BYLAWS OF

THE DOWNTOWN DEVELOPMENT AUTHORITY   
OF THE VILLAGE OF GRASS LAKE

(A public Authority and governmental subdivision formed pursuant to Act 197 of the Public Acts of 1975, as amended.)

ARTICLE 1 - ORGANIZATION NAME

The name of this organization is the Village of Grass Lake Downtown Development Authority (“Authority”), (established and provided for by an ordinance of the Village of Grass Lake as on file with the Michigan Secretary of State.)

ARTICLE 2 - PUBLIC AUTHORITY

The Authority is established pursuant to Act 197, Public Acts of Michigan of 1975, as amended. Any net earnings of the Authority beyond that necessary for the retirement of indebtedness or to implement the public purposes or program of the Village of Grass Lake may not inure to the benefit of a person other than the Village of Grass Lake and, upon dissolution of the Authority, shall belong to the Village of Grass Lake. Upon dissolution of the Authority, title of all property owned by the Authority, subject to existing rights in other parties, shall vest in the Village of Grass Lake.

ARTICLE 3 - PURPOSE

The purpose for which the Authority is created is to correct and prevent deterioration and encourage economic growth and activity and to encourage neighborhood revitalization and historic preservation; to authorize the acquisition and disposal of interests in real and personal property; to provide for the creation and implementation of Development Plans; to provide for the creation of a Board to govern the Authority and to prescribe its powers and duties; to permit the issuance of bonds and other evidences of indebtedness by the Authority; and to permit the use of tax increment financing.

ARTICLE 4 - GENERAL

* 1. The Authority shall be a public body corporate.
  2. The Authority may sue and be sued in any court of this state.
  3. The Authority possesses all the powers necessary to carry out the purposes of its incorporation.
  4. The powers granted to the Authority may be exercised notwithstanding that bonds are not issued by the Authority.
  5. The Authority shall be under the supervision and control of a Board chosen by the Governing Body.
  6. As used in these bylaws:
     1. "Authority" means a Downtown Development Authority.
     2. "Board" means the Governing Body of The Village of Grass Lake.
  7. "Development Plan" means that information and those requirements for development.
  8. "Governing Body" means the elected body of a municipality having legislative powers.
  9. "Tax Increment Financing Plan" means that information and those requirements necessary for tax increment financing to occur.

ARTICLE 5 - POWERS AND DUTIES OF THE BOARD

* 1. ACTIVITIES: For the purpose of fulfilling the objectives of the Authority, the Board may:
     1. Prepare an analysis of economic changes taking place in the downtown district.
     2. Study and analyze the impact of growth upon the downtown district.
     3. Plan and propose the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a public facility, an existing building, or a multiple-family dwelling unit which may be necessary or appropriate to the execution of a plan which, in the opinion of the Board, aids in the revitalization and growth of the downtown district.
     4. Plan, propose, and implement an improvement to a public facility within the development area to comply with the barrier-free design requirements of the State Construction Code.
     5. Develop long-range plans to a minimum of 5 year and a maximum of 30 years, in cooperation with the agency which is chiefly responsible for planning in the municipality, designed to halt the decline of property values and to promote the growth of the downtown district, and take such steps as may be necessary to implement the plans to the fullest extent possible.
        1. Implement any plan of development in a downtown district necessary to achieve the purposes of this act, in accordance with the powers of the Authority as granted by Act 197.
        2. Make and enter into contracts necessary or incidental to the exercise of its powers and the performance of its duties.
     6. Acquire by purchase or otherwise, on terms and conditions in a manner the Authority considers proper, or own, convey, or otherwise dispose of, or lease as lessor or lessee, land and other property, real or personal, or rights or interests therein, which the Authority determines are reasonably necessary to achieve the purposes of this act and to grant or acquire licenses, easements and options with respect thereto.
     7. Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, and operate any building, including any type of housing, and any necessary or desirable appurtenances thereto, within the development area for the use, in whole or in part, of   
        any public or private person or corporation, or a combination thereof.
     8. Fix, charge, and collect fees, rents, and charges for the use of any building or property under its control or any part therein and pledge the fees, rents, and charges for the payment of revenue bonds issued by the Authority.
     9. Lease any building or property or part of a building or property under its control.
     10. Accept grants and donations of property, labor, or other things of value from a public or private source.
     11. Acquire and construct public facilities.
     12. Incur costs in connection with the performance of its authorized functions including, but not limited to, administrative costs, and architect's, engineer's, legal, and accounting fees.
     13. Accept land which was taken by the municipality under Act No. 149 of the Public Acts of 1911, being Sections 213.21 through 213.41 of the Michigan Compiled Laws, for the use as authorized in the development program. The taking, transfer, and use shall be considered necessary for public purposes and for the benefit of the public.
     14. The Board may employ and fix the compensation of an executive director subject to the approval of the Governing Body of the Municipality.
         1. The Board may employ and fix the compensation of a treasurer, who shall keep the financial records of the Authority and who, together with another officer, shall approve all vouchers for the expenditure of funds of the Authority.
         2. The Board may employ and fix the compensation of a secretary, who shall maintain custody of the official seal and/or records, books, documents, or other papers not required to be maintained by the treasurer.
     15. The Board may retain legal counsel to advise the Board in proper performance of its duties.
     16. The Board may employ other personnel deemed necessary by the Board.
  2. TAX INCREMENT PLAN: When the Authority determines that it is necessary for the achievement of its purpose, the Authority shall prepare and submit a Tax Increment Financing Plan to the Governing Body.
  3. DEVELOPMENT PLAN: When a Board decides to finance a project in a development area, it shall prepare and adopt a Development Plan.

ARTICLE 6 - BOARD OF DIRECTORS

* 1. QUALIFICATIONS: A member of the Authority shall be a registered voter of the municipality and/or have an interest in property located within the district. A majority of board members shall have an interest in property located within the district.
  2. GENERAL POWERS: The business and affairs of the Authority shall be managed by its board of directors except as otherwise provided by statute or by these bylaws.
  3. APPOINTMENT: The Authority shall be under the supervision and control of a Board designated by the Governing Body, as provided for in Act 197. It shall consist of the Chief Executive Officer of the municipality and not less than 8 or more than 12 members as determined by the Governing Body. Members shall be appointed by the Chief Executive Officer, subject to approval by the Governing Body of the municipality. An appointment to fill a vacancy shall be made by the Chief Executive Officer of the municipality for the unexpired term only and approved by the Governing Body of the municipality.
  4. TERM OF OFFICE: Of the members appointed, an equal number, as near as practicable, shall be appointed for 1 year, 2 years, 3 years, and 4 years. A member shall hold office until the member's successor is appointed. Thereafter, each member shall serve for a term of 4 years. Terms of office shall begin on the first day of the fiscal year following appointment as provided in Section 6.2 above. The first term shall end December 31,   
     1990, and thereafter coincide with the Authority's fiscal year.
  5. OATH OF OFFICE: Before assuming the duties of office a member shall qualify by taking and subscribing to the constitutional oath of office, sworn in by Village Clerk
  6. COMPENSATION: Board members shall serve without compensation but shall be reimbursed their actual expenses incurred in the performance of their official duties. However, nothing herein contained shall be construed to preclude any board member from serving the Authority in any other capacity and receiving   
     compensation, therefore, except in the capacity of executive director of the Authority.
  7. REMOVAL: Any member of the board of directors may be removed from office for cause by majority vote of the Governing Body of the municipality. Failure to attend three consecutive meetings may constitute just cause.
  8. CONFLICT OF INTEREST: A director who has a direct interest in any matter before the Authority shall disclose his/her interest prior to the Authority taking any action with respect to the matter, which disclosure shall become a part of record of the Authority's official proceedings, and the interested director shall refrain from participation in the Authority's proceedings relating to the matter.

ARTICLE - 7 OFFICERS

* 1. OFFICERS: The officers of the Authority shall consist of a chairperson, secretary, treasurer and, if desired, one or more vice chairpersons and such other officers as may from time to time be determined by the board of directors, each of whom shall be elected from among the board of directors by the affirmative vote of a quorum. Any two offices may be held by the same person; but an officer shall not execute, acknowledge, or verify an instrument in more than one capacity if the instrument is required by law or the bylaws to be executed, acknowledged or verified by two or more officers.
  2. ELECTION AND TERM OF OFFICE: The officers of the Authority shall be elected annually by the board of directors at the first meeting of each new calendar year. If the election of officers shall not be held or made at such meeting, such election shall be held or made as soon thereafter as is convenient. Each officer so elected shall hold office for the term of which he/she is elected and until his/her successor is elected and qualified, or until his/her resignation or removal. The first term shall expire on December 30, 1990, and thereafter will coincide with the Authority's calendar year.
  3. REMOVAL: Any officer elected by the board of directors may be removed by the board of directors with or without cause whenever, in its judgement, the best interests of the Authority would be served thereby; but such removal shall be without prejudice to the contract rights, if any, of the person so removed.
  4. VACANCIES: A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled at any meeting of the board of directors for the unexpired portion of the term of such office.
  5. CHAIRPERSON: The chairperson shall be the chief executive officer of the Authority, but he/she may from time to time delegate all or part of his/her duties to an executive vice chairperson, if one is elected, or to any vice chairperson. He/she shall preside at all meetings of the directors as chairperson of the Board. He/she shall have general and active management of the business of the Authority, and shall see that all orders and resolutions of the Board are carried into effect. He/she shall execute all bonds, mortgages, conveyances, and other instruments entered into pursuant to the powers of the Authority as set forth in these bylaws with the approval and authority of the board of directors. He/she shall be ex officio member of all standing committees. The chief executive officer of the municipality shall not simultaneously hold the office of chairman.
     1. VICE CHAIRPERSON: The vice chairperson shall perform such duties as are delegated to him/her by the chairperson, and shall, in the absence or in the event of the disability of the chairperson, perform such other duties as the board of directors shall prescribe.
  6. EXECUTIVE DIRECTOR OF THE BOARD: An executive director may be employed and shall serve at the pleasure of the Board in accordance with Section 5(1) of Act 197, shall attend all meetings of the board of directors, and shall have and exercise such other authority as specifically granted to him/her from time to time by an ordinance of the board of directors. If an executive director is employed he/she shall post bond in the penal sum of $ 2,000 as required by said section of said statutes. An executive director may be removed from office for cause by majority vote of the Governing Body of the Municipality.
  7. SECRETARY: The secretary shall attend all meetings of the Board and record all votes and the minutes of all proceedings in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He/she shall give, or cause to be given, notice of all meetings of the board of directors, and shall perform such other duties as prescribed by the board of directors under whose supervision he/she shall be. He/she shall keep in safe custody the seal of the Authority, and when authorized by the Board, affix the same to any instrument requiring it, and when so affixed it shall be attested by his/her signature or by the signature of the treasurer. He/she shall be sworn to the faithful discharge of his/her duties. He/she will prepare meeting minutes and deliver electronically to Board within 8 business days The assistant secretary, if one is elected, shall perform the duties and exercise the power of the secretary in his/her absence or in the event of his/her disability. The Board may enter into contracts with individuals to assist in the duties and functions of the secretary of the Authority.
  8. TREASURER: The treasurer shall have the custody of the corporate funds and securities and shall keep, or cause to be kept, full and accurate accounts of receipts and disbursements in books belonging to the Authority and shall deposit all moneys and other valuable effects in the name and to the credit of the Authority in such depositories as may be designated by the board of directors. He/she shall disburse the funds of the Authority as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the chairperson and directors, at the regular meetings of the Board, or whenever they may require an account of all his/her transactions as treasurer and of the financial condition of the Authority. He/she shall give the Authority a bond of $ 5,000 for the faithful performance of the duties of his/her office and for the restoration to the Authority, in case of his/her death, resignation, retirement, or removal from office, of all books, ' papers, vouchers, money, and other property of whatever kind in his/her possession or under his/her control belonging to the Authority. Payment on the bond shall be the financial responsibility of the Authority. The assistant treasurer, if one is elected, shall perform the duties and exercise the power of the treasurer in his/her absence or in the event of his/her disability. The Board may enter into contracts with individuals   
     to assist in the duties and functions of the treasurer of the Authority.
  9. DELEGATION OF DUTIES OF OFFICERS: In the absence of any officer of the Authority or for any other reason that the Board may deem sufficient, the Board may delegate, from time to time and for such time as it may deem appropriate, the powers or duties of any of them, of such officer to any other officer, or to any   
     director, provided a majority of the Board then in office concurs therein.

**ARTICLE 8 - MEETINGS**

* 1. MEETINGS: Meetings of the board of directors may be called by or at the request of the chairperson or any two directors. The meetings of the board of directors shall be public, and public notice of such meetings shall be given in accordance with Act 267, Public Acts of Michigan, 1976, as amended. At least one meeting annually shall be held with the Governing Body of the Municipality.
  2. REGISTERED OFFICE: The initial registered office of the Authority is the Village Hall, 119 North Lake Street, Grass Lake, MI.
  3. PRINCIPAL OFFICE: The Authority shall have its principal office at the location of the registered office, and it may also maintain offices at such other place or places as the board of directors may designate.
  4. SPECIAL MEETINGS: Special meetings shall be called at the request of the Chair or at the written request (to the secretary) of the majority of the members of the Board. Notice of special meetings shall be given by the secretary to the members of the Board and to the public at least 18 hours prior to the time of the meeting and shall state the place, date, purpose, and time of the meeting.
  5. RULES OF ORDER: Parliamentary procedure in Board meetings shall be governed by Robert's Rules of Order, except where state statute or local ordinance direct otherwise. The secretary shall prepare an agenda for each meeting and send them to the Board at a minimum of 2 business days prior to the meeting. The order of business therein shall be as follows:
     1. “1. Meeting called to order by the Chair.

2. Roll Call

3. Adoption of the Agenda

4. Approval of the minutes

5. Treasurer's Reports and Bills

6. Recognition of the public

7. Old Business

A.

B.

C.

8.. New Business

A.

B.

C.

9. Adjournment”

* 1. NOTICE TO DIRECTORS: Notice of any meeting of the board of directors shall be given at least two business days prior by electronic notice and/or posting. Any director may waive notice of any meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any meeting of the board of directors need be specified in the notice or waiver of notice of such meeting.
  2. QUORUM: A majority of the members of the board of directors then in office constitute a quorum for the transaction of business at any meeting of the board of directors, provided, that if less than a majority of the directors are present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice. The vote of the majority of members present at a meeting at which a quorum   
     is present constitutes the action of the board of directors, unless the vote of a larger number is required by statutes or these bylaws
  3. PUBLIC COMMENTS:
     1. Comments on matters before the Board will be accepted from the public during those portions set aside for such purpose. Said comments will be accepted for a period not to exceed seven minutes. Extension beyond the seven minute period will be allowed by general consent of the Board. The chairman has the right to interrupt any person or persons who are giving testimony that is considered to be slanderous or injurious to any member of the Board.
  4. COMMITTEES: The board of directors may, by ordinance adopted by a majority of the members then in office, establish one or more committees, each committee to consist of one or more of the   
     directors of the Authority. The chairperson of the Board, with the advice and consent of a quorum at any meeting, shall appoint the members of each committee so established. Each member appointed to a committee shall serve until replaced by action of the chairperson with advice and consent of a quorum of the Board. A committee so established by the Board, to the extent provided in the establishing ordinance, may exercise all powers and authority of the Board in the management of the business and affairs of the Authority except that such committee shall not have the power or authority to (a) recommend to members a   
     dissolution of the Authority or a revocation of dissolution, (b) amend the bylaws of the Authority, or (c) fill vacancies on the Board.

ARTICLE 9 - CONTRACTS, LOANS**,** CHECKS, AND DEPOSITS

* 1. CONTRACTS: The board of directors may authorize the chairperson or vice chairperson or, if not available, another board member as designated by resolution to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Authority, and such authority may be general or confined   
     to specific instances.
  2. LOANS: No loan shall be contracted on behalf of the Authority, and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the board of directors. Such authority may be general or confined to specific instances.
  3. CHECKS, DRAFTS, ETC.: All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Authority, shall be signed by the Board treasurer or executive director of the Authority, or Village Treasurer by resolution of the board of directors.
  4. DEPOSITS: All funds of the Authority not otherwise employed shall be deposited to the credit of the Authority in such banks, trust companies or other depositories as the board of directors may select.

ARTICLE 10 - FISCAL YEAR

The fiscal year of the Authority shall begin on the first day of March in each year and end on the last day of February in each year.

ARTICLE 11- INDEMNIFICATION

* 1. INDEMNIFICATION, JUDGEMENT, SETTLEMENT, ETC.: The Authority shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative by reason of the fact that he/she is or was a director or officer of the Authority and, with respect to any criminal action or proceeding, had no reasonable cause to believe his/her conduct was unlawful. The termination of the action, suit, or proceeding by judgement, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he/she reasonably believed to be in or not opposed to the best interests of the Authority and, with respect to any criminal action or proceeding, had reasonable cause to believe that his/her conduct was unlawful.
  2. REIMBURSEMENT: To the extent that a director or officer of the Authority has been successful on the merits or otherwise in defense of any claim, issue, or matter therein, he/she shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by him/her in connection therewith.
  3. ADVANCEMENT: Expenses incurred in defending a civil or criminal action, suit, or proceeding described in Section 11.1 may be paid by the Authority in advance of the final disposition of such action, suit, or proceeding as authorized in the manner provided in Section 11.2 upon receipt of and undertaking by or on behalf of the director or officer to repay such amount, unless it shall ultimately be determined that he/she is entitled to be indemnified by the Authority.
  4. LIMITATIONS: The Authority shall make no provision to indemnify directors or officers in any action, suit or proceeding referred to in Section 11.0 which shall be in conflict with the provisions of this article.
  5. INSURANCE: The board of directors may, in the exercise of its discretion, from time to time authorize by ordinance duly adopted, purchase, and maintain insurance on behalf of any person who is or was a director or officer of the Authority against any liability asserted against him/her and incurred by him/her in any such capacity or arising out of his/her status as such, whether or not the Authority would have power to indemnify   
     him/her against such liability under Section 11.1 of this article.
  6. MERGER AND REORGANIZATION: For the purposes of Sections 11.1 through 11.5 of this article, references to the Authority include all constituent Authorities absorbed in a consolidation, reorganization or merger and the resulting or surviving Authority so that a person who is or was a director or officer of such constituent Authority shall stand in the same position under the provisions of this section with respect to the resulting or surviving Authority in the same capacity.

ARTICLE 12 - FINANCIAL REPORTS AND AUDIT

1. 1. ANNUAL FINANCIAL REPORTS AND AUDIT: The Authority shall submit annually at the July regular meeting of the Governing Body, or as soon thereafter as practicable, a report on the financial status and activities of the Authority. A copy of this report shall be publicized in a newspaper of general circulation in the municipality and shall include:
      1. The amount and source of revenue in the account.
      2. The amount and purpose of expenditures from the account.
      3. The amount of principal and interest on any outstanding   
         bonded indebtedness.
      4. The initial assessed value of the project area.
      5. The captured assessed value retained by the Authority.
      6. The tax increments received.
      7. Any additional information the Governing Body considers   
         necessary.
   2. EXPENSE REPORT: Once each month the Authority shall prepare a report on all expenditures for the preceding month. This report shall be publicized in a newspaper of local circulation and shall include, at a minimum, the following :
      1. Debt service (principal and interest) on existing outstanding bond issues.
      2. Administrative costs.
         1. Fees paid to outside consultants such as legal counsel, architects, engineers, planners, and accountants.
      3. Cost of annual audit.
      4. Costs of implementing the Development Plan.
   3. ANNUAL BUDGET: The Authority shall prepare and submit a budget for approval by the Governing Body at the same regular meeting required of other municipal departments of the Governing Body; being generally the first week in February of each year. The budget shall be for the operation of the Authority for the ensuing fiscal year and be prepared in the manner and contain the information required of other departments or similar   
      entities of the municipality. Following the approval of the budget by the Governing Body, the budget shall be adopted by the Board of the Authority.
   4. AUDIT: An independent audit of the Authority's financial records shall be conducted at the same time and in the same manner as that conducted for the municipality. The audit may be conducted separately or in combination with the municipal audit. If the audit is conducted in combination with that of the municipality, the Governing Body may assess a reasonable pro rata share against the funds of the Authority to cover the costs of handling and auditing. Accordingly, the Authority shall budget, each year, an amount necessary to cover such costs of the audit.

ARTICLE 13 - MISCELLANEOUS

* 1. SEAL: The board of directors may provide an official seal which, if authorized, shall have inscribed thereon the name of the Authority and the year 1990.
  2. WAIVER OF NOTICE: When the board of directors or a committee thereof must take action after notice to any person or after lapse of a prescribed period of time, the action may be taken without notice and without lapse of the period of time if, at any time before or after the action is completed, the person entitled to notice or to participate in the action to be taken submits a signed waiver of such requirements.
  3. AMENDMENTS: These bylaws may be altered, amended or repealed by the affirmative vote of a majority of the board of directors then in office at any regular or special meeting called for that purpose, subject to the Approval of the Governing Body of the municipality.
  4. PARTICIPATION BY COMMUNICATION EQUIPMENT: A member of the board of directors or of a committee designated by the Board may participate in a meeting by means of conference, telephone, or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this provision constitutes presence in person at the meeting.

**APPROVALS:**

I HEREBY CERTIFY that the above bylaws were approved by the Village Council of the Village of Grass Lake at its regular meeting of December 5, 2017.

SIGNATURE:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Estelle Mead – Clerk --Village of Grass Lake

I HEREBY CERTIFY that the above by laws were adopted by the Downtown Development Authority Board Members at

its regular meeting on the 14th of November, 2017. The recorded vote of the membership is as follows:

YEAS: D. DeBoe, J. DeBoe, Britt Keene, Ben Latocki, Susan Starrett, Tom Alig.

NAYS: None

ABSENT: Jeanne Olinyk, Mark Burnett, Laveesh Thatai.

SIGNATURE:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Estelle Mead, Secretary

Downtown Development Authority-Village of Grass Lake

SIGNATURE:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Ben Latocki, Chairman

Downtown Development Authority-Village of Grass Lake