DIVISION 1. GENERALLY

Sec. 16-81. Establishment.

The city council determining that it is necessary for the best interests of the public to halt property value deterioration and increase property tax valuation where possible in its business district, to eliminate the causes of that deterioration and to promote economic growth, hereby declares its intention to and hereby does create and provide for the operation of the downtown development authority, pursuant to Public Act No. 197 of 1975 (MCL 125.1651 et seq.).

(Code 1975, § 34-36; Code 1992, § 8-66)

Sec. 16-82. Powers, duties and boundaries.

(a) The downtown development authority established pursuant to Public Act No. 197 of 1975 (MCL 125.1651a et seq.) shall have all powers, duties and authority prescribed in the act's enabling legislation.

(b) The downtown development authority's boundaries within the city shall be as follows:

Beginning at the intersection of the centerline of Griswold Street and the east right-of-way line of Fourth Street extended south; thence westerly along the centerline of Griswold Street to the centerline of the north/south alley in block 51, White Plat; thence northerly along the south alley centerline to the centerline of Chestnut Street; thence easterly along the Chestnut Street centerline to the centerline of the north/south alley in block 53, White Plat; thence northerly along last such alley centerline to the centerline of Union Street; thence easterly along the Union Street centerline to the centerline of the north/south alley in block 54, White Plat; thence northerly along last such alley centerline to the centerline of Court Street; thence westerly along the Court Street centerline to the centerline of Seventh Street; thence northerly along the Seventh Street centerline to the centerline of Lapeer Avenue; thence westerly along the Lapeer Avenue centerline to the centerline of Tenth Street; thence northerly along the Tenth Street centerline, across the Tenth Street bridge to the centerline of Tenth Avenue; thence continuing north along the Tenth Avenue centerline to the centerline of Glenwood Avenue; thence easterly along the Glenwood Avenue centerline to the west line of lot 7, block 4, Fort Gratiot Military Reservation Subdivision extended southerly; thence north 145 feet along the west line of lot 7; thence east 133 feet to the centerline of Superior Street; thence south 27.66 feet along the centerline of Superior Street; thence north 71° 55' 00" E 74.21 feet; thence north 18° 05' 00" W 2.30 feet; thence north 71° 44' 28" E to the centerline of Pine Grove Avenue; thence northwesterly along the centerline of Pine Grove Avenue to the north right-of-way line of Prospect Street; thence northeasterly along the north right-of-way line of Prospect Street to the east line of lot 12, Washington Place; thence northwesterly along the east line of lot 12 and lot 13 to the south right-of-way line of Sedgwick Street; thence westerly along the south right-of-way line of Sedgwick Street to the centerline of Pine Grove Avenue; thence northwesterly along such centerline to the east right-of-way line of Stone Street extended; thence north to the intersection of the east line of Stone Street and the north right-of-way line of Whipple Street; thence N 00° 15' 03" W to a point 438.11 feet from the intersection of east line of Stone Street and north line of Whipple Street; thence N 47° 10' 33" E 136.40 feet; thence N 47° 10' 18" E 22.37 feet; thence N 47° 10' 33" E 135.81 feet; thence N 47° 10' 37" E 89.26 feet; thence N 43° 37' 18" E 92.87 feet; thence N 40° 59' 00" E 87.94 feet; thence N 41° 02' 37" E 66.57feet; thence N 36° 23' 07" E 62.50 feet; thence N 35° 44' 25" E 82.56 feet; thence northerly along centerline of St. Clair Street to the centerline of State Street; thence easterly along the centerline of State Street to the centerline of Gratiot Avenue; thence northerly along the centerline of Gratiot Avenue to the centerline of Elmwood Street; thence easterly along the centerline of Elmwood Street to the west right-of-way line of Conger Street; thence northeasterly along west right-of-way line of Conger Street to a point distant S 00° 11' 07" E 170.0 feet from the southeast corner of Church Street and Wright Street; thence due east to the St. Clair River; thence southerly along the westerly shoreline of St. Clair River to the centerline of

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Lincoln Avenue; thence westerly along the Lincoln Avenue centerline to the centerline of Superior Street; thence southerly along the Superior Street centerline to the centerline of Rawlins Street; thence easterly along the Rawlins Street centerline to the centerline of Huron Avenue; thence southerly along the Huron Avenue centerline to the centerline of Stanton Street; thence easterly along the Stanton Street centerline to the centerline of Michigan Street; thence southerly along the Michigan Street centerline to the centerline of Glenwood Avenue; thence easterly along the Glenwood Avenue centerline to the westerly shoreline of the St. Clair River; thence southerly along the westerly shoreline of the St. Clair River to the southeast corner of lot 39, Assessor's Military Street Plat Number 2; thence northwesterly along the south line of lot 39 to the easterly right-of-way line of Military Street; thence northeasterly along such right-of-way line to the southwest corner of lot 10, Plat of St. Clair Place; thence northerly along the easterly line of such plat to the northeast corner of lot 1, St. Clair Place; thence continuing northerly along the easterly line of Assessor's Military Plat Number 1 and St. Clair Place to the southeast corner of lot 24, Assessor's Military Plat Number 1; thence northerly to the southeast corner of lot 23, Assessor's Military Plat Number 1; thence continuing northeasterly along the easterly line of such plat to a point of intersection with the north line of lot 11 extended easterly; thence westerly along such north line to the northeast corner of lot 11, such plat; thence westerly to the southeast corner of lot 8; thence north to the northeast corner of lot 8; thence east to the southeast corner of lot 2; thence north to the northeast corner of lot 2 on the south right-of-way line of Griswold Street; thence north to the point of beginning of this description.

Except the following:

(1) Lot 13, block 52, White Plat.
(2) East 70 feet of north 15 feet lot 5 and east 70 feet lot 6, block 22, Butler Plat.
(3) South 1/2 lot 5, block 21, Butler Plat.
(4) North 25 feet of east 75 feet lot 5 and south 7 3/4 feet of east 75 feet lot 6, block 21, Butler Plat.
(5) North 32 1/2 feet of east 75 feet lot 6, block 21, Butler Plat.
(6) Lot 9, block 21, Butler Plat.
(7) Lot 10, block 21, Butler Plat.
(8) West 38.33 feet of south 16 feet lot 11 and west 38.33 feet lot 12, block 21, Butler Plat.
(9) Lot 17 and south 1/2 lot 18, block 33, Plat of Village of Fort Gratiot.
(10) Lots 28 and 29, block 11, Port Huron and Northwestern Railway Plat of a portion of the Fort Gratiot Military Reservation, also west 40 feet of north 57.4 feet of south 382.4 feet of land bounded north by State Street, west by block 11, Port Huron and Northwestern Railway Plat of a portion of the Fort Gratiot Military Reservation, south by the north line of Scott Avenue extended east, part of Military Reserve Subdivision of Fort Gratiot Military Reservation.
(11) Lot 1 and north 18 feet lot 4, block 12, Subdivision of Fort Gratiot Military Reservation.
(12) South 26 feet lot 4 and north 8.85 feet lot 5, block 12, Subdivision of Fort Gratiot Military Reservation.
(13) South 34.85 feet lot 5, block 12, Subdivision of the Fort Gratiot Military Reservation.
(14) North 1/2 lot 10, block 22, Butler Plat.
(15) North 1/2 lot 2, except east eight feet of south 1/2, block 2, Subdivision of the Fort Gratiot Military Reservation.


Sec. 16-83. Board.

(a) The downtown development authority shall be under the supervision and control of a board consisting of
the city manager and eight members appointed by the city manager subject to approval by the city council. At least five of the members shall be persons having an interest in property located in the downtown district. At least one of the members shall be a resident of the downtown district, if the downtown district has 100 or more persons residing within it. The members shall serve staggered terms of four years. A member shall hold office until the member's successor is appointed. An appointment to fill a vacancy shall be made by the city manager for the unexpired term only. Members of the board shall serve without compensation, but shall be reimbursed for actual and necessary expenses. The chairperson of the board shall be elected by the board.

(b) Before assuming the duties of office, a member shall qualify by taking and subscribing to the constitutional oath of office.

(c) The board shall adopt rules governing its procedure and the holding of regular meetings, subject to the approval of the city council. Special meetings may be held when called in the manner provided in the rules of the board. Meetings of the board shall be open to the public.

(d) Pursuant to notice and an opportunity to be heard, a member of the board may be removed for cause by the city council. Removal of a member is subject to review by the circuit court.

(e) All expense items of the authority shall be publicized monthly, and the financial records shall always be open to the public.

(Code 1975, § 34-38; Code 1992, § 8-68)

**Sec. 16-84. Director; bond.**

The downtown development authority board may employ a director who, before entering upon the duties of his office, shall take and subscribe to the constitutional oath and furnish bond, by posting a bond in the penal sum of $20,000.00 payable to the authority for use and benefit of the authority, approved by the board and filed with the city clerk.


Secs. 16-85--16-105. Reserved.
DIVISION 2. AREA NUMBER 1*


Sec. 16-106. 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 Public Act No. 197 of 1975.

Base year assessment roll means the base year assessment roll prepared by the city assessor in accordance with section 16-111.

Captured assessed value means the amount in any one year by which the current assessed value as finally equalized of all taxable property in amendment no. 2 to the development plan for development area no. 1 exceeds the initial assessed value.

Development area means the area shown in Map A, Property Boundaries, more fully described in the development plan.

Development plan means the amendment no. 2 to the development plan for Port Huron Downtown Development Area No. 1, dated 1993, as amended and transmitted to the city council by the downtown development authority for public hearing, as modified by action of the city council and confirmed by this division, copies of which are on file in the office of the city clerk.

Downtown development authority means the city downtown development authority (DDA).

Initial assessed value means the most recently assessed value as finally equalized of all the taxable property within the boundaries of the development area at the time of adoption of Ordinance No. 1049.

Project fund means the downtown development authority, project no. 1 fund, established pursuant to section 16-113.

Taxing jurisdiction means each unit of government levying an ad valorem property tax on property in the development area.

(Ord. No. 1049, § 1, 12-13-1993; Code 1992, § 8-70)

Cross references: Definitions generally, § 1-2.

Sec. 16-107. Legislative findings.

(a) Preamble.

(1) Public Act No. 197 of 1975 provides for, among other things, the establishment of a downtown development authority; to correct and prevent deterioration in business districts; to encourage historic preservation; to authorize the creation and implementation of development plans in the districts; to promote economic growth; and to authorize the use of tax increment plans.

(2) The downtown development authority has caused to be prepared and has recommended for
approval a tax increment financing and development plan to the area designated "amendment no. 2 to development area no. 1."

(3) Pursuant to section 18 of the act (MCL 125.1668), the city council conducted a public hearing on December 13, 1993.

(4) The city has given the county board of commissioners and the school board an opportunity to meet with the city council to express their views and recommendations regarding the plan, as required by section 14 of the act (MCL 125.1664).

(b) Findings. The city council finds all of the following:

(1) The downtown development authority has approved an overall development plan designed to bring to the central area of the city new residents and businesses. A portion of this plan is amendment no. 2 to the development plan for development area no. 1 which includes a multiple-family residential development.

(2) The tax increment plan will fund public improvements through taxes generated by private development.

(3) Implementation of the development plan will bring residents with disposable income to the downtown area, will create a new tax base and generate economic growth, thereby providing customers for retailers and it will serve as an impetus for additional residential and retail growth. Pursuant to section 7(c) of the act (MCL 125.1657(c)), the city council finds that, without the residential development, as contained in the development plan, the public improvements will not occur and that the multiple-family residential development will aid in the economic growth of the downtown district.

(4) The development plan constitutes a public purpose and is reasonable and necessary to carry out the purposes of the act.

(c) Approval considerations. The development plan and tax increment plan are being approved by this division based upon the following considerations:

(1) The findings and recommendations of a development area citizens' council, if a development area citizens' council was formed.

(2) The plan meets the requirements set forth in section 17(2) of the act (MCL 125.1667(2)).

(3) The proposed method of financing the development is feasible, and the authority has the ability to arrange the financing.

(4) The development is reasonable and necessary to carry out the purposes of the act.

(5) The land included within the development area to be acquired is reasonably necessary to carry out the purposes of the plan and of this act in an efficient and economically satisfactory manner.

(6) The development plan is in reasonable accord with the master plan of the city.

(7) Public services, such as fire and police protection and utilities, are or will be adequate to service the project area.

(8) Changes in zoning, streets, street levels, intersections and utilities are reasonably necessary for the project and for the city.

(Ord. No. 1049, § 2, 12-13-1993; Code 1992, § 8-71)

Sec. 16-108. Approval and adoption of development plan.

For the purposes of this division, the development plan is hereby approved and adopted. The duration of the plan shall be 30 years from the date of the adoption of Ordinance No. 1049 or 30 years from the date of issuance of the last series of bonds issued pursuant to the development plan, except as it may be extended by subsequent amendment of the plan and this division. A copy of the plan and all amendments thereto shall be maintained on file in
Sec. 16-109. Boundaries of development area.

The boundaries of amendment no. 2 to development area no. 1, as set forth in the development plan, are hereby adopted and confirmed.


Sec. 16-110. Preparation of base year assessment roll.

(a) Within 60 days of the effective date of Ordinance No. 1049, the city assessor shall prepare the initial base year assessment roll. The initial base year assessment roll shall list each tax jurisdiction in which amendment no. 2 to development area no. 1 is located, the initial assessed value of amendment no. 2 to development area no. 1 on the effective date of Ordinance No. 1049 and the amount of tax revenue derived by each taxing jurisdiction from ad valorem taxes on the property in the development area.

(b) The assessor shall transmit copies of the initial base year assessment roll to the city treasurer, county treasurer, downtown development authority and each taxing jurisdiction, together with a notice that the assessment roll has been prepared in accordance with this division and the tax increment financing plan in the development plan approved by this division.

(Ord. No. 1049, § 5, 12-13-1993; Code 1992, § 8-74)

Sec. 16-111. Preparation of annual base year assessment roll.

Each year within 15 days following the final equalization of property in amendment no. 2 to development area no. 1, the assessor shall prepare an updated base year assessment roll. The updated base year assessment roll shall show the information required in the initial base year assessment roll and, in addition, the captured assessed value for that year. Copies of the annual base year assessment roll shall be transmitted by the assessor to the same persons as the initial base year assessment roll, together with a notice that it has been prepared in accordance with this division and the development plan.

(Ord. No. 1049, § 6, 12-13-1993; Code 1992, § 8-75)

Sec. 16-112. Establishment of project fund; approval of depository.

The treasurer of the downtown development authority shall establish a separate fund which shall be kept in a depository bank account in a bank approved by the city finance director, to be designated "Downtown Development Authority, Project No. 1." All moneys received by the downtown development authority, pursuant to the development plan, shall be deposited in the project fund. All moneys in that fund and earnings thereon shall be used in accordance with the development plan and this division.

(Ord. No. 1049, § 7, 12-13-1993; Code 1992, § 8-76)

Sec. 16-113. Payment of tax increments to downtown development authority.

The city and county treasurers shall, as ad valorem taxes are collected on the property in the development area, pay that proportion of the taxes, except for penalties and collection fees, that the captured assessed value bears to the initial assessed value to the treasurer of the downtown development authority for deposit in the project fund. The
payments shall be made on the date on which the city and county treasurers are required to remit taxes to each of the taxing jurisdictions.

(Ord. No. 1049, § 8, 12-13-1993; Code 1992, § 8-77)

Sec. 16-114. Uses of moneys in project fund.

(a) The money credited to the project fund and on hand therein from time to time, pursuant to this division, shall annually be used in the following manner and following order of priority:

(1) To pay into the debt retirement fund, for all outstanding series of bonds issued pursuant to this plan, an amount equal to the interest and principal coming due, in the case of principal, whether by maturity or mandatory redemption, prior to the next collection of taxes, less any credit for sums on hand in the debt retirement fund.

(2) To establish a reserve account for payment of principal and interest on bonds issued pursuant to this plan an amount equal to one-fifth of the largest combined annual principal and interest payments due on bonds issued pursuant to this plan until the amount to the credit of the reserve account is equal to the largest combined annual principal and interest requirements on bonds issued pursuant to this plan. Any amount to the credit of the reserve account at beginning of a fiscal year in excess of the requirement of the preceding sentence shall be considered tax increment revenue for that year.

(3) To pay the administrative and operating costs of the downtown development authority and city for the development area, including planning and promotion, to the extent provided in the annual budget of the downtown development authority.

(4) To pay, to the extent determined desirable by the downtown development authority and approved by the city, the cost of improvements as set forth in the development plan to the extent those costs are not financed from the proceeds of bonds.

(5) To pay the cost of any additional improvements to the development that are determined necessary by the downtown development authority and approved by the city council.

(6) To reimburse the city for funds advanced to acquire property, clear land, make preliminary plans and improvements necessary for the development area in accordance with this plan.

(7) To provide a pool of mortgage financing as needed for private development in accordance with the development plan.

(b) Any tax increment receipts in excess of those needed under subsection (a) of this section would revert to the taxing jurisdictions or would be used for future development activities within the development area, as defined in the development plan or as expanded to include all or parts of amendment no. 2 to development area no. 1 pursuant to amendment or modification of the development plan pursuant to applicable provisions of Public Act No. 197 (MCL 125.1651 et seq.) and other laws.

(Ord. No. 1049, § 9, 12-13-1993; Code 1992, § 8-78)

Sec. 16-115. Annual report.

Under this division, within 90 days after the end of each fiscal year, the downtown development authority shall submit to the city council, with copies to each taxing jurisdiction, a report on the status of the project fund. The report shall include the amount and source of revenue in the account, the amount and purpose of expenditures from the account, the initial assessed value of amendment no. 2 to development area no. 1, the captured assessed value of amendment no. 2 to development area no. 1, the tax increments received and the amount of any surplus from the prior year, and any additional information requested by the city council or deemed appropriate by the downtown development authority. The secretary of the downtown development authority shall cause a copy of the report to be published once, in full, in a newspaper of general circulation in the city.
Sec. 16-116. Refund of surplus tax increments.

Under this division, any surplus money in the project fund at the end of a year, as shown by the annual report of the downtown development authority, shall be paid by the authority to the city or county treasurer, as the case may be, and rebated by him to the appropriate taxing jurisdiction.

(Ord. No. 1049, § 11, 12-13-1993; Code 1992, § 8-80)

Secs. 16-117--16-140. Reserved.
DIVISION 3. AREA NUMBER 2*

*Editor's note:  Prior to amendment by Ordinance No. 1002, provisions regarding downtown development area no. 2 derived from Ord. No. 748, adopted March 24, 1980.

Sec. 16-141. 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:

Base year assessment roll means the base year assessment roll prepared by the city assessor.

Captured assessed value means the amount in any one year by which the current assessed value as finally equalized for all taxable property in development area no. 2 exceeds the initial assessed value.

Development area means the area shown in Map A, Property Boundaries, more fully described in the development plan.

Development plan means the amended tax increment and development plan, Port Huron Downtown Development Area No. 2, dated February 1991, as amended and transmitted to the city council by the downtown development authority for public hearing, as modified by action of the city council and confirmed by this division, copies of which are on file in the office of the city clerk.

Downtown development authority means the city downtown development authority (DDA).

Initial assessed value means the most recently assessed value as finally equalized of all the taxable property within the boundaries of the development area on February 25, 1991.

Project fund means the downtown development authority project no. 2 fund.

Taxing jurisdiction means each unit of government levying an ad valorem property tax on property in the development area.

(Ord. No. 1002, § 1, 2-25-1991; Code 1992, § 8-81)

Cross references: Definitions generally, § 1-2.

Sec. 16-142. Approval and adoption of development plan.

Under this division, the development plan as amended by the city council is hereby approved and adopted. The duration of the plan shall be 30 years from the date of issuance of the last series of bonds issued pursuant to the development plan, except as it may be extended by subsequent amendment of the plan and this division. A copy of the plan and all amendments thereto shall be maintained on file in the city clerk's office and cross indexed to this division.


Sec. 16-143. Boundaries of development area.

The boundaries of amended development area no. 2 as set forth in the development plan are hereby adopted and confirmed.
Sec. 16-144. Preparation of base year assessment roll.

(a) Within 60 days after March 2, 1991, the city assessor shall prepare the initial base year assessment roll. The initial base year assessment roll shall list each taxing jurisdiction in which the amended development area no. 2 is located, the initial assessed value of amended development area no. 2 on March 2, 1991, and the amount of tax revenue derived by each taxing jurisdiction from ad valorem taxes on the property in the development area.

(b) The assessor shall transmit copies of the initial base year assessment roll to the city treasurer, county treasurer, downtown development authority and each taxing jurisdiction, together with a notice that the assessment roll has been prepared in accordance with this division and the tax increment financing plan contained in the development plan approved by this division.

Sec. 16-145. Preparation of annual base year assessment roll.

Each year within 15 days following the final equalization of property in the amended development area no. 2, the assessor shall prepare an updated base year assessment roll. The updated base year assessment roll shall show the information required in the initial base year assessment roll and, in addition, the captured assessed value for that year. Copies of the annual base year assessment roll shall be transmitted by the assessor to the same persons as the initial base year assessment roll, together with a notice that it has been prepared in accordance with this division and the development plan.

Sec. 16-146. Establishment of project fund; approval of depository.

The treasurer of the downtown development authority shall establish a separate fund which shall be kept in a depository bank account in a bank approved by the finance director of the city, to be designated "amended downtown development authority project no. 2." All moneys received by the downtown development authority pursuant to the development plan shall be deposited in the project fund. All moneys in that fund and earnings thereon shall be used only in accordance with the development plan and this division.

Sec. 16-147. Payment of tax increments to downtown development authority.

Under this division, the city and county treasurers shall, as ad valorem taxes are collected on property in the development area, pay that proportion of the taxes, except for penalties and collection fees, that the captured assessed value bears to the initial assessed value to the treasurer of the downtown development authority for deposit in the project fund. The payments shall be made on the date on which the city and county treasurers are required to remit taxes to each of the taxing jurisdictions.

Sec. 16-148. Uses of moneys in the project fund.

(a) Under this division, the money credited to the project fund and on hand therein from time to time shall
annually be used in the following manner and following order of priority:

1. To pay into the debt retirement fund for all outstanding series of bonds issued pursuant to this plan an amount equal to the interest and principal coming due, in the case of principal whether by maturity or mandatory redemption, prior to the next collection of taxes, less any credit for sums on hand in the debt retirement fund.

2. To establish a reserve account for payment of principal and interest on bonds issued pursuant to this plan an amount equal to one-fifth of the largest combined annual principal and interest payments on bonds issued pursuant to this plan until the amount to the credit of the reserve account is equal to the largest combined annual principal and interest requirements on bonds issued pursuant to this plan. Any amount to the credit of the reserve account at the beginning of a fiscal year in excess of the requirement of the preceding sentence shall be considered tax increment revenue for that year.

3. To pay the administrative and operating costs of the downtown development authority and city for the development area, including planning and promotion, to the extent provided in the annual budget of the downtown development authority.

4. To pay, to the extent determined desirable by the downtown development authority and approved by the city, the cost of completing the remaining public improvements as set forth in the development plan to the extent those costs are not financed from the proceeds of bonds.

5. To pay the cost of any additional improvements to the development that are determined necessary by the downtown development authority and approved by the city council.

6. To reimburse the city for funds advanced to acquire property, clear land, make preliminary plans, and improvements necessary for the development area in accordance with this plan.

7. To provide a pool of mortgage financing as needed for private development in accordance with the development plan.

(b) Any tax increment receipts in excess of those needed under subsection (a) of this section shall revert to the taxing jurisdictions or used for future development activities within the development area, as defined in the development plan or as expanded to include all or parts of the downtown development district pursuant to amendment or modification of the development plan pursuant to applicable provisions of Public Act No. 197 of 1975 (MCL 125.1651 et seq.) and other laws.

Sec. 16-149. Annual report.

Under this division, within 90 days after the end of each fiscal year, the downtown development authority shall submit to the city council, with copies to each taxing jurisdiction, a report on the status of the project fund. The report shall include the amount and source of revenue in the account, the amount and purpose of expenditures from the account, the initial assessed value of amended development area no. 2, the captured assessed value of amended development area no. 2, the tax increments received and the amount of any surplus from the prior year, and any additional information requested by the city council or deemed appropriate by the downtown development authority. The secretary of the downtown development authority shall cause a copy of the report to be published once in full in a newspaper of general circulation in the city.

Sec. 16-150. Refund of surplus tax increments.

Under this division, any surplus money in the project fund at the end of a year, as shown by the annual report of the downtown development authority, shall be paid by the authority to the city or county treasurer, as the case may be, and rebated by him to the appropriate taxing jurisdiction.
Secs. 16-151--16-170. Reserved.

DIVISION 4. AREA NUMBER 3

Sec. 16-171. 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:

*Base year assessment roll* means the base year assessment roll prepared by the city assessor in accordance with section 16-174 of this division.

*Captured assessed value* means the amount in any one year by which the current assessed value as finally equalized of all taxable property in the downtown development area no. 3 exceeds the initial assessed value.

*Development area* means the area described on the map in the development plan marked "Map 2--Boundaries and Ownership Map for the Port Huron Downtown Development Area No. 3."

*Development plan* means the Tax Increment and Development Plan, Port Huron Downtown Development Area No. 3, dated March 1987, as transmitted to the city council by the downtown development authority for public hearing, as approved by action of the city council and confirmed by this division, copies of which are on file in the office of the city clerk.

*Downtown development authority* means the city downtown development authority.

*Initial assessed value* means the most recently assessed value as finally equalized of all taxable property within the boundaries of the development area at the time of adoption of the resolution from which this division is derived.

*Project fund* means the downtown development authority downtown development area no. 3 project fund established pursuant to section 16-176 of this division.

(Res. No. 6, § 1, 3-23-1987)

**Cross references:** Definitions generally, § 1-2.

Sec. 16-172. Approval and adoption of development plan.

The development plan submitted to the city council pursuant to this division is hereby approved and adopted. The duration of the plan shall be 30 years from the date of issuance of the last series of bonds issued pursuant to the development plan, except as it may be extended by subsequent amendment of the plan and this division. A copy of the plan and all amendments thereto shall be maintained on file in the city clerk's office and cross indexed to this division.

(Res. No. 6, § 2, 3-23-1987)

Sec. 16-173. Boundaries of development area.

The boundaries of the downtown development area no. 3 as set forth in the development plan are hereby adopted and confirmed.

(Res. No. 6, § 3, 3-23-1987)

Sec. 16-174. Preparation of base year assessment roll.

(a) Within 60 days of the effective date of the resolution from which this division is derived, the city assessor
shall prepare the initial base year assessment roll. The initial base year assessment roll shall list each taxing
jurisdiction in which the downtown development area no. 3 is located, the initial assessed value of the
downtown development area no. 3 on the effective date of the resolution from which this division is derived and
the amount of tax revenue derived by each taxing jurisdiction from ad valorem taxes on the property in the
development area.

(b) The assessor shall transmit copies of the initial base year assessment roll to the city treasurer, county
treasurer, downtown development authority and each taxing jurisdiction, together with a notice that the
assessment roll has been prepared in accordance with this division and the tax increment financing plan in the
development plan approved by this division.

(Res. No. 6, § 4, 3-23-1987)

Sec. 16-175. Preparation of annual base year assessment roll.

Each year, within 15 days following the final equalization of property in the downtown development area no. 3,
the assessor shall prepare an updated base year assessment roll. The updated base year assessment roll shall show
the information required in the initial base year assessment roll, together with a notice that it has been prepared in
accordance with this division and the development plan.

(Res. No. 6, § 5, 3-23-1987)

Sec. 16-176. Establishment of project fund; approval of depository.

The treasurer of the downtown development authority shall establish a separate fund which shall be kept in a
depository bank account in a bank approved by the finance director, to be designated "Downtown Development
Authority Downtown Development Area No. 3 Site Development Project." All moneys received by the downtown
development authority pursuant to the development plan shall be deposited in the project fund. All moneys in that fund
and earnings thereon shall be used in accordance with the development plan and this division.

(Res. No. 6, § 6, 3-23-1987)

Sec. 16-177. Payment of tax increments to downtown development authority.

The city and county treasurers shall, as ad valorem taxes are collected on the property in the downtown
development area no. 3, pay that proportion of the taxes, except for penalties and collection fees, that the captured
assessed value bears to the initial assessed value to the treasurer of the downtown development authority for deposit
in the project fund. The payments shall be made on the date on which the city and county treasurers are required to
remit taxes to each of the taxing jurisdiction.

(Res. No. 6, § 7, 3-23-1987)

Sec. 16-178. Uses of moneys in project fund.

(a) The money credited to the project fund pursuant to this division and on hand therein from time to time shall
annually be used in the following manner and following order of priority:

(1) To pay into the debt retirement fund for all outstanding series of bonds issued pursuant to this plan
an amount equal to the interest and principal coming due (for principal whether by maturity or
mandatory redemption) prior to the next collection of taxes, less any credit for sums on hand in the debt
retirement fund.

(2) To establish a reserve account for payment of principal and interest on bonds issued pursuant to
this plan an amount equal to one-fifth of the largest combined annual principal and interest payments on
bonds issued pursuant to this plan until the amount to the credit of the reserve account is equal to the largest combined annual principal and interest requirements on bonds issued pursuant to this plan. Any amounts to the credit of the reserve account at the beginning of a fiscal year in excess of the requirement of the preceding sentence shall be considered tax increment revenue for that year.

(3) To pay the administrative and operating costs of the downtown development authority and city for the development area, including planning and promotion, to the extent provided in the annual budget of the downtown development authority.

(4) To pay, to the extent determined desirable by the downtown development authority and approved by the city, the cost of improvements as set forth in the development plan to the extent those costs are not financed from the proceeds of bonds.

(5) To pay the cost of any additional improvements to the development that are determined necessary by the downtown development authority and approved by the city council.

(6) To pay the cost of acquiring property, clearing land, making preliminary plans and improvements necessary for the development of the development area in accordance with this plan.

(b) Any tax increment receipts in excess of those needed under subsection (a) of this section would revert to the taxing jurisdictions or would be used for future development activities within the development area, as defined in the development plan or as expanded to include all or parts of the downtown development area no. 3 pursuant to amendment or modification of the development plan and this tax increment financing plan pursuant to applicable provisions of Public Act No. 197 of 1975 (MCL 125.1651 et seq.) and other laws.

(Res. No. 6, § 8, 3-23-1987)

Sec. 16-179. Annual report.

Pursuant to this division, within 90 days after the end of each fiscal year, the downtown development authority shall submit to the city council, with copies to each taxing jurisdiction, a report on the status of the project fund. The report shall include the amount and source of revenue in the account, the amount and purpose of expenditures from the account, the initial assessed value of downtown development area no. 3, the captured assessed value of downtown development area no. 3, the tax increments received and the amount of any surplus from the prior year, and any additional information requested by the city council or deemed appropriate by the downtown development authority. The secretary of the downtown development authority shall cause a copy of the report to be published once in full in a newspaper of general circulation in the city.

(Res. No. 6, § 9, 3-23-1987)

Sec. 16-180. Refund of surplus tax increments.

Any surplus money in the project fund at the end of a year, as shown by the annual report of the downtown development authority, shall be paid by the authority to the city or county treasurer, as the case may be, and rebated by him to the appropriate taxing jurisdiction.

(Res. No. 6, § 10, 3-23-1987)

Secs. 16-181--16-200. Reserved.
DIVISION 5. AREA NUMBER 4

Sec. 16-201. 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:

Base year assessment roll means the base year assessment roll prepared by the city assessor in accordance with section 16-204.

Captured assessed value means the amount in any one year by which the current assessed value as finally equalized for all taxable property in development area no. 4 exceeds the initial assessed value.

Development area means the area shown in Map A, Property Boundaries, more fully described in the development plan.

Development plan means the amended tax increment and development plan, Port Huron Downtown Development Area No. 4, dated 1991, as amended and transmitted to the city council by the downtown development authority for public hearing, as modified by action of the city council and confirmed by this division, copies of which are on file in the office of the city clerk.

Downtown development authority means the city downtown development authority (DDA).

Initial assessed value means the most recently assessed value as finally equalized of all the taxable property within the boundaries of the development area on October 28, 1991.

Project fund means the downtown development authority project no. 4 fund established pursuant to section 16-206.

Taxing jurisdiction means each unit of government levying an ad valorem property tax on property in the development area.


Cross references: Definitions generally, § 1-2.

Sec. 16-202. Approval and adoption of development plan.

The development plan for downtown development area no. 4 is hereby approved and adopted. The duration of the plan shall be 30 years from the date of issuance of the last series of bonds issued pursuant to the development plan, except as it may be extended by subsequent amendment of the plan and this division. A copy of the plan and all amendments thereto shall be maintained on file in the city clerk’s office and cross indexed to this division.


Sec. 16-203. Boundaries of development area.

The boundaries of amended development area no. 4 as set forth in the development plan are hereby adopted and confirmed.


Sec. 16-204. Preparation of base year assessment roll.
(a) Within 60 days after November 2, 1991, the city assessor shall prepare the initial base year assessment roll. The initial base year assessment roll shall list each taxing jurisdiction in which the amended development area no. 4 is located; the initial assessed value of development area no. 4 on November 2, 1991; and the amount of tax revenue derived by each taxing jurisdiction from ad valorem taxes on the property in the development area.

(b) The assessor shall transmit copies of the initial base year assessment roll to the city treasurer, county treasurer, downtown development authority and each taxing jurisdiction, together with a notice that the assessment roll has been prepared in accordance with this division and the tax increment financing plan contained in the development plan approved by this division.


Sec. 16-205. Preparation of annual base year assessment roll.

Each year, within 15 days following the final equalization of property in the development area no. 4, the assessor shall prepare an updated base year assessment roll. The updated base year assessment roll shall show the information required in the initial base year assessment roll and, in addition, the captured assessed value for that year. Copies of the annual base year assessment roll shall be transmitted by the assessor to the same persons as the initial base year assessment roll, together with a notice that it has been prepared in accordance with this division and the development plan.


Sec. 16-206. Establishment of project fund; approval of depository.

The treasurer of the downtown development authority shall establish a separate fund which shall be kept in a depository bank account in a bank approved by the finance director, to be designated "Amended Downtown Development Authority Project No. 4." All moneys received by the downtown development authority pursuant to the development plan shall be deposited in the project fund. All moneys in that fund and earnings thereon shall be used only in accordance with the development plan and this division.


Sec. 16-207. Payment of tax increments to downtown development authority.

The city and county treasurers shall, as ad valorem taxes are collected on the property in the development area pursuant to this division, pay that proportion of the taxes, except for penalties and collection fees, that the captured assessed value bears to the initial assessed value to the treasurer of the downtown development authority for deposit in the project fund. The payments shall be made on the date on which the city and county treasurers are required to remit taxes to each of the taxing jurisdictions.


Sec. 16-208. Uses of moneys in project fund.

(a) The money credited to the project fund pursuant to this division and on hand therein from time to time shall annually be used in the following manner and following order of priority:

    (1) To pay into the debt retirement fund for all outstanding series of bonds issued pursuant to this plan an amount equal to the interest and principal coming due (for principal whether by maturity or mandatory redemption) prior to the next collection of taxes, less any credit for sums on hand in the debt retirement fund.
(2) To establish a reserve account for payment of principal and interest on bonds issued pursuant to this plan an amount equal to one-fifth of the largest combined annual principal and interest payments on bonds issued pursuant to this plan until the amount to the credit of the reserve account is equal to the largest combined annual principal and interest requirements on bonds issued pursuant to this plan. Any amount to the credit of the reserve account at the beginning of a fiscal year in excess of the requirement of the preceding sentence shall be considered tax increment revenue for that year.

(3) To pay the administrative and operating costs of the downtown development authority and city for the development area, including planning and promotion, to the extent provided in the annual budget of the downtown development authority.

(4) To pay, to the extent determined desirable by the downtown development authority and approved by the city, the cost of completing the remaining public improvements as set forth in the development plan to the extent those costs are not financed from the proceeds of bonds.

(5) To pay the cost of any additional improvements to the development that are determined necessary by the downtown development authority and approved by the city council.

(6) To reimburse the city for funds advanced to acquire property, clear land, make preliminary plans, and improvements necessary for the development area in accordance with this plan.

(7) To provide a pool of mortgage financing as needed for private development in accordance with the development plan.

(b) Any tax increment receipts in excess of those needed under subsection (a) of this section shall revert to the taxing jurisdictions or would be used for future development activities within the development area as defined in the development plan or as expanded to include all or parts of development area no. 4 pursuant to amendment or modification of the development plan pursuant to applicable provisions of Public Act No. 197 of 1975 (MCL 125.1651 et seq.) and other laws.


Sec. 16-209. Annual report.

Pursuant to this division, within 90 days after the end of each fiscal year, the downtown development authority shall submit to the city council, with copies to each taxing jurisdiction, a report on the status of the project fund for downtown development area no. 4. The report shall include the amount and source of revenue in the account, the amount and purpose of expenditures from the account, the initial assessed value of amended development area no. 4, the captured assessed value of development area no. 4, the tax increments received and the amount of any surplus from the prior year, and any additional information requested by the city council or deemed appropriate by the downtown development authority. The secretary of the downtown development authority shall cause a copy of the report to be published once in full in a newspaper of general circulation in the city.


Sec. 16-210. Refund of surplus tax increments.

Under this division, any surplus money in the project fund at the end of a year, as shown by the annual report of the downtown development authority, shall be paid by the authority to the city or county treasurer, as the case may be, and rebated by him to the appropriate taxing jurisdiction.


Secs. 16-211--16-230. Reserved.
DIVISION 6. AREA NUMBER 5

Sec. 16-231. 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:

Base year assessment roll means the base year assessment roll prepared by the city assessor in accordance with section 16-234.

Captured assessed value means the amount in any one year by which the current assessed value as finally equalized of all taxable property in development area no. 5 exceeds the initial assessed value.

Development area means the area shown in Map A, Property Boundaries, more fully described in the development plan.

Development plan means the tax increment and development plan, Port Huron Downtown Development Area No. 5, dated October 1992, and transmitted to the city council by the downtown development authority for public hearing, copies of which are on file in the office of the city clerk.

Downtown development authority means the city downtown development authority.

Initial assessed value means the most recently assessed value as finally equalized of all the taxable property within the boundaries of the development area on December 14, 1992.

Project fund means the downtown development authority project no. 5 fund established pursuant to section 16-236.

Taxing jurisdiction means each unit of government levying an ad valorem property tax on property in the development area.

(Ord. No. 1029, § 1, 12-14-1992; Code 1992, § 8-121)

Cross references: Definitions generally, § 1-2.

Sec. 16-232. Approval and adoption of development plan.

The development plan for downtown development area no. 5 is hereby approved and adopted. The duration of the plan shall be 30 years from the date of issuance of the last series of bonds issued pursuant to the development plan, except as it may be extended by subsequent amendment of the plan and this division. A copy of the plan and all amendments thereto shall be maintained on file in the city clerk's office and cross indexed to this division.


Sec. 16-233. Boundaries of development area.

The boundaries of the development area no. 5 as set forth in the development plan are hereby adopted and confirmed.

(Ord. No. 1029, § 3, 12-14-1992; Code 1992, § 8-123)

Sec. 16-234. Preparation of base year assessment roll.
(a) Within 60 days of December 19, 1992, the city assessor shall prepare the initial base year assessment roll. The initial base year assessment roll shall list each taxing jurisdiction in which development area no. 5 is located, the initial assessed value of development area no. 5 on December 19, 1992, and the amount of tax revenue derived by each taxing jurisdiction from ad valorem taxes on the property in the development area.

(b) The assessor shall transmit copies of the initial base year assessment roll to the city treasurer, county treasurer, downtown development authority and each taxing jurisdiction, together with a notice that the assessment roll has been prepared in accordance with this division and the tax increment financing plan in the development plan approved by this division.


Sec. 16-235. Preparation of annual base year assessment roll.

Each year, within 15 days following the final equalization of property in development area no. 5, the assessor shall prepare an updated base year assessment roll. The updated base year assessment roll shall show the information required in the initial base year assessment roll and, in addition, the captured assessed value for that year. Copies of the annual base year assessment roll shall be transmitted by the assessor to the same persons as the initial base year assessment roll, together with a notice that it has been prepared in accordance with this division and the development plan.


Sec. 16-236. Establishment of project fund; approval of depository.

The treasurer of the downtown development authority shall establish a separate fund which shall be kept in a depository bank account or accounts in a bank or banks approved by the finance director, to be designated "Downtown Development Authority Project No. 5." All moneys received by the downtown development authority pursuant to the development plan shall be deposited in the project fund. All moneys in that fund and earnings thereon shall be used in accordance with the development plan and this division.

(Ord. No. 1029, § 6, 12-14-1992; Code 1992, § 8-126)

Sec. 16-237. Payment of tax increments to downtown development authority.

The city and county treasurer shall, as ad valorem taxes are collected on the property in downtown development area no. 5, pay that proportion of the taxes, except for penalties and collection fees, that the captured assessed value bears to the initial assessed value to the treasurer of the downtown development authority for deposit in the project fund. The payments shall be made on the date on which the city and county treasurers are required to remit taxes to each of the taxing jurisdictions.


Sec. 16-238. Uses of moneys in project fund.

(a) The money credited to the project fund for downtown development area no. 5 and on hand therein from time to time shall annually be used in the following manner and following order of priority:

(1) To pay into the debt retirement fund for all outstanding series of bonds issued pursuant to this plan an amount equal to the interest and principal coming due (for principal whether by maturity or mandatory redemption) prior to the next collection of taxes, less any credit for sums on hand in the debt retirement fund.
(2) To establish a reserve account for payment of principal and interest on bonds issued pursuant to this plan an amount equal to one-fifth of the largest combined annual principal and interest payments due on bonds issued pursuant to this plan until the amount to the credit of the reserve account is equal to the largest combined annual principal and interest requirements on bonds issued pursuant to this plan. Any amount to the credit of the reserve account at beginning of a fiscal year in excess of the requirement of the preceding sentence shall be considered tax increment revenue for that year.

(3) To pay the administrative and operating costs of the downtown development authority and city for the development area, including planning and promotion, to the extent provided in the annual budget of the downtown development authority.

(4) To pay, to the extent determined desirable by the downtown development authority and approved by the city, the cost of improvements as set forth in the development plan to the extent those costs are not financed from the proceeds of bonds.

(5) To pay the cost of any additional improvements to the development that are determined necessary by the downtown development authority and approved by the city council.

(6) To reimburse the city for funds which may be advanced to acquire property, clear land, make preliminary plans and improvements necessary for the development area in accordance with this plan.

(b) Any tax increment receipts in excess of those needed under subsection (a) of this section would revert to the taxing jurisdictions or would be used for future development activities within the development area, as defined in the development plan or as expanded to include all or parts of development area no. 5 pursuant to amendment or modification of the development plan pursuant to applicable provisions of Public Act No. 197 of 1975 (MCL 125.1651 et seq.) and other laws.

(Ord. No. 1029, § 8, 12-14-1992; Code 1992, § 8-128)

Sec. 16-239. Annual report.

Pursuant to this division, within 90 days after the end of each fiscal year, the downtown development authority shall submit to the city council, with copies to each taxing jurisdiction, a report on the status of the project fund for the downtown development area no. 5. The report shall include the amount and source of revenue in the account, the amount and purpose of expenditures from the account, the initial assessed value of development area no. 5, the captured assessed value of development area no. 5, the tax increments received and the amount of any surplus from the prior year, and any additional information requested by the city council or deemed appropriate by the downtown development authority. The secretary of the downtown development authority shall cause a copy of the report to be published once in full in a newspaper of general circulation in the city.

(Ord. No. 1029, § 9, 12-14-1992; Code 1992, § 8-129)

Sec. 16-240. Refund of surplus tax increments.

Under this division, any surplus money in the project fund at the end of a year, as shown by the annual report of the downtown development authority, shall be paid by the authority to the city or county treasurer, as the case may be, and rebated by him to the appropriate taxing jurisdiction.

(Ord. No. 1029, § 10, 12-14-1992; Code 1992, § 8-130)

Secs. 16-241--16-270. Reserved.