, or (c) the amount permitted to be paid by applicable state or federal law in effect on the effective date of this division, whichever amount is lower. The annual service charge shall be paid as a first priority from the cash flow waterfall as determined in the annual audit of the operating year.

(Ord. No. 1211, § 5, 2-4-2014)

Sec. 30-~~330~~466. - Contractual effect of ordinance.

Notwithstanding the provisions of Section 15a(5) of the act to the contrary, a contract between the city 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 the ordinance from which this division is derived.

(Ord. No. 1211, § 6, 2-4-2014)

Sec. 30-~~331~~467. - Limitation on the payment of annual service charge.

Notwithstanding section 30-~~329~~435, the service charge to be paid each year in lieu of taxes for the part of the project that is exempt from ad valorem taxes but 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 project if the project were not tax exempt.

(Ord. No. 1211, § 7, 2-4-2014)

Sec. 30-~~332~~468. - Payment of service charge.

The annual service charge in lieu of taxes, as determined under this division, shall be payable to the city and distributed to the several units levying the general property tax in accordance with Section 15a(4) of the Act. The annual payment for each operating year shall be paid on or before April 15 of the following year.

(Ord. No. 1211, § 8, 2-4-2014)

Sec. 30-~~333~~469. - Duration.

This division shall remain in effect and shall not terminate so long as (a) the project remains subject to income and rent restrictions under the LIHTC program or, (b) the project remains exempt from ad valorem taxation pursuant to Section 15a(5) of the act.

(Ord. No. 1211, § 9, 2-4-2014)

Secs. 30-334—30-350. - Reserved.

~~DIVISION 11. YPSILANTI TAX EXEMPTION ORDINANCE WATER STREET FLATS~~

~~Sec. 30-481. Title.~~

~~This division shall be known and cited as the "Ypsilanti Tax Exemption Ordinance Water Street Flats."~~

~~(Ord. No. 1240, § 1, 2-17-2015)~~

~~Sec. 30-482. 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 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 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 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 division for tax exemption and the service charge in lieu of all ad valorem taxes during the period contemplated in this division 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 receipt of a mortgage loan from the Michigan State Housing Development Authority, to construct, own and operate a housing project identified as Water Street Flats on certain property located at the future intersection of River Street and South Street in the City of Ypsilanti, County of Washtenaw, State of Michigan, and legally described as (the "Project"):~~

~~Part of Section 9, T3S, R7E, City of Ypsilanti, Washtenaw County, Michigan, described as: Commencing at the East ¼ corner of said Section; thence S1°49'34"W 328.02 feet along the East line of said Section; thence N88°10'26"W 1436.81 feet to the Place of Beginning; thence S81°37'17"W 321.33 feet; thence N2°22'02"E 272.82 feet; thence S88°03'48"E 297.91 feet; thence S2°22'02"W 96.64 feet; thence Southerly 49.33 feet along a 263.0 foot radius curve to the left, the long chord of which bears S3°00'20"E 49.25 feet; thence S8°22'43"E 70.70 feet to the Place of Beginning.~~

~~The project will serve low income persons and families, 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.~~

~~(Ord. No. 1240, § 2, 2-17-2015)~~

~~Sec. 30-483. Definitions.~~

The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

~~*Authority* means the Michigan State Housing Development Authority.~~

~~*Annual shelter rent* means the total collections during an agreed annual period from or paid on behalf of all occupants of a housing project representing rent or occupancy charges, exclusive of utilities.~~

~~*Low income persons and families* means persons and families eligible to move into a housing project.~~

~~*Mortgage loan* means a loan or grant made or to be made by the authority to the sponsor for the construction, rehabilitation, acquisition and/or permanent financing of the housing project, and secured by a mortgage on the housing project.~~

~~*Sponsor* means Herman & Kittle Properties, Inc., and any entity that receives or assumes a mortgage loan.~~

~~*Utilities* means charges for gas, electric, water, sanitary sewer and other utilities furnished to the occupants that are paid by the housing project. Phone, cable, internet, and television services are specifically not considered utilities.~~

(Ord. No. 1240, § 3, 2-17-2015)

~~Sec. 30-484.—Class of housing projects.~~

~~It is determined that the class of housing projects to which the tax exemption shall apply and for which a service charge shall be paid in lieu of such taxes shall be housing projects for low income persons and families that are financed with a mortgage loan by the authority. It is further determined that Water Street Flats is of this class.~~

(Ord. No. 1240, § 4, 2-17-2015)

~~Sec. 30-485.—Establishment of annual service charge.~~

~~The housing project identified as Water Street Flats and the property on which it will be located is subject to the Water Street Redevelopment Area Brownfield Plan, approved by the City of Ypsilanti city council on December 16, 2014 with final adoption by the Washtenaw County Board of Commissioners on February 18, 2015. As authorized by the Brownfield Redevelopment Financing Act, P.A. 381 of the State of Michigan, as amended, and under the approved Brownfield Plan referenced above, an act 381 Work Plan will be developed jointly between the City of Ypsilanti, the Sponsor, and the Washtenaw County Brownfield Authority, which will include all eligible brownfield activities to be reimbursed to the Sponsor. In addition, the Act 381 Work Plan will specify the total amount of administrative fees and local site revolving remediation fund deposits to be paid to the Washtenaw County Brownfield Authority. This Act 381 Work Plan will then be approved by the State of Michigan. Following the completion of the reimbursement of all certified eligible brownfield expenses to the sponsor by the Washtenaw County Brownfield Authority, and payment of any and all administrative fees and local site revolving remediation fund deposits to the Washtenaw County Brownfield Authority, as specified in~~

~~the above-referenced and approved Act 381 Work Plan, the project shall be exempt from all ad valorem property taxes. The city acknowledges that the sponsor and the authority have established the economic feasibility of the housing project in reliance upon the enactment and continuing effect of this division, and the qualification of the housing project for exemption from all ad valorem property taxes and a payment in lieu of taxes as established in this division. Therefore, in consideration of the sponsor's offer to construct and operate the housing project, the city agrees to accept payment of an annual service charge for public services in lieu of all ad valorem property taxes. Subject to receipt of a mortgage loan, the annual service charge shall be equal to ten percent of the annual shelter rents actually collected by the housing project during each operating year.~~

~~(Ord. No. 1240, § 5, 2-17-2015)~~

~~Sec. 30-486.—Contractual effect of ordinance.~~

~~Notwithstanding the provisions of section 15(a)(5) of the act to the contrary, a contract between the city 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 division.~~

~~(Ord. No. 1240, § 6, 2-17-2015)~~

~~Sec. 30-487.—Limitation on the payment of annual service charge.~~

~~Notwithstanding section 30-485, the service charge to be paid each year in lieu of taxes for the part of the housing project that is tax exempt but 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 project if the housing project were not tax exempt.~~

~~(Ord. No. 1240, § 7, 2-17-2015)~~

~~Sec. 30-488.—Payment of service charge.~~

~~The annual service charge in lieu of taxes as determined under this division shall be payable in the same manner as general property taxes are payable to the city and distributed to the several units levying the general property tax in the same proportion as prevailed with the general property tax in the previous calendar year. The annual payment for each operating year shall be paid on or before April 15th of the following year. Collection procedures shall be in accordance with the provisions of the General Property Tax Act (1893 PA 206, as amended; MCL 211.1, et seq.).~~

~~(Ord. No. 1240, § 8, 2-17-2015)~~

~~Sec. 30-489.—Duration.~~

~~This division shall remain in effect and shall not terminate so long as a mortgage loan remains outstanding and unpaid and the housing project remains subject to income and rent restrictions under the low income housing tax credit program or home investments partnership program. The exemption from all ad valorem property taxes established by this division shall terminate upon the re-financing or payoff of the authority mortgage loan(s) or upon the sale of the development.~~

~~(Ord. No. 1240, § 9, 2-17-2015)~~

~~Secs. 30-490—30-500.—Reserved.~~

~~DIVISION 12.—YPSILANTI TAX EXEMPTION ORDINANCE RIVERWALK COMMONS~~

~~Sec. 30-501.—Title.~~

~~This division shall be known and cited as the "Ypsilanti Tax Exemption Ordinance-Riverwalk Commons."~~

~~(Ord. No. 1270, § 1, 5-17-2016)~~

~~Sec. 30-502.—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 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 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 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 division for tax exemption and the service charge in lieu of all ad valorem taxes during the period contemplated in this division 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 receipt of a mortgage loan from the Michigan State Housing Development Authority, to construct, own and operate a housing project identified as Riverwalk Commons on certain property located at the future intersection of River Street and Michigan Avenue in the city of Ypsilanti, County of Washtenaw, State of Michigan, and legally described as (the "Project"):~~

~~A 3.60 ACRE PARCEL IN THE NE ¼ OF SECTION 9, OF CITY OF YPSILANTI, YPSILANTI TOWNSHIP, WASHTENAW COUNTY, MICHIGAN.~~

~~Commencing at the East ¼ corner of Section 9, T3S, R7E, Ypsilanti Township, Washtenaw County, Michigan; thence N02°19'08"W 554.44 feet along the East line of said Section 9 and the Centerline of Prospect Road (66.00 feet wide); thence the following four (4) courses along the Centerline of Michigan Avenue (99 feet wide): 1) 111.24 feet along the arc of a 999.34 foot radius circular curve to the right, with a central angle of 06°22'39", having a chord which bears S88°47'02"W 111.18 feet, 2) thence N88°01'38"W 382.04 feet, 3) thence N87°56'38"W 597.06 feet and 4) thence N88°03'38"W 33.00 feet; thence S02°12'20"W 209.50 feet along the West Right-of-Way line of Park Street (66.00 feet wide) to the PLACE OF BEGINNING; thence continuing S02°12'20"W 86.82 feet; thence N88°04'15"W 282.50 feet; thence~~

~~S02°29'28"W 167.28 feet; thence N88°04'02"W 299.00 feet; thence N02°22'02"E 414.18 feet; thence S88°03'47"E 350.41 feet along the South Right-of-Way line of said Michigan Avenue; thence S01°56'22"W 160.00 feet; thence S88°03'38"E 230.01 feet to the Place of Beginning, being a part of the NE ¼ of said Section 9, containing 3.60 acres of land, more or less, and subject to easements and restrictions of record, if any.~~

~~The project will serve low income persons and families, 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.~~

~~(Ord. No. 1270, § 2, 5-17-2016)~~

~~Sec. 30-503. Definitions.~~

~~The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:~~

~~*Authority* means the Michigan State Housing Development Authority.~~

~~*Annual shelter rent* means the total collections during an agreed annual period from or paid on behalf of all occupants of a housing project representing rent or occupancy charges, exclusive of utilities.~~

~~*Low income persons and families* means persons and families eligible to move into a housing project.~~

~~*Mortgage loan* means a loan or grant made or to be made by the Authority to the sponsor for the construction, rehabilitation, acquisition and/or permanent financing of the housing project, and secured by a mortgage on the housing project.~~

~~*Sponsor* means Herman & Kittle Properties, Inc., and any entity that receives or assumes a mortgage loan.~~

~~*Utilities* means charges for gas, electric, water, sanitary sewer and other utilities furnished to the occupants that are paid by the housing project. Phone, cable, internet, and television services are specifically not considered utilities.~~

~~(Ord. No. 1270, § 3, 5-17-2016)~~

~~Sec. 30-504. Class of housing projects.~~

~~It is determined that the class of housing projects to which the tax exemption shall apply and for which a service charge shall be paid in lieu of such taxes shall be housing projects for low income persons and families that are financed with a mortgage loan by the authority. It is further determined that Riverwalk Commons is of this class.~~

~~(Ord. No. 1270, § 4, 5-17-2016)~~

~~Sec. 30-505. Establishment of annual service charge.~~

~~The housing project identified as Riverwalk Commons and the property on which it will be located is subject to the Water Street Redevelopment Area Brownfield Plan, approved by the City of Ypsilanti city council on December 16, 2014 with final adoption by the Washtenaw County Board of Commissioners on February 18, 2015. As authorized by the Brownfield Redevelopment Financing Act, P.A. 381 of the State of Michigan, as amended, and under the approved Brownfield Plan referenced above, an Act 381 Work Plan will be developed jointly between the City of Ypsilanti, the sponsor, and the Washtenaw County Brownfield Authority, which will include all eligible brownfield activities to be reimbursed to the Sponsor. In addition, the Act 381 Work Plan will specify the total amount of administrative fees and local site revolving remediation fund deposits to be paid to the Washtenaw County Brownfield Authority. This Act 381 Work Plan will then be approved by the State of Michigan. Following the completion of the reimbursement of all certified eligible brownfield expenses to the sponsor by the Washtenaw County Brownfield Authority, and payment of any and all administrative fees and local site revolving remediation fund deposits to the Washtenaw County Brownfield Authority, as specified in the above referenced and approved Act 381 Work Plan, the project shall be exempt from all ad valorem property taxes. The city acknowledges that the sponsor and the authority have established the economic feasibility of the housing project in reliance upon the enactment and continuing effect of this division, and the qualification of the housing project for exemption from all ad valorem property taxes and a payment in lieu of taxes as established in this division. Therefore, in consideration of the sponsor's offer to construct and operate the housing project, the city agrees to accept payment of an annual service charge for public services in lieu of all ad valorem property taxes. Subject to receipt of a mortgage loan, the annual service charge shall be equal to ten percent of the annual shelter rents actually collected by the housing project during each operating year.~~

~~(Ord. No. 1270, § 5, 5-17-2016)~~

~~Sec. 30-506. Contractual effect of ordinance.~~

~~Notwithstanding the provisions of section 15(a)(5) of the act to the contrary, a contract between the city 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 division.~~

~~(Ord. No. 1270, § 6, 5-17-2016)~~

~~Sec. 30-507. Limitation on the payment of annual service charge.~~

~~Notwithstanding section 30-505, the service charge to be paid each year in lieu of taxes for the part of the housing project that is tax exempt but 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 project if the housing project were not tax exempt.~~

~~Additionally, it is anticipated that a portion of the project will be commercial space. This portion is not tax exempt. This non-exempt portion of the project may receive a separate tax identification number that will be different than that portion that is exempt. This division will only apply to that portion of the project that is exempt, and will not apply to that portion of the project that is not tax exempt.~~

(Ord. No. 1270, § 7, 5-17-2016)

~~Sec. 30-508. Payment of service charge.~~

~~The annual service charge in lieu of taxes as determined under this division shall be payable in the same manner as general property taxes are payable to the city and distributed to the several units levying the general property tax in the same proportion as prevailed with the general property tax in the previous calendar year. The annual payment for each operating year shall be paid on or before April 15th of the following year. Collection procedures shall be in accordance with the provisions of the General Property Tax Act (1893 PA 206, as amended; MCL 211.1, et seq.).~~

(Ord. No. 1270, § 8, 5-17-2016)

~~Sec. 30-509. Duration.~~

~~This division shall remain in effect and shall not terminate so long as a mortgage loan remains outstanding and unpaid and the housing project remains subject to income and rent restrictions under the low income housing tax credit program or home investments partnership program. The exemption from all ad valorem property taxes established by this division shall terminate upon the re-financing or payoff of the authority mortgage loan(s) or upon the sale of the development.~~

(Ord. No. 1270, § 9, 5-17-2016)

2. Severability. If any clause, sentence, section, paragraph, or part of this ordinance, or the application thereof to any person, firm, corporation, legal entity, or circumstances, shall be for any reason adjudged by a court of competent jurisdiction to be unconstitutional or invalid, such judgment shall not effect, impair, or invalidate the remainder of this Ordinance and the application of such provision to other persons, firms, corporations, legal entities, or circumstances by such judgment shall be confined in its operation to the clause, sentence, section, paragraph, or part of this Ordinance thereof directly involved in the case or controversy in which such judgment shall have been rendered and to the person, firm, corporation, legal entity, or circumstances then and there involved. It is hereby declared to be the legislative intent of this body that the Ordinance would have been adopted had such invalid or unconstitutional provisions not have been included in this Ordinance.

3. Repeal. All other Ordinances inconsistent with the provisions of this Ordinance are, to the extent of such inconsistencies, hereby repealed.

4. Savings Clause. The balance of the Code of Ordinances, City of Ypsilanti, Michigan, except as herein or previously amended, shall remain in full force and effect. The repeal provided herein shall not abrogate or affect any offense or act committed or done, or any penalty or forfeiture incurred, or any pending fee, assessments, litigation, or prosecution of any right established, occurring prior to the effective date hereof.

5. 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.

6. Publication and Effective Date. The City Clerk shall cause this Ordinance, or

a summary of this Ordinance, to be published according to Section 11.13 of the City Charter. 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 9th DAY OF January, 2018.

Frances McMullan, City Clerk

Attest

I do hereby confirm that the above Ordinance No. 1300 was published according to Section 11.13 of the City Charter on the 9th day of January, 2018.

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 9th day of January, 2018.

Frances McMullan, City Clerk

Notice Published: December 12, 2017

First Reading: December 21, 2017

Second Reading: January 9, 2018

Published: January 15, 2018

Effective Date: February 8, 2018