

**CITY OF IONIA**  
**Local Development Finance Authority**  
**By-Laws and Rules of Procedure**

Adopted by the City of Ionia Local Development Finance Authority -  
September 17, 2024

**1. AUTHORITY**

These By-Laws and Rules of Procedure are adopted by the City of Ionia Local Development Finance Authority (LDFA). Meetings of the LDFA Board of Directors shall be in accordance with the provisions of the Michigan Open Meetings Act, Public Act 267 of 1976, as amended.

**2. POWERS**

The LDFA shall possess all powers identified by Public Act 57 of 2018, as amended, the Re-codified Tax Increment Financing Act, being more particularly as follows:

- 2.1 Study and analyze unemployment, underemployment, and joblessness and the impact of growth upon the authority district or districts.
- 2.2 Plan and propose the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a public facility.
- 2.3 Develop long-range plans, in cooperation with the agency that is chiefly responsible for planning in the municipality, to promote growth within the authority district or districts, and take the steps that are necessary to implement the plans to the fullest extent possible to create jobs and promote economic growth.
- 2.4 Implement any plan of development necessary to achieve the purposes of this part in accordance with the powers of the authority as granted by this part.
- 2.6 Make and enter into contracts necessary or incidental to the exercise of the Board of Directors' powers and the performance of its duties.
- 2.7 Acquire by purchase or otherwise on terms and conditions and in a manner the authority considers proper, own or lease as lessor or lessee, convey, demolish, relocate, rehabilitate, or otherwise dispose of real or personal property, or rights or interests in that property, which the authority determines is reasonably necessary to achieve the purposes of this part, and to grant or acquire licenses, easements, and options with respect to the property.
- 2.8 Improve land, prepare sites for buildings, including the demolition of existing structures, and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, or operate a building, and any necessary or desirable appurtenances to a building, as provided in section 412(2) for the use, in whole or in part, of a public or private person or corporation, or a combination thereof.
- 2.9 Fix, charge, and collect fees, rents, and charges for the use of a building or property or a part of a building or property under the Board of Directors' control,

or a facility in the building or on the property, and pledge the fees, rents, and charges for the payment of revenue bonds issued by the LDFA.

- 2.10 Lease any building or property under LDFA control.
- 2.11 Accept grants and donations of property, labor, or other things of value from a public or private source.
- 2.12 Acquire and construct public facilities.
- 2.13 Incur costs in connection with the performance of the Board of Directors' authorized functions including, but not limited to administrative costs, and architects, engineers, legal and accounting fees.
- 2.14 Plan, propose, and implement an improvement to a public facility on eligible property to comply with the barrier free design requirements of the state construction code promulgated under the Stille-DeRossett-Hale single state constitution code act, 1972 PA 230, MCL 125.1501 to 125.1531.

### 3. MEMBERSHIP

- 3.1 Members: The LDFA Board of Directors shall be comprised of a Board of 7 members appointed by the Mayor, subject to confirmation by the City Council. Before entering upon the duties of the Board of Directors, each member shall take and subscribe to the constitutional oath of office. The Board of Directors shall include 1 member appointed by the county board of commissioners of the county in which the authority is located. The Board of Directors shall also include 2 members appointed by the CEO of each local governmental unit, other than the city, which levied 20% or more of the ad valorem property taxes levied against all property located in an authority district in the year before the year in which the authority district is established. Should such a local governmental unit decline to appoint 2 members to the Board of Directors, as evidenced in writing, the Board of Directors composition shall be complete without such members. Each member shall serve a term of four (4) years. An appointment to fill a vacancy shall be made by the Mayor upon confirmation by the City Council, for the remainder of the unexpired term. Members of the Board of Directors shall serve without compensation but shall be reimbursed for actual and necessary expenses.
- 3.2 Attendance. If any member of the Board of Directors is absent from three (3) consecutive regularly scheduled meetings then that member shall be considered delinquent. Delinquency, nonperformance of duty, or misconduct, shall be grounds for the City Council to remove a member from the Board of Directors. The Board Secretary shall keep attendance records and shall notify the Mayor whenever a member of the Board of Directors is absent from three (3) consecutive regularly scheduled meetings, so the City Council can pursue action permitted by law or excuse the absences.
- 3.3 Incompatibility of Office. Each member of the Board of Directors shall avoid conflicts of interest and/or incompatibility of office. If there is a question whether a conflict of interest exists, the question shall be put before the Board of Directors. Whether a conflict of interest exists shall be determined by a majority

vote of the remaining members of the Board of Directors. When a conflict of interest exists, the member of the Board of Directors shall do all of the following immediately, upon first knowledge of the case and determining that a conflict exists:

- A. Declare a conflict exists at the next meeting of the Board of Directors;
- B. Cease to participate at the Board of Directors meetings during deliberation of the agenda item before the Board of Directors;
- C. Leave the meeting until that agenda item is concluded.

If a member of the Board of Directors is appointed to another office that is an incompatible office with his or her membership on the Board of Directors, then on the effective date of the appointment to the other office, that shall result in an automatic resignation from the Board of Directors. If a member of another office is appointed to the Board of Directors, which is an incompatible office with his or her membership in the other office, then on the effective date of the appointment to the Board of Directors, that shall result in an automatic resignation from the other office.

#### **4. OFFICIALS & ANNUAL BUDGET/AUDIT**

- 4.1 Chairperson and Vice-Chairperson. The chairperson and vice chairperson shall be elected as officers by the Board of Directors. The chairperson shall preside at meetings of the Board of Directors and shall do and perform such other duties as may from time to time be assigned by the Board of Directors. The vice chairperson shall perform the duties of the chairperson in the chairperson's absence and such other duties as shall from time to time be assigned by the Board of Directors.
- 4.2 Director. The Director, if appointed, shall be the chief administrative officer of the authority. Before entering upon the duties of office, the Director shall take and subscribe to the constitutional oath, and furnish bond, which shall be filed with the City Clerk. The premium on the bond shall be deemed an operating expense of the authority, payable from funds available to the authority for expenses of operation. Subject to the approval of the Board of Directors, the Director shall supervise, and be responsible for, the preparation of plans and the performance of the functions of the authority in the manner authorized by law. The Director shall attend the meetings of the Board of Directors and shall render to the Board of Directors and to the City Council, a regular report covering the activities and financial condition of the authority. If the Director is absent or disabled, the Board of Directors may designate a qualified person as Acting Director to perform the duties of the office. Before entering upon the duties of the office, the Acting Director shall take and subscribe to the oath, and furnish bond, as required of the Director. The Director shall furnish the Board of Directors with information or reports governing the operation of the authority as the Board of Directors may require from time to time.
- 4.3 Secretary. The Board of Directors may appoint or employ and fix the compensation of a secretary who shall maintain custody of the official seal and of records, books, documents, or other papers of the authority not required to be

maintained by the treasurer. The secretary shall attend meetings of the Board of Directors and keep a record of its proceedings and shall perform such other duties delegated by the Board of Directors.

- 4.4 Treasurer. The Board of Directors may appoint or employ and fix the compensation of a treasurer who shall keep the financial records of the authority and, together with the Director, if appointed, or other officer of the authority shall approve all vouchers for the expenditure of funds of the authority. The treasurer shall perform such other duties as may be delegated by the Board of Directors and shall furnish bond in an amount as prescribed by the Board of Directors.
- 4.5 Annual Budget. The Director, if appointed, and otherwise the chairperson or other member directed by the Board of Directors annually shall prepare and submit for the approval of the Board of Directors a budget for the operation of the authority for the ensuing fiscal year. The budget shall be prepared in the manner and contain the information required of municipal departments. Before the budget may be adopted by the Board of Directors, it shall be approved by the City Council. Funds of the city shall not be included in the budget of the authority except those funds authorized by law and by the City Council.
- 4.6 Annual Audit. The Board of Directors shall cause an annual audit of its business to be made and the result thereof shall be submitted to the City Council. Such audit shall be conducted at the same time as the City of Ionia annual audit and as a component unit of the City of Ionia.

## 5. MEETINGS

- 5.1 Meeting Notices. Notice of all meetings shall be posted at City Hall according to the Open Meetings Act. The notice shall include the date and time of the meeting.
- 5.2 Annual Meeting. An annual meeting shall be held the first regular meeting in July at a time and place to be set by the Board of Directors. The election of officers shall occur at the annual meeting.
- 5.3 Regular Meetings. Regular meetings of the Board of Directors shall be held at City Hall on the third Tuesday of each month at 4:00 PM beginning September 17 and for the remainder of the 2024 calendar year unless scheduled/cancelled otherwise. Thereafter, it is anticipated regular meetings shall be conducted quarterly. The dates and times shall be posted at City Hall in accordance with the Open Meetings Act. Any changes in the date or time of the regular meetings shall be posted and noticed in the same manner as originally established.
- 5.4 Special Meetings. A special meeting may be called by the Chairperson or by two members of the Board of Directors upon written request to the Recording Secretary. The business that the Board of Directors may perform shall be conducted at a public meeting held in compliance with the Open Meetings Act. Public notice of the time, date, and place of the special meeting shall be given in a manner as required by the Open Meetings Act, and the Recording

Secretary shall send written notice of a special meeting to each Director not less than forty-eight (48) hours in advance of the meeting.

- 5.5** Quorum. In order for the Board of Directors to conduct business or take any official action, a quorum shall be present. A majority of the Directors appointed and serving shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, provided that a majority of the Board of Directors present may adjourn the meeting from time to time without further notice. A vote of the majority of the Directors present at a meeting which a quorum is present constitutes an action of the Board of Directors, unless the vote of a larger number is required by statute or by these Bylaws. When a quorum is not present, no official action, except for closing the meeting may take place. The Board of Directors may discuss matters of interest but can take no action until the next regular or special meeting.
- 5.6** Public Participation. All regular and special meetings shall be open to the public.
- A. All public comment on all agenda items should be presented at the beginning of the meeting where provided in the printed agenda, unless otherwise permitted by the Chairperson. Guests are requested to provide their name and address when making public comments.
  - B. Comments shall be limited to five (5) minutes for each person.
  - C. The Board of Directors shall not respond to public comment. Board of Directors members shall refrain from speaking during this portion of the meeting.
- 5.7** Motions. Motions shall be restated by the Chairperson before a vote is taken. The name of the maker and supporter of the motions shall be recorded.
- 5.8** Voting. An affirmative vote of the majority of the members of the Board of Directors present at a meeting shall be required for the approval of any requested action, unless statute requires otherwise. Voting shall ordinarily be voice vote; provided however that a roll call vote shall be required if requested by any Board of Directors' member or directed by the Chairperson.
- All members of the Board of Directors including the Chairperson shall vote on all matters. Any member may be excused from voting but only if that person has a bonafide conflict of interest as set forth in Section 3.3 herein.
- 5.9** Meeting Agenda. A written agenda for all regular meetings shall be prepared by the Director and be subject to approval and/or amendment by the Board of Directors.
- 5.10** Rules of Order. All meetings of the Board of Directors and any committees shall be conducted in accordance with generally accepted parliamentary procedure, as governed by "Robert's Rules of Order".

**6. MINUTES**

Meeting minutes shall contain a brief synopsis of the meeting, including a complete restatement of all motions and recording of votes; complete statement of the conditions or recommendations made on any action; and a recording of attendance. The official records shall be deposited with and kept by the City Clerk.

**7. ANNUAL REPORT**

Annually, on a form and in the manner prescribed by the department of treasury, an authority that is capturing tax increment revenues shall submit to the Ionia City Council and the department of treasury a report on the status of the tax increment financing account, as detailed in MCL 125.4911.

**8. AMENDMENTS**

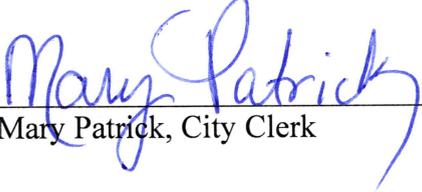
The Board of Directors may amend these rules by a majority vote at any Board of Directors' meeting provided that all members have received an advance copy of the proposed amendments prior to the meeting at which such amendments are to be considered.

**9. ADOPTION**

These Local Development Finance Authority Board of Directors By-Laws and Rules of Procedure were adopted at a regular meeting of the Board of Directors held on September 17, 2024.

**10. CITY COUNCIL APPROVAL**

These Local Development Finance Authority Board of Directors By-Laws and Rules of Procedure were approved at a regular meeting of the Ionia City Council held on October 2, 2024.

  
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Mary Patrick, City Clerk