



Hastings City Council Communication

Date: March 20, 2020

To: Honorable Mayor Dave Tossava, Members of the Hastings City Council, City Attorney and Administrative Staff

From: Jerry Czarnecki, City Manager

Subject: Information – Monday March 23, 2020 Regular Meeting of the Hastings City Council

I worked with Pixelvine to set up on the website an option for a live chat during the live streaming of the Council meeting. Anyone that is watching the meeting can type comment into a chat box and it will go directly to me. I can then share the comments during the public comment times of the meeting.

Reminder that I will be asking Department Heads to not attend the meeting. This will allow the utilization of the staff table to keep appropriate spacing for Council members in attendance. I am also asking Council members to let me know if they are or are not going to be present in the chambers. I will be providing an email to Council members on how to access online to still participate in the meeting. Council members that are in attendance through the virtual meeting will have opportunity to share comment and vote.

Items on the agenda for Monday night's regular meeting of the Hastings City Council have been abbreviated and now include:

Ordinances

The Council is receiving the second reading for two ordinances. The first is a rezoning and additional provisions for a project at 1500 Star School Rd. The second is the ordinance to create a payment in lieu of taxes for the housing project at 326 W. State St.

Please let me know if you have any questions prior to the meeting on Monday.

See you Monday night!

City of Hastings
COUNTY OF BARRY, STATE OF MICHIGAN

City Council Agenda
March 23, 2020

1. Regular meeting called to order at 7:00 PM.
 2. Roll call.
 3. Pledge to the flag.
 - * 4. Approval of the agenda.
 - √ 5. Ordinances:
 - * A. Second reading and consider adoption of **Ordinance No. 584** for the rezoning of property at 1500 Star School Rd. from D-2 to PUD and additional provisions for the addition to the PUD as recommended by the City of Hastings Planning Commission.
 - * B. Second reading and consider adoption of **Ordinance No. 585** to amend chapter 70 of the Code of Ordinances allowing for Tax Exemption for project at 326 W. State St.
 6. Open Public Discussion from the Floor:
 7. Mayor and Council comment:
 8. Adjourn.
- * Items with enclosures.
√ Motion under agenda heading requires roll call vote.

Guidelines for Public Comment

Public Comments is welcomed and appreciated. Please follow these simple guidelines to ensure all have an opportunity to be heard.

All comments and questions will be made through the chair. All comments will be made in a courteous and civil manner; profanity and personal attacks will not be tolerated. Please limit the length of your comments to 3 minutes. If you are a member of a group, please appoint a spokesperson to speak on behalf of the group (those speaking on behalf of a group may be provided additional time). Please state your name before offering comment.

City of Hastings
COUNTY OF BARRY, STATE OF MICHIGAN

ORDINANCE NO. 584

AN ORDINANCE TO AMEND CHAPTER 90 OF THE HASTINGS CODE OF 1970, AS AMENDED, BY AMENDING ARTICLE VII-3, BY ADDING SECTION 90-697.10 AND SECTION 90-698.10

As recommended by the Planning Commission on March 2, 2020

THE CITY OF HASTINGS ORDAINS:

SECTION I.

Chapter 90 of the Code of Ordinances, City of Hastings, Michigan, is amended to **AMEND** Article VII-3 by **ADDING** Section 90-697.10 and Section 90-698.10 as follows:

Section 90-697.10

The zoning ordinance of the City of Hastings is hereby amended by rezoning the following described lands from the D-2, Industrial District to the Meadowstone Planned Unit Development, in accordance with the final development plan of the Meadowstone Mobile Home Park Addition, subject to all of the terms and conditions of this division:

DESCRIPTION

CITY OF HASTINGS 1510 S. STAR SCHOOL RD. COM AT NE COR OF S 1/2 OF NE 1/4 SEC 20-T3N-R8W FOR POB: TH W 40 RDS, TH S 39 RDS, TH E 40 RDS, TH N 39 RDS TO POB. EXCEPT BEG N 00 DEG 01'41"E 968.23 FT FROM THE E 1/4 COR OF SAID SEC 20; TH S 89 DEG 46'43"W 330 FT, TH N 00 DEG 01'41"E 284 FT, TH N 89 DEG 46'43"E 330 FT TO SAID SEC LINE, TH S 00 DEG 01'41"W 284 TO POB. 7.6 AC +/-

General Location: 1500 STAR SCHOOL ROAD. This parcel contains +/- 7.6 acres.

A portion of the subject site is already in the Meadowstone Planned Unit Development district.

Section 90-698 Applicable Provisions

90-698(b)(10) The following provisions shall apply to the addition to the Meadowstone Planned Unit Development:

- i. 34 mobile home sites and related site improvements.

- ii. Three open-space areas totaling 1.6 acres (69,000 sq. ft.)
- iii. Extension of 24 ft. wide roadway system to City of Hastings specifications.
- iv. Each mobile home site shall average 5,500 sq. ft. in area.
- v. 20 ft. setback from the mobile home park boundary and a 50 ft. setback from public road right of way is required.
- vi. All utilities and lighting shall be designed, installed, operated, and maintained in accordance with the State of Michigan Mobile Home Commission regulations.
- vii. All mobile home units shall be a minimum of 720 sq. ft. in area, exclusive of garage or porch.
- viii. Maximum building height will be 25 ft.
- ix. Mobile home sites, installation, skirting, anchoring, and unit certification shall be in compliance with State of Michigan Mobile Home Commission regulations.

SECTION II.

If any article, section, subsection, sentence, clause, phrase, or portion of this ordinance is, for any reason, held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions of this ordinance.

SECTION III.

All ordinances or part of ordinances in conflict herewith are hereby repealed.

SECTION IV

This ordinance shall become effective upon its adoption and publication as provided by City Charter.

Moved by Member, that **Ordinance No.584** be adopted as read.

YEAS:
 NAYS:
 ABSENT:

CITY OF HASTINGS

Adoption Date:
 Effective Date:
 First Reading: March 9, 2020
 Second Reading: March 23, 2020

By: Jane Saurman
 Hastings City Clerk

CERTIFICATE

The undersigned, being the duly qualified and acting Clerk of the City of Hastings, Michigan, does hereby certify that the foregoing is a true and complete copy of an Ordinance adopted by the Hastings City Council, of the City of Hastings, at a regular meeting of the City Council on the day of 2020, at which meeting a quorum was present and remained throughout, and that the original of said Ordinance is on file in the records of the City of Hastings. I further certify that the meeting was conducted and public notice was given pursuant to and in compliance with Act No. 267, Public Acts of Michigan of 1976, as amended, and that minutes were kept and will be or have been made available as required thereby.

Jane Saurman
City Clerk

CITY OF HASTINGS**ORDINANCE NO. 585****TAX EXEMPTION ORDINANCE**

ADOPTED:

An Ordinance to provide for a service charge in lieu of taxes for a housing project for low income persons and families to be financed with an Mortgage Loan or an advance or grant from the Authority pursuant to the provisions of the State Housing Development Authority Act of 1966 (1966 PA 346, as amended; MCL 125.1401, *et seq*) (the "Act").

THE CITY OF HASTINGS ORDAINS:

This Ordinance shall be known and cited as the "City of Hastings Tax Exemption Ordinance-Kendall Place Apartments."

SECTION 70-130. Preamble.

The City has adopted Chapter 70 Article IV "Tax Exemption" of the City Code of Ordinances, providing for tax exemption (the "ordinance and provided for a service charge in lieu of taxes for a housing project for Low Income Persons and Families to be financed with a Mortgage Loan or an advance or grant from the Authority pursuant to the provisions of the State Housing Development authority Act of 1966 (1966 PA 346, as amended; MCL 125.1401, *et seq*)(the "Act")

It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide housing for its low income persons and families and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the Act. The City is authorized by this Act to establish or change the service charge to be paid in lieu of taxes by any or all classes of housing exempt from taxation under this Act at any amount it chooses, not to exceed the taxes that would be paid but for this Act. It is further acknowledged that such housing for low income persons and families is a public necessity, and as the City will be benefited and improved by such housing, the encouragement of the same by providing real estate tax exemption for such housing is a valid public purpose. It is further acknowledged that the continuance of the provisions of this Ordinance for tax exemption and the service charge in lieu of all *ad valorem* taxes during the period contemplated in this Ordinance are essential to the determination of economic feasibility of the housing projects that is constructed or rehabilitated with financing extended in reliance on such tax exemption.

The City acknowledges that the Sponsor (as defined below) has offered, subject to receipt of a Low Income Housing Tax Credit Reservation from the Michigan State Housing Development Authority, to construct/acquire, own and operate a housing project identified as Kendall Place Apartments on certain property located at 326 West State St. in the City (the "Property")to serve Low Income Persons and Families, and that the Sponsor has offered to pay the City on account of this housing project an annual service charge for public services in lieu of all *ad valorem* property taxes.

SECTION 70-131. Definitions.

- A. Authority means the Michigan State Housing Development Authority.
- B. Annual Shelter Rent means the total collections during an agreed annual period from or paid on behalf of all occupants of a housing project representing rent or occupancy charges, exclusive of

Utilities.

C. Low Income Persons and Families means persons and families eligible to move into a housing project.

D. Low Income Housing Tax Credit means the tax credits allocated under Section 42 of the Internal Revenue Code.

E. Mortgage Loan means a Federally-Aided Mortgage or loan or grant made or to be made by the Authority to the Sponsor for the construction, rehabilitation, acquisition and/or permanent financing of the housing project, and secured by a mortgage on the housing project.

F. Sponsor means Kendall Place Limited Dividend Housing Association, LLC and any entity that receives or assumes a Low Income Housing Tax Credit.

G. Utilities means charges for gas, electric, water, sanitary sewer and other utilities furnished to the occupants that are paid by the housing project.

SECTION 70-132. Class of Housing Projects.

It is determined that the class of housing projects to which the tax exemption shall apply and for which a service charge shall be paid in lieu of such taxes shall be housing projects for Low Income Persons and Families that are financed with a Low Income Housing Tax Credit by the Authority. It is further determined that Kendall Place Apartments is of this class.

SECTION 70-133. Establishment of Annual Service Charge.

The housing project identified as Kendall Place Apartments and the property on which it will be located shall be exempt from all *ad valorem* property taxes from and after the acquisition of the Property by the Sponsor. The City acknowledges that the Sponsor and the Authority have established the economic feasibility of the housing project in reliance upon the enactment and continuing effect of this Ordinance, and the qualification of the housing project for exemption from all *ad valorem* property taxes and a payment in lieu of taxes as established in this Ordinance. Therefore, in consideration of the Sponsor's offer to construct and operate the housing project, the City agrees to accept payment of an annual service charge for public services in lieu of all *ad valorem* property taxes. Subject to receipt of a Low Income Housing Tax Credit, the annual service charge shall be equal to 3% of the Annual Shelter Rent actually collected by the housing project during each operating year.

SECTION 70-134. Contractual Effect of Ordinance.

Notwithstanding the provisions of section 15(a)(5) of the Act to the contrary, a contract between the City and the Sponsor with the Authority as third party beneficiary under the contract, to provide tax exemption and accept payments in lieu of taxes, as previously described, is effectuated by enactment of this Ordinance.

SECTION 70-135. Limitation on the Payment of Annual Service Charge.

Notwithstanding Section 5, the service charge to be paid each year in lieu of taxes for the part of the housing project that is tax exempt but which is occupied by other than Low Income Persons or Families shall be equal to the full amount of the taxes which would be paid on that portion of the housing project if the housing project were not tax exempt.

SECTION 70-136. Payment of Service Charge.

The annual service charge in lieu of taxes as determined under this Ordinance shall be payable in the same manner as general property taxes are payable to the City and distributed to the several units levying the general property tax in the same proportion as prevailed with the general property tax in the previous calendar year. The annual payment for each operating year shall be paid on or before May 1 of the following year. Collection procedures shall be in accordance with the provisions of the General Property Tax Act (1893 PA 206, as amended; MCL 211.1, *et seq*).

SECTION 70-137. Duration.

This Ordinance shall remain in effect and shall not terminate for a period of thirty-five (35) years.

Severability.

The various sections and provisions of this Ordinance shall be deemed to be severable, and should any section or provision of this Ordinance be declared by any court of competent jurisdiction to be unconstitutional or invalid the same shall not affect the validity of this Ordinance as a whole or any section or provision of this Ordinance, other than the section or provision so declared to be unconstitutional or invalid.

Inconsistent Ordinances.

All ordinances or parts of ordinances inconsistent or in conflict with the provisions of this Ordinance are repealed to the extent of such inconsistency or conflict.

This ordinance shall become effective upon its adoption and publication as provided by City Charter.

Moved by Member , that **Ordinance No.585** be adopted as read.

YEAS:
NAYS:
ABSENT:

CITY OF HASTINGS

Adoption Date:

Effective Date:

First Reading: March 09, 2020

Second Reading: March 23, 2020

By: Jane Saurman
Hastings City Clerk

CERTIFICATE

The undersigned, being the duly qualified and acting Clerk of the City of Hastings, Michigan, does hereby certify that the foregoing is a true and complete copy of an Ordinance adopted by the Hastings City Council, of the City of Hastings, at a regular meeting of the City Council on the day of 2020, at which meeting a quorum was present and remained throughout, and that the original of said Ordinance is on file in the records of the City of Hastings. I further certify that the meeting was conducted and public notice was given

pursuant to and in compliance with Act No. 267, Public Acts of Michigan of 1976, as amended, and that minutes were kept and will be or have been made available as required thereby.

Jane Saurman
City Clerk