



# **DDA Board Member Orientation Packet**

Created May 2023

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# **PURPOSE**

The Imlay City Downtown Development Authority is ultimately responsible for the revitalization of the downtown district as it is defined by Imlay City ordinance. The

Imlay City DDA is responsible for enhancing the visual quality of the business district; develop of sophisticated, joint retail sales events; and assist in all aspects of economic restructuring.



## **DOWNTOWN DEVELOPMENT AUTHORITY (DDA)**

The Downtown Development Authority (DDA), Public Act 57 of 2018, is designed to be a catalyst in the development of a community's downtown district. The DDA provides for a variety of funding options including a tax increment financing mechanism, which can be used to fund public improvements in the downtown district and the ability to levy a limited millage to address administrative expenses.

*Note: This document is offered as a general guide only and the legislation should be reviewed by local officials.*

### **WHO IS ELIGIBLE?**

Any city, village or township, that has an area in the downtown zoned and used principally for business, is eligible to create an authority.

### **HOW DOES IT WORK?**

Once established, the DDA is required to prepare a tax increment financing plan and may create a development plan to submit for approval to the local municipality. A development plan describes the costs, location and resources for the implementation of the public improvements that are projected to take place in the DDA district. A tax increment financing plan includes the development plan and details the tax increment procedure, the amount of bonded indebtedness to be incurred, and the duration of the program.

### **WHAT IS THE PROCESS?**

1. The governing body finds that it is necessary for the best interests of the public to do the following related to the defined business district:
  - To halt property value deterioration
  - Increase property tax valuation
  - Eliminate the causes of deterioration
  - Promote economic growth
  - Create and provide for the operation of the DDA
2. The governing body sets a public hearing, based upon its resolution of intent, to create a DDA.
3. Notice is given of a public hearing by publication and mail to taxpayers within a proposed district and to the governing body of each taxing jurisdiction levying taxes that would be subject to capture of tax increment revenues.
4. The governing body takes comments at the public hearing.
5. Within 60 days, the governing body of another taxing jurisdiction may, by resolution, exempt its taxes from capture and file the resolution with the clerk of the municipality.

6. Not less than 60 days following the hearing, the governing body may adopt proposed ordinance creating the DDA and designating the boundaries of the DDA district.
7. The ordinance must be published at least once in a local newspaper and filed with the Secretary of State.
8. The governing board of the DDA shall be appointed or may, for municipalities of less than 5,000, be the same as the planning commission. Otherwise the authority will be supervised by a board that includes the municipality's chief executive officer and 8–12 members appointed by the governing body. A majority of the board must be individuals with an ownership or business interest in property in the district and one member must reside in the district if there are more than 100 residents in the district.

If the DDA board anticipates the need for capturing tax increments or using revenue bonds to support a project, a development plan and a tax increment financing plan must also be adopted by the DDA board and the municipality.

### **WHY WOULD A COMMUNITY WANT TO ESTABLISH A DDA?**

The DDA tax increment financing mechanism allows for the capture of the incremental growth of local property taxes over a period of time to fund downtown development activities. A community can capture future tax increment and additional millage, and focus their investment in targeted areas. By borrowing against the future tax increments, the DDA is able to fund large-scale projects, which can lead to new development opportunities within the downtown. In addition to the financing mechanism, the DDA structure results in the creation of a public board dedicated solely to the improvement of the downtown.

### **SUPPORTING STATUTE**

[Public Act 57 of 2018: Recodified Tax Increment Financing Act](#)

### **CONTACT INFORMATION**

For more information on downtown development authorities, contact the [community development manager](#) assigned to your territory or visit [www.miplace.org](http://www.miplace.org).

# Economic Development Tools—Downtown Development Authority

## Introduction

A Downtown Development Authority (DDA) is designed to be a catalyst in the development of a community's downtown district. The DDA provides for a variety of funding options, including millage and tax increment financing, for public improvements in the downtown district.

## Authorizing Legislation

PA 57 of 2018, MCL 125.4101 et seq., allows the governing body of a city, village or township to create a Downtown Development Authority (with one or more separate and distinct geographic areas in a downtown district).

## What Is the Purpose of the Act?

The Act provides municipalities with a tool to halt property value deterioration, to increase property tax valuation, to eliminate the causes of the deterioration, and to promote economic growth in their business district.

## How Can this Act Be Used?

Specifically, this Act allows Tax Increment Financing (TIF) and millage revenues to be used for any public facility. The power and authority of the Act cannot be used for the personal benefit of a private person or corporation.

## How Is this Act Different?

One of the first economic development tools to be enacted by the legislature, a DDA can only be used by a municipality in an area principally zoned and used for business. Only one DDA may be established in each municipality, although more than one geographic area may be defined within the downtown district boundaries.

## What Are the Financing Options?

- Tax Increment Revenues
- Millage (up to 2 mills for municipalities with population of less than 1 million; up to 1 mill for municipalities with population over 1 million)
- Special assessments
- Revenue bonds
- Revenues from property owned or leased by the DDA
- Grants and/or donations

## Establishment of a DDA

**Note:** The following steps are offered as general guidelines only. A municipality should consult with an attorney prior to initiating the process of creating a DDA.

1. The governing body finds that:
  - there is a business district area within the municipality which it desires to designate as a “downtown district,”

- within such area the general property values are (and have been) deteriorating,
- property tax valuation must be increased in such area,
- the community must eliminate the causes of deterioration, and
- economic growth must be promoted in such area.

2. A resolution of intent shall set a date for a public hearing on the adoption of a proposed ordinance creating the authority.

3. Notice must be given of the public hearing by publication and posting within the district. It must also be mailed to taxpayers within the proposed district and to the governing body of each taxing jurisdiction levying taxes that would be subject to capture for tax increment revenues.

4. Governing body takes comments at the public hearing.

5. Within 60 days of the hearing, the other taxing jurisdictions may exempt its taxes from capture. Further, taxes levied for public library purposes which are approved by voters after December 31, 2016 are exempt from capture unless a library board or commission allows all or a portion of its taxes to be included as tax increment revenues under the terms of a written agreement with an authority.

6. Not less than 60 days following the hearing, the governing body may adopt a proposed ordinance creating the DDA and designating the boundaries of the DDA district.

7. The ordinance must be published at least once in a local newspaper and filed with the Secretary of State.

8. The governing board of the DDA, consisting of eight to twelve members and including the chief executive officer of the municipality, shall be appointed or may, for municipalities of less than 5,000, be the same as the planning commission.

## Reporting Requirements

See p 5-7 (attached to this Fact Sheet) for 2019 reporting and public informational meeting requirements.

## Provisions of the Downtown Development Authority Act

- Authorizes a city, village, or township to create a Downtown Development Authority by ordinance after providing notice and holding a public hearing. The local unit shall also designate the DDA district area boundaries by ordinance.
- Provides for the supervision and control of an authority by a board that includes the municipality's chief executive officer and eight to twelve members appointed by the governing body. (The local governing body would decide the size of the authority board.) A majority of the board must be individuals with an ownership or business interest in property in the district and one member must reside in the district if there are more than 100 residents in the district.
- Allows the board to hire a director to serve as chief executive officer of the authority, subject to the approval of the municipality's governing body. Other personnel may be hired as deemed necessary by the board.
- Allows an authority to prepare and submit to the city, village, or township governing body a tax increment financing plan, which must include a development plan for the development area(s). TIF plans and development plans would be subject to public hearings. Affected local taxing jurisdictions must be notified.
- Allows an authority, with the approval of the governing body, to levy up to two mills on real and personal property in the district for municipalities with less than one million in population or up to one mill for municipalities with more than one million population.
- Provides for the financing of authority activities, including borrowing money and issuing bonds. The authority can issue negotiable revenue bonds under the Revenue Bond Act and can, with local unit approval, issue revenue bonds or notes to finance all or part of the costs of acquiring and constructing property.
- Allows an authority to authorize, issue and sell bonds to finance a TIF plan's development program. The municipality can issue limited tax bonds payable from the authority's tax increment revenues or notes with governing body approval but is required to obtain voter approval to pledge its unlimited tax full faith and credit for bonds or notes.
- Allows a city, village, or township to dissolve an authority after it has completed its purpose and provides that the authority's property and assets remaining after the satisfaction of its obligations belong to the local unit.

- Allows the governing body, at the request of the DDA board, to amend either the development or TIF plans. It may also amend the boundaries of the DDA district. However, caution should be taken in amending the DDA district boundaries as the other taxing units (county, schools, etc.) may opt out of the TIF capture.

### **Downtown Development Authority Board Powers:**

- Prepare an analysis of economic changes taking place in the downtown district.
- Study and analyze the impact of metropolitan growth upon the downtown district.
- 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 economic growth of the downtown district.
- 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.
- Develop long-range plans, in cooperation with the agency which is chiefly responsible for planning in the municipality, designed to halt the deterioration of property values in the downtown district and to promote the economic growth of the downtown district, and take such steps as may be necessary to persuade property owners to implement the plans to the fullest extent possible.
- Implement any plan of development in the downtown district necessary to achieve the purposes of this act, in accordance with the powers of the authority as granted by this Act.
- Make and enter into contracts necessary or incidental to the exercise of its powers and the performance of its duties.
- Acquire by purchase or otherwise, on terms and conditions and 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 in property, which the authority determines is reasonably necessary to achieve the purposes of this act, and to grant or acquire licenses, easements, and options with respect to that property.
- Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, and operate any building, including multiple-family dwellings, and any necessary or desirable appurtenances to that property, within the downtown district for the use, in whole or in part, of any public or private person or corporation, or a combination of them.
- Fix, charge, and collect fees, rents, and charges for the use of any building, property, or facility under its control and pledge the fees, rents, and charges for the payment of revenue bonds issued by the authority.
- Lease any building or property under its control, or any part of a building or property.
- Accept grants and donations of property, labor, or other things of value from a public or private source.
- Acquire and construct public facilities.
- Create, operate, and fund marketing initiatives that benefit only retail and general marketing of the downtown district.
- Contract for broadband service and wireless technology service in the downtown district.
- Create, fund and operate retail business incubators with preference given to tenants who would provide goods and/or services unavailable or underserved in the DDA area.
- Create, fund and operate a loan program to pay for improvements for existing buildings located in the DDA district in order to make them marketable for sale or lease. Loans could be at or below market rate.

### **Definitions**

**Business District:** an area in the downtown of a municipality zoned and used principally for business.

**Downtown District:** part of an area in a business district that is specifically designated by ordinance of the governing body of the municipality pursuant to this act. A downtown district may include one or more separate and distinct geographic areas in a business district as determined by the municipality if the municipality enters into an agreement with a qualified township under section 3(7) or if the municipality is a city that surrounds another city and that other city lies between the two separate and distinct geographic areas. If the downtown district contains more than one separate and distinct

geographic area in the downtown district, the separate and distinct geographic areas shall be considered one downtown district.

**Public Facility:** a street, plaza, pedestrian mall, and any improvements to a street, plaza, or pedestrian mall including street furniture and beautification, park, parking facility, recreational facility, right-of-way, structure, waterway, bridge, lake, pond, canal, utility line or pipe, building, and access routes to any of the foregoing, designed and dedicated to use by the public generally, or used by a public agency. Public facility includes an improvement to a facility used by the public or a public facility, as defined by 1966 PA 1, which improvement is made to comply with the barrier free design requirements of the state construction code promulgated (PA 230 of 1972, MCL 125.1501).

This publication was written by the law firm of Miller Canfield.

## **New DDA/TIF Reporting and Public Informational Meeting Requirements Pursuant to the Recodified Tax Increment Financing Act 2018 PA 57 (Effective January 1, 2019)**

*Introduction:* The Recodified Tax Increment Financing Act, 2018 PA 57 (the “Act”), was signed into law on March 15, 2018 and took effect on January 1, 2019. The Act consolidates the legislative authority to create and operate tax increment authorities (other than brownfield redevelopment authorities) into a single statute.

The Act imposes new, uniform reporting requirements on most authorities<sup>1</sup> and their related municipalities, new public informational meeting requirements, authorizes the Department of Treasury to enforce the Act, and prohibits authorities in breach of these reporting requirements from capturing tax increment revenues in excess of the amounts necessary to pay bonded indebtedness and other obligations of the authority for the period of noncompliance.

The new reporting and public informational meeting requirements are set forth below:

*What:* **Send a Copy of Current TIF Plan to Treasury**  
*When:* No later than April 1, 2019  
*Why:* MCL 125.4912  
*How:* Authority must send a copy or an electronic mail link of its currently adopted development plan or its currently adopted tax increment finance plan, if separate from the development plan, to the Department of Treasury.

*What:* **Hold Two Informational Meetings Annually**  
*When:* Biannually beginning January 1, 2019  
*Why:* MCL 125.4910(4)  
*How:* The board of an authority shall hold at least 2 informational meetings (which may be held in conjunction with other public meetings of the authority or municipality). Notice must be published on the municipality's or authority's website not less than 14 days before the date of the informational meeting. Notice must also be mailed not less than 14 days before the informational meeting by the authority to the governing body of each taxing jurisdiction levying taxes that are subject to capture. As an alternative to mailing notice, the authority may notify the clerk of the governing body of each taxing jurisdiction by electronic mail.

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<sup>1</sup> These requirements apply to Downtown Development Authorities, Tax Increment Finance Authorities, Local Development Finance Authorities, Corridor Improvement Authorities, Water Resource Improvement Authorities, Neighborhood Improvement Authorities, and municipalities incorporating any one of these authorities.

- What:** **Post TIF Information on Municipal Website**
- When:** 180 days after end of authority's current Fiscal year as of Jan. 1, 2019
- Why:** MCL 125.4910(1)
- How:** The municipality must create a website or utilize the municipality's existing website with access to authority records and documents, including all of the following:
- (a) Minutes of all board meetings.
  - (b) Annual budget, including encumbered and unencumbered fund balances.
  - (c) Annual audits.
  - (d) Currently adopted development plan, if not included in a tax increment financing plan.
  - (e) Currently adopted tax increment finance plan, if currently capturing tax increment revenues.
  - (f) Current authority staff contact information.
  - (g) A listing of current contracts with a description of those contracts and other documents related to management of the authority and services provided to the authority.
  - (h) An updated annual synopsis of activities of the authority. An updated synopsis of the activities of the authority includes all of the following, if any:
    - (i) For any tax increment revenues described in the annual audit that are not expended within 5 years of their receipt, a description that provides the following:
      - (A) The reasons for accumulating those funds and the uses for which those funds will be expended.
      - (B) A time frame when the fund will be expended.
      - (C) If any funds have not been expended within 10 years of their receipt, both of the following:
        - (I) The amount of those funds.
        - (II) A written explanation of why those funds have not been expended.
    - (ii) List of authority accomplishments, including progress made on development plan and tax increment finance plan goals and objectives for the immediately preceding fiscal year.
    - (iii) List of authority projects and investments, including active and completed projects for the immediately preceding fiscal year.
    - (iv) List of authority events and promotional campaigns for the immediately preceding fiscal year.

- What:** **Send Annual Report to Treasury, Municipality and Taxing Units**
- When:** 180 days after the end of an authority's fiscal year
- Why:** MCL 125.4911(1)
- How:** An authority that is capturing tax increment revenues must submit a report, on a form to be provided by Department of Treasury, to the municipality, the governing body of each taxing unit levying taxes which are subject to capture by the authority, and the Department of Treasury. The report shall include all of the following:

- (a) The name of the authority.
- (b) The date the authority was formed, the date the tax increment financing plan is set to expire or terminate, and whether the tax increment financing plan expired during the immediately preceding fiscal year.
- (c) The date the authority began capturing tax increment revenues.
- (d) The current base year taxable value of the tax increment financing district.
- (e) The unencumbered fund balance for the immediately preceding fiscal year.
- (f) The encumbered fund balance for the immediately preceding fiscal year.
- (g) The amount and source of revenue in the account, including the amount of revenue from each taxing jurisdiction.
- (h) The amount in any bond reserve account.
- (i) The amount and purpose of expenditures from the account.
- (j) The amount of principal and interest on any outstanding bonded indebtedness.
- (k) The initial assessed value of the development area or authority district by property tax classification.
- (l) The captured assessed value retained by the authority by property tax classification.
- (m) The tax increment revenues received for the immediately preceding fiscal year.
- (n) Whether the authority amended its development plan or its tax increment financing plan within the immediately preceding fiscal year and if the authority amended either plan, a link to the current development plan or tax increment financing plan that was amended.
- (o) Any additional information the governing body of the municipality or the Department of Treasury considers necessary.



# TIF PLAN

CITY OF IMLAY CITY  
ORDINANCE NO. 2014-001  
AMENDMENT OF MUNICIPAL CODE CHAPTER 151  
SECTION DOWNTOWN DEVELOPMENT AUTHORITY

An ordinance to amend the Imlay City Downtown Development Authority related to the Tax Increment Finance and Development Plans.

THE CITY OF IMLAY CITY ORDAINS:

DOWNTOWN DEVELOPMENT AUTHORITY

151.05 TAX INCREMENT FINANCE AND DEVELOPMENT PLANS

(D) Following a public hearing on June 17, 2014 on the Imlay City Downtown Development Authority Development and Tax Increment Financing Plan (the "Plan") held pursuant to MCL 125.1651 et seq. (the "Act"), and having made the finding set forth below, the City Commission has found and determined that the Plan constitutes and seeks to accomplish a public purpose, and that the Plan is consistent with and seeks to accomplish the intent and purpose declared by the City Commission for the establishment and extension of the Downtown Development Authority (the "Authority").

- (1) The Plan is consistent with Sections 14 and 15 of the Act.
- (2) The Plan meets the requirements set forth in Section 17(2) of the Act.
- (3) The proposed method of financing the development described in the Plan is feasible and the Authority has the ability to arrange financing.
- (4) The development described in the Plan is reasonable and necessary to carry out the purposes of the Act.
- (5) The development plan is in reasonable accord with the Master Plan of the city.
- (6) Public services, such as fire and police protection and utilities, are or will be adequate to service the project area.
- (7) Changes in zoning, streets, street levels, intersections and utilities are reasonably necessary for the project and for the city.
- (8) The duration of the Plan is twenty (20) years, commencing upon approval by the City Commission in 2014 and will cease with tax collection due in December 2034, unless this plan is amended to extend or shorten its duration.

(E) Premised on the findings and determinations made in (D) above, and on further finding that pursuit of the Plan appears to be in the interest of the city, the Plan in the form attached as Exhibit A to Ordinance 2014-001 is approved and adopted.

EFFECTIVE DATE: Upon publication on Wednesday, June 25, 2014.

These ordinance amendments shall become effective immediately upon their publication. These ordinance amendments were adopted by the Imlay City Commission at the regular meeting held on June 17, 2014.

*Walter J. Borgen*

Walt Borgen, Mayor

*Timothy Matthew Sadowski*

Timothy Matthew Sadowski, Clerk

First Reading: May 6, 2014

Public Hearing: June 17, 2014

Adopted: June 17, 2014

Effective on Publication: June 25, 2014



## ACKNOWLEDGEMENTS

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Established in 1976, the Imlay City Downtown Development Authority is under the supervision and control of a DDA Board consisting of a chief executive officer of the municipality and eight to twelve members as determined by the Imlay City Commission. The function of the authority is to propose, finance and implement public improvements in the downtown development district.

For their efforts in updating this plan, the City would like to thank the current members of the DDA:

- § Mayor Walter Barga
- § Chairperson Steve Teets, Owner of Focus Studio
- § Vice Chairperson Joi Kempf, Owner of Imlay City Florist
- § Secretary Kelly Villanueva, Owner of Kelly's Pet Grooming
- § Member Stu Davis, Community Member
- § Member Sarah Norat-Phillips, Frontier Communications
- § Member LuAnn Valdez, manager Capac State Bank
- § Member Amy Brunk, PNC Bank
- § Member Kim Jorgensen, Tri-City Times & Page One Printing

This plan was prepared with assistance from  
LSL Planning, Inc., a SAFEbuilt Company



**RECOMMENDED FOR ADOPTION BY DDA BOARD:**  
**ADOPTED BY CITY COMMISSION:**

April 22, 2014

June 17, 2014

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# INTRODUCTION

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Established in 1976, the Imlay City Downtown Development Authority is under the supervision and control of a board consisting of a chief executive officer of the municipality and no less than eight, nor more than twelve members as determined by the governing body of the municipality. The function of the authority is to propose, finance and implement public improvements in the downtown development district. The Imlay City Downtown Development Authority is ultimately responsible for the revitalization of the downtown district as it is defined by Imlay City ordinance.

## **MISSION STATEMENT**

The Mission of the Imlay City Downtown Development Authority is to create an atmosphere conducive to business prosperity and consumer satisfaction, while maximizing employment and encouraging business development.

1. Formal adoption by the City Council and the DDA of the Imlay City Downtown Development Authority Plan of 2014 as the official guide for the further economic enhancement of Downtown Imlay City.
2. DDA Director and Board assumes responsibility for further economic enhancement of the DDA District.
3. DDA produces newsletter, annual report, and tracks benchmarks.

In order to assist in the revitalization of the downtown district in Imlay City, the Imlay City Downtown Development Authority is charged with the following tasks to help promote a more vibrant downtown.

In step with the Downtown Development Authority Board's adoption of the Downtown Work Program and the Main Street Approach to Downtown Revitalization, the Imlay City DDA has identified the following as objectives by which to gauge the direction of the DDA.

## DESIGN

The Imlay City DDA is responsible for enhancing the visual quality of the business district. This means attention to all physical elements: buildings, storefronts, signs, public improvements, landscaping, merchandising displays, and promotional materials. The quality of the designed environment more than any other aspect demonstrates to the public the other qualities of the district.

## PROMOTION

The DDA is also responsible for creating a positive image of the business district to attract customers and investors and rekindle community pride. Promotion includes the development of sophisticated, joint retail sales events, festivals and the creation of a consistent image through graphic and media presentation. Promotion also includes target selling of the district to investors, developers, and new businesses.

### ECONOMIC RESTRUCTURING

Finally, the Imlay City DDA is responsible for assisting in all aspects of economic restructuring, including strengthening the existing economic base of the business district while diversifying its economic base. Activities include retaining and expanding existing business, recruiting new businesses to provide a balanced mix, converting disused space into productive property and sharpening the competitiveness of Main Street's traditional merchants.

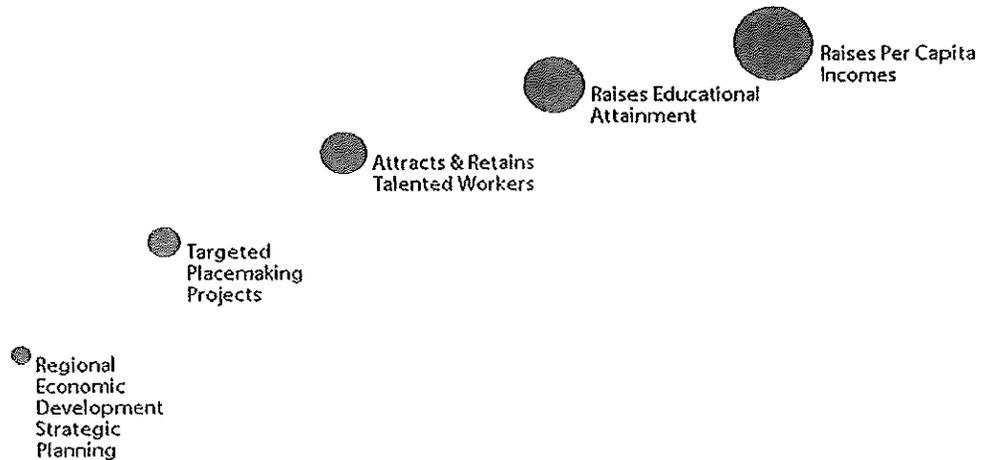
### ORGANIZATION

Organization means building consensus and cooperation among the groups that play roles in the downtown. Many individuals and organizations in the community have a stake in the economic viability of the downtown, including:

- Bankers
- Property owners
- Public officials
- Merchants
- Downtown residents
- Professionals
- Chamber of Commerce representatives
- Local industry
- Civic groups
- Historical Society
- Schools
- Consumers
- Real estate agents
- Local media

## PLACEMAKING

A community is defined by a variety of factors that must work in tandem to create livable places. The concept of "placemaking" considers this holistic approach where any one factor can influence the rest. Focusing on, or neglecting any one factor can result in an imbalance that generally manifests as declining property values, less private investment and increased blight. Desirable communities not only provide safe and attractive housing, but also meaningful jobs, convenient access to goods and services, and a healthy environment. In short, they are places where people want to live, work, shop and recreate.



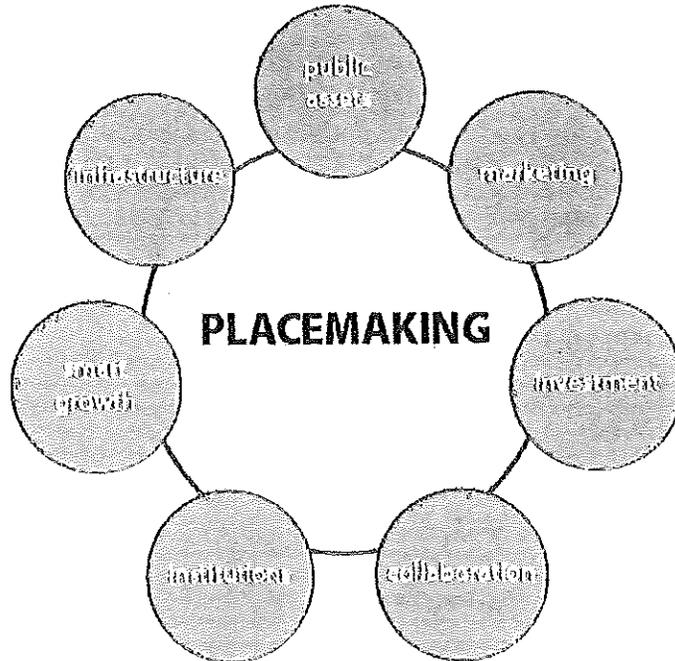
The state of Michigan has taken an active role in promoting the concept of placemaking that will result in quality places, more jobs and greater economic competitiveness. The concept of placemaking revolves around the following key tenets:

- § **Housing:** improving and revitalizing homes and neighborhoods; providing financial assistance
- § **Transportation:** promoting safe travel along and across streets for all users of the right-of-way (motorists, pedestrians, bicyclists, transit riders)
- § **Historic Preservation:** maintaining historic and cultural resources that have shaped the character and identity of a community
- § **Michigan Main Street:** building solid downtown commercial centers that are both competitive and which contribute to walkable, mixed use areas
- § **Green Space:** preserving valuable natural resources while providing active and passive recreational opportunities
- § **Talent:** providing vibrant and inviting places that will attract skilled workers, young professionals, and new businesses that seek to hire them
- § **Entrepreneurialism:** cultivating local businesses through economic gardening rather than recruiting outside businesses
- § **TIDE (Talent, Innovation, Diversity and Environment) Community Online Assessment Tool:** assessing local potential for economic growth of proposed investments and

initiatives by comparing employment data with a variety of factors that impact the New Economy

It is a goal of this plan to promote placemaking by supporting local businesses and creating a strong downtown. A healthy, viable downtown is crucial to the heritage, economic health and civic pride of the entire community for several reasons:

- § A healthy downtown retains and creates jobs.
- § A healthy downtown translates to a stronger tax base.
- § Long-term revitalization of businesses in locations that use existing infrastructure is more efficient and fiscally sound than greenfield development.
- § A diverse downtown provides additional options for goods and services, especially for less conventional businesses.
- § A healthy downtown is a symbol of strong community caring and quality of life.



Source: Northwest Michigan Council of Governments

### REDEVELOPMENT READY

Another key goal of this plan is to provide economic development support to the City of Imlay City government, in a way that promotes the City's current Redevelopment Ready initiative. The Michigan Economic Development Corporation has released their Redevelopment Ready Communities program, which recommends the Downtown Development Authority and downtown plan achieve the following. The Imlay City DDA meets all of these criteria:

- § Publish plans and documents available online
- § Establish DDA and downtown district boundaries
- § Promote development projects
- § Identify open space
- § Consider pedestrian oriented development
- § Allow mixed use in the Downtown

## **DEVELOPMENT AREA BOUNDARIES**

The Development Area Boundary Map illustrates the boundaries of the development area in relation to the individual properties, transportation facilities, and water bodies. The development area boundaries are coterminous with the DDA district boundaries.

Starting at the intersection of Borland Road and M-53 (Cedar Street), then easterly on Borland Road to the East city limits; then north along the East city limits line; then west along the North city limits line to Fairgrounds Road; then south along Fairgrounds Road to M-21; then easterly along M-21 to Main Street; then easterly along M-21 to Main Street; then south along Main Street to the NW corner of Palmer's Second Addition to the original plat of Imlay City; then east along the north line of said addition, then south along M-53 to the NE corner of Lot 10 of Palmer's First Addition; then west 70 feet, then south 350 feet to the SW corner of said Lot 10. Then west along Fifth Street to a point, then south along the alley in block 28 of Palmer's First Addition to Fourth Street, then west on Fourth Street to Almont Avenue; then north on Almont Avenue to the NE corner of Lot 8 of Caulkin's Subdivision, then west along the north boundary of said lot to the alley in Block 4, Caulkins Subdivision; then south along said alley to Fourth Street, then west on Fourth Street to Caulkins's Street, then south along Caulkin's Street to Third Street, then east along Third Street to the alley; then south along the alley to the NW corner of Lot 4, Hunt's Subdivision, then south along western boundary of said lot Lot 4 to Second Street, then east of Second Street to Almont Avenue; then south on Almont Avenue to First Street, then east on First Street to M-53 (Cedar Street); then south on M-53 (Cedar Street) to point of beginning.

## **EXISTING LAND USE**

The location and extent of existing public and private land uses within the development area are presented on the Existing Land Use Map.

### **Public Land Uses**

The existing public land uses are streets, right of ways, parks, the City government offices, the United States Post Office and the Ruth Hughes Memorial Library. The addresses of the public land uses are as follows:

- § Imlay City Hall, 150 North Main Street
- § Imlay City Police Station, 400 East Third Street
- § Imlay City Fire Hall, 338 East Third Street
- § Ruth Hughes Memorial Library, 211 North Almont Avenue
- § Rotary Park, First Street
- § Farmers Market, 120 North Main Street
- § Lamb Steele Park, Third and Main

### **Private Land Uses**

The district contains commercial, industrial and residential land uses.

**Existing Streets**

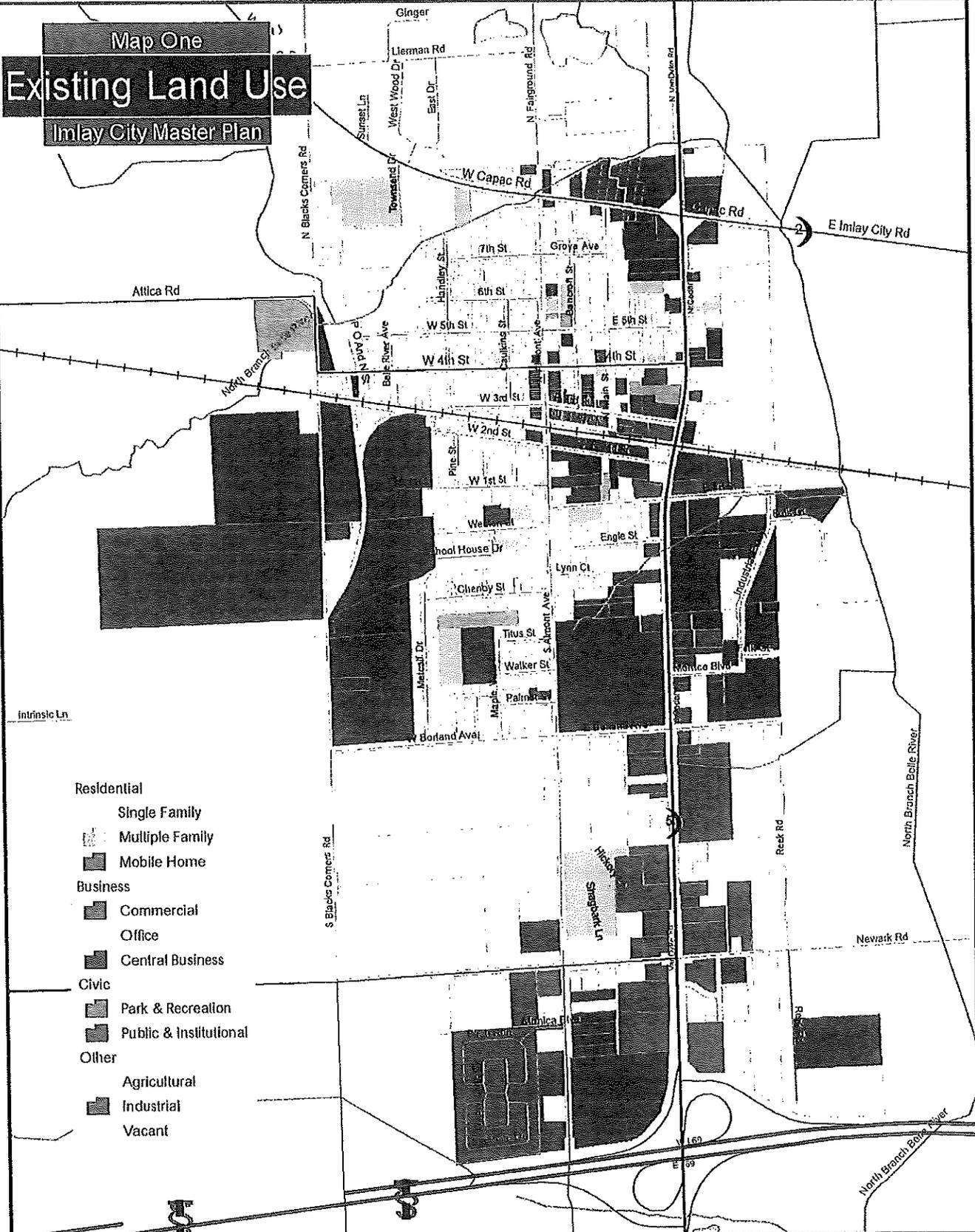
The existing streets are illustrated on Appendix 3. M-53 (Cedar Street) and M-21 (Capac Road) are both Michigan state highways. The intersection of M-21 and M-53 is included in the development area.

**Future Land Use**

The location and extent of proposed land uses for the development area are shown on the Future Land Use Map. The future land uses are as presented in the Township's Master Plan adopted by the Planning Commission in 2002, and re-affirmed in November of 2008.

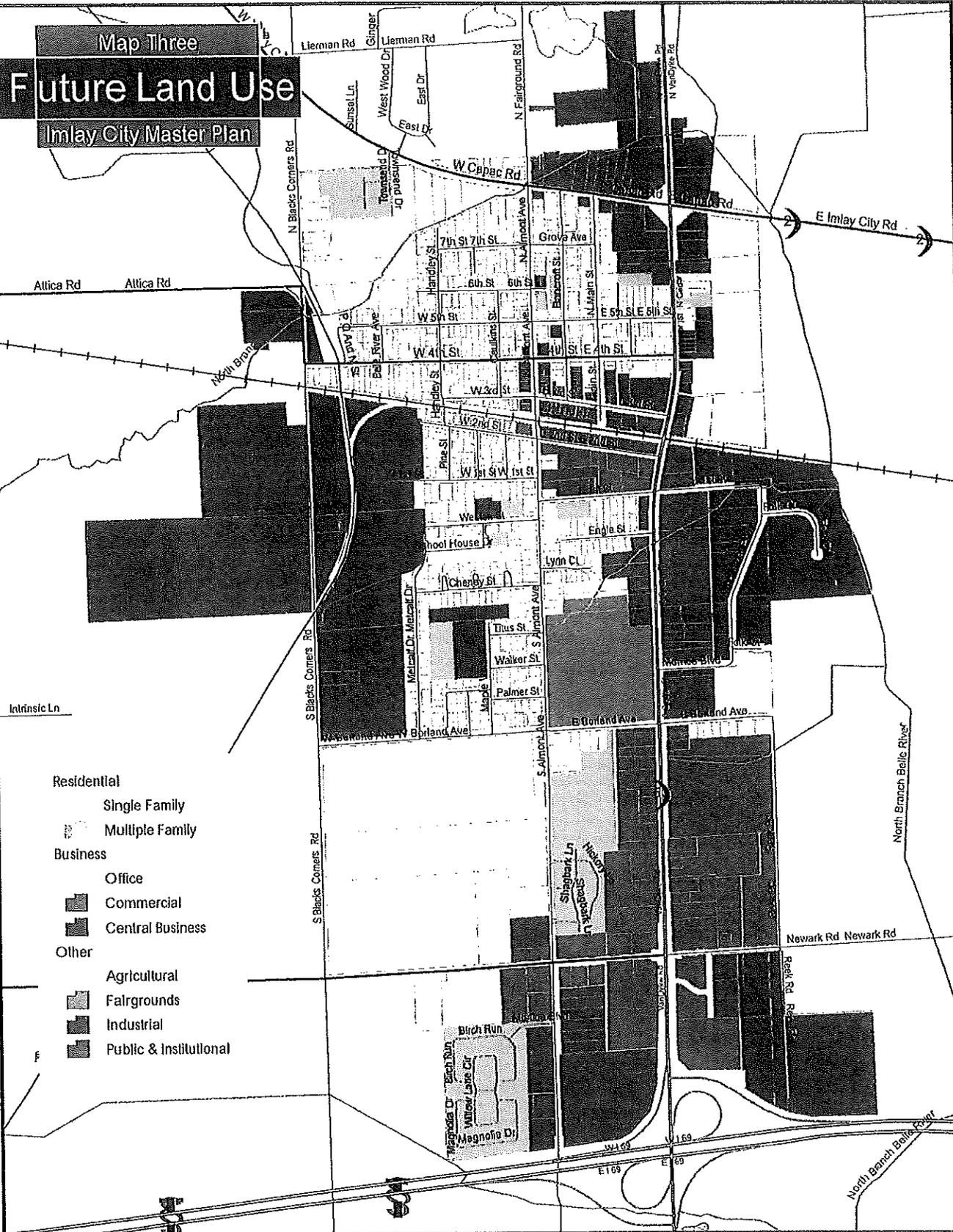


**Map One**  
**Existing Land Use**  
**Imlay City Master Plan**



- Residential**
  - Single Family
  - Multiple Family
  - Mobile Home
- Business**
  - Commercial
  - Office
  - Central Business
- Civic**
  - Park & Recreation
  - Public & Institutional
- Other**
  - Agricultural
  - Industrial
  - Vacant

**Map Three**  
**Future Land Use**  
**Inlay City Master Plan**



- Residential**
  - Single Family
  - Multiple Family
- Business**
  - Office
  - Commercial
  - Central Business
- Other**
  - Agricultural
  - Fairgrounds
  - Industrial
  - Public & Institutional

## PURPOSE OF THE DEVELOPMENT AND TAX INCREMENT FINANCING PLANS

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As the "place" that distinguishes Imlay City from other communities, the downtown district is a key asset that defines the local quality of life. Imlay City's DDA District includes both a traditional downtown, but also a developing industrial park. Together, these two elements provide places where people want to visit, and jobs that will keep them here.

The City of Imlay City has been actively pursuing ways to maintain and upgrade the economic viability of the downtown for a number of years. It is the purpose of the Development Plan and the Tax Increment Financing Plan to establish a legal basis for the capture and expenditure of tax increment revenues in accordance with P.A. 197 of 1975, as amended, for the purpose of stimulating and encouraging private investment in specific development areas through the provision of public improvements.

In compliance with P.A. 197 of 1975, the Imlay City Downtown Development Authority is responsible for the revitalization of the downtown district as it is defined by Imlay City ordinance. The authority is under the supervision and control of a board consisting of a chief executive officer of the municipality and no less than eight or more than twelve members as determined by the governing body of the municipality. The function of the authority is to propose, finance and implement public improvements in the downtown development district.

Legally, the Development Plan and the Tax Increment Financing Plan are two separate plans, but because they are interrelated, they are presented here as one document. The authority for each Plan is established in the City's Code of Ordinances, as discussed below:

§ **Development Plan.** In 1976 the City Council approved the adoption of City Ordinance No. 13.3, establishing a downtown Development Authority and authorizing them to create the Development Plan. The Ordinance reads as follows:

*The City Commission, determining that it is necessary for the best interest of the public to halt property value deterioration and increase property tax valuation where possible in its business district, to eliminate the causes of deterioration and to promote economic growth, hereby declares its intention to and hereby does create and provide for the operation of the City of Imlay city Downtown Development Authority, pursuant to Act No. 197 of the Public Acts of 1975, of the State of Michigan.*

§ **Tax Increment Financing Plan.** In January of 1996 the City adopted Ordinance No. 13.4 approving the current downtown development and tax increment financing plan. That plan set forth guidelines for which the city was able to undergo an extensive streetscape project; consisting of new sidewalks, curbs, gutters and lighting to be constructed along Third Street and Almont Avenue. The current plan, adopted in 2001, served as a catalyst for a number of improvements within the downtown commercial district and the Downtown Development Authority district in years past.

## DEVELOPMENT PLAN

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This plan is created to implement projects that are designed to meet certain goals established for Downtown Imlay City.

### VISION STATEMENT

The friendly, tree-lined and vibrant downtown of Imlay City is home to restored historic buildings. The attractive store fronts house a variety of specialty retail, loft and upscale living spaces and community/city services. The downtown entry and public spaces are adorned with attractive streetscape, flowers and public art that recognizes and celebrates the important role that trains and the railroad have played in the community's history. The downtown is the focal point and center of the community; hosting a variety of annual family events and activities that attract residents and thousands of visitors.

### GOALS AND OBJECTIVES

The goals are described as follows:

#### PUBLIC IMPROVEMENT

**Facilitate or provide design assistance, resources, programs, improvements and guidance to businesses that will continually enhance the visual quality of the district.**

- § Create a map to identify trail connections to downtown, and needed amenities to encourage visitors to come downtown from the trail to be displayed at Imlay City trailhead and other visitor areas.
- § In the streetscaping plan, the Downtown Development Authority will retain and replace sidewalks; upgrade utilities as needed and pave streets in accordance with the City's Master Plan.
- § Identify and provide for the creation of recreational areas within the development district, such as improvements at Rotary Park, Lamb Steele Park and creation of a park at the vacant lot on the corner of Fourth St. and Caulkins.
- § Work with the Imlay City Commission to acquire undeveloped, under-developed and blighted property within the development district for redevelopment as commercial incubators.
- § Coordinate with the Michigan Department of Transportation for the development of future improvements along M-21 and M-53 in Imlay City.
- § Support the development of pedestrian friendly initiatives throughout the Imlay City community (including the development of a multi-use path throughout the city).
- § Support and encourage the progressive use and creation of greenspace.
- § Provide for necessary improvements to city-owned downtown parking areas.
- § Maintain lighting and landscaping in DDA District.
- § Upgrade utilities and infrastructure on Second Street.
- § Support Placemaking initiatives in the DDA District.
- § Install fiber-optic in Industrial Park and DDA District.

- § Create Wi-Fi area in traditional Downtown.
- § Upgrade utilities and infrastructure on Fourth Street
- § Upgrade utilities and infrastructure at Northeast Quadrant of M-53 and M-21
- § Upgrade utilities and infrastructure on Third Street west of Almont Avenue
- § Upgrade utilities and infrastructure on Main Street
- § Upgrade utilities and infrastructure on Almont Avenue
- § Upgrade sewer line running from First Street to Second Street between M-53 and Almont Avenue
- § Upgrade utilities and infrastructure as needed throughout district

### **PROMOTION/MARKETING**

**Promote the downtown so it creates a positive image that will attract customers and investors.**

- § Conduct a market study to help determine an appropriate businesses mix and to identify recruiting strategies.
- § Develop marketing materials to promote businesses, development opportunities and incentives in DDA District.
- § Improve the viaduct with multi-use path and landscaping.
- § Advertise on available billboards located along I-69 and other local highways.
- § Design and run image and donut ads.
- § Continue to maintain and upgrade the DDA website.
- § Continue promotion of the Imlay City Façade Loan Program.
- § Develop new programs including site assistance grant programs and Retail Incubation Program.
- § Continue implementation of downtown marketing plan including print material.
- § Continue progressive relationship with other local organizations including the Imlay City Chamber of Commerce, the Imlay City Eagles Club, Rotary Club, Lapeer County Ed-Tech, Lions Club and the Imlay City Community Schools.
- § Continue to host special events that draw people into the community.
- § Provide incentives to local business owner's including the offering of business service seminars and other special services.
- § Continue to make use of an support the following programs and development tools:
  - Brownfield Redevelopment Authority
  - Tax Increment Financing Authority
  - Downtown Development Authority
  - Imlay City Façade Corporation
  - Imlay City Friends of the Polly Ann Trail Group
  - Lapeer Development Corporation
  - Industrial Facilities Exemption Certifications
  - Tax Exempt Industrial Development Revenue Bonds
- § Use the provisions of the Brownfield Redevelopment Authority to assist specific businesses or sites.

- § Work with owners to design and install attractive, appropriate signs, as per recommendations of the Downtown Blueprint.
- § Brochures for Grants/Loans - Translate the DDA marketing brochure for the loan program into Spanish.
- § Use the Lapeer Development Corporation and their expertise on economic development projects and programs.
- § Collaborate with SEED Group on marketing and attraction materials and ads.
- § Continue Farmers Market and expand and build pavilion.
- § Manage and promote Redevelopment Liquor License Program.
- § Become a Main Street Community
- § Actively market municipal properties in the downtown district in accordance with city commission direction.
- § Hire social media company to actively market downtown.
- § Assist the city in becoming a Redevelopment Ready community
- § Continue Next Michigan Development Corp board representation

#### **BUSINESS RECRUITMENT AND RETENTION**

**Strengthen existing economic assets, and diversify the economic base by retaining and expanding existing businesses, recruiting new businesses, converting underutilized space into productive property and sharpening the competitiveness of the downtown merchants.**

- § Continue to manage and market the Commercial Façade Loan and Commercial Façade Grant Program. The Commercial Façade Loan Program considers loan amounts up to \$40,000 while offering rates below prime. Eligibility requirements include visible improvements to the downtown (% spent of exterior, façade, site) while a portion of funding is available to address code and handicapped access. The Commercial Façade Grant Program is fashioned to encourage improvements such as signage, awnings, and painting where the DDA approves the request in advance when consistent with adopted guidelines and when after implemented, applicants are reimbursed a percentage of the improvement- purchase and installation. Such a program might consider 50% up to amount approved by board.
- § Undertake a Business Retention/Recruitment Program that offers collateral material, including area demographics and purchasing power, to assist in the development of business plans.
- § Provide development assistance to businesses by identifying available land and/or storefronts, offering preliminary design assistance, helping them through the development review process, subsidizing rent (through Retail Incubator Program), and networking with area businesses.
- § Encourage retail and food establishments to stay open later.
- § Encourage and work with owners to provide outdoor dining seats and implement a grant assistance program to establish new outdoor dining spaces.
- § Organize for external business recruitment and recruit businesses if needed.
- § Meet with existing businesses on a regular basis to identify business retention and expansion needs.
- § Add illustrations to design guidelines.

- § Work with and encourage building owners to enhance building exteriors and add attractive signage, with maximum assistance offered from any and all incentive programs.
- § Provide resources regarding historical and architectural elements of buildings in DDA District for building owners that are seeking guidance to restore the original architectural and historical elements.
- § Utilize MSHDA and CDBG funds to assist building owners to make improvements to buildings.
- § Support all Placemaking and BUY Local initiatives.
- § Support SEED Group initiatives and programs.

#### **REAL ESTATE**

##### **Leverage DDA resources to take advantage of real estate and development opportunities that will advance the mission of the DDA.**

- § Work with landowners to create more Downtown housing in upper floors.
- § Create a land acquisition plan that determines available land for purchase.
- § Identify demonstration projects that can be implemented by the DDA that will attract desired tenants and act as a catalyst for additional private investment in the downtown.
- § Create, implement and fund a Commercial Rental Incubator Program.

### **PAST EFFORTS**

This DDA Plan builds on several past efforts. While this is technically the DDA/TIF Plan, efforts have been made to try and streamline the various recommendations from the plans listed below:

- § DDA Strategic Plan
- § DDA Vision And Work Plan
- § DDA/TIF Plan
- § Imlay City Downtown Blueprint 2005

### **PROJECTS**

The Imlay City DDA has evaluated a list of potential projects that can meet the goals and objectives of this development plan. The DDA may from time to time modify the priority and timing of the project without changes to the Development Plan or Tax Increment Financing Plan. A budget will be submitted to the City Commission for approval for each year's proposed projects. The DDA may indicate modification to the plan for submission to the City Commission for public hearing, consideration and approval. Table 1 on the following page lists projects with a description of actions required and projection of overall estimated cost. It builds upon projects that have already been completed under the previous plan.

PROJECT	COST	PRIORITY / TIMEFRAME
<b>Advertising</b>		
Develop a Retention/Recruitment Plan	TBD	2014/2015
Market study	\$5,000	2014/2015
Website improvements	\$100 to \$500 / hour	As needed
Marketing materials	\$25,000	As needed
Billboard rentals	\$2,500 / month	2015/2016
Image and Donut ads	TBD	
Trail-to-Downtown Map	\$1,500	2014/2015
Social Media consultant	\$100 to \$500 / hour	As needed
<b>Capital Projects / Infrastructure</b>		
Upgrade utilities on 2 <sup>nd</sup> Street	\$695,000	
Build pavilion for farmers market	\$40,000	
M-21 and M-53 Road Improvements	Prices vary widely	
Downtown wi-fi installation	\$4,000 to \$6,000 / business	2015/2016
Industrial Park fiber-optic installation	\$50,000 / mile	2015/2016
Viaduct improvements (landscaping, sidewalks)	TBD	2015/2016
Pathway Connections to Downtown	Prices vary widely	
Upgrade utilities and infrastructure on 4 <sup>th</sup> Street	\$748,656	2014/2015
Upgrade utilities and infrastructure on NE Corner of M-53/M-21	\$150,000	2014/2015
Upgrade utilities and infrastructure on 3 <sup>rd</sup> Street	\$331,648	2014/2015
Upgrade utilities and infrastructure on Main Street	\$151,158	2014/2015
Upgrade utilities and infrastructure on Almont Avenue	\$238,000	2014/2015
Upgrade sewer line between 1 <sup>st</sup> and 2 <sup>nd</sup> Streets, between Almont Avenue and M-53	TBD	2014/2015
Upgrade utilities and infrastructure as needed throughout district	TBD	2014/2015
<b>Maintenance</b>		
Lighting	\$4000 / pole	As needed
Parking	\$2.25/sq.ft.	As needed
Road resurfacing	\$5 / square yard	As needed
Sidewalk	\$10.00/ ft.	As needed
<b>Programs</b>		
Land Acquisition Plan	TBD	As needed
Downtown Housing Program	TBD	2018/2020
Rental Incubator Program	TBD	2015/2024
Updated design guidelines	TBD	2018/2020
<b>Property Acquisition</b>		
Parks	\$50,000 to \$100,000	As needed
Vacant or Underutilized	\$50,000 to \$100,000	

## PROJECT DESCRIPTIONS

The specific projects and their approximate timeframe for completion is shown in Table 1. The estimated timing of implementation is as shown in the Table, but may be adjusted as resources allow. In reality, certain projects may be undertaken before the timeframe specified if opportunities present themselves, or after the timeframe if adequate resources or other elements of the project are not yet available. The projects in this plan are described in more detail below:

- § **Advertising Projects.** Advertising projects listed in Table 1 include a variety of "soft" (i.e. not "capital") projects aimed at generating interest and re-investment within the district. The Downtown Development Authority will commission marketing studies and develop marketing and sales materials for the development district in order to promote development and redevelopment by the private sector. The project is estimated to cost \$5,000 with utilizing a marketing class at a local university. The DDA conducts regular marketing campaigns that are continually adjusted to match current trends, interests and events related to the downtown. As such, regular adjustments to print materials, social media and websites must be maintained. The projects listed include those necessary to keep the DDA relevant to potential businesses and patrons. Because the scope of these projects may be adjusted, Table 1 presents general estimates for the DDA's reference when they are ready to initiate a project.
  
- § **Capital Improvement Projects.** To maintain a safe and welcoming downtown, the DDA will invest in a variety of capital projects. Most of the projects listed in Table 1 include replacement or repair or aging roads and infrastructure. Cost estimates have been prepared for some of the higher priority projects. The cost for later improvements or those that may involve collaboration with the City of Imlay City, such as pathway installation or improvements to roads that extend beyond the DDA boundary, will be determined when they are higher in priority or when cost-sharing or other opportunities arise. Other capital improvements are aimed at improving the downtown for visitors, including a pavilion at the farmer's market and wi-fi installation. Similarly, fiber-optic technology will be installed within the Industrial Park to further marketing efforts for those sites.
  
- § **Maintenance Projects.** The Downtown Development Authority will replace sidewalks; upgrade utilities as needed and pave streets as needed within the development area. Costs are estimated on a per-unit basis for these items, as replacement or maintenance needs cannot often be predicted. To facilitate maintenance and administer all projects in this plan, administration costs are estimated between \$50,000 and \$75,000 annually for the life of the DDA.
  
- § **Programming Projects.** Part of the Downtown Development Authority's duties are to encourage business growth, prevent deterioration within the district, and guide

redevelopment in a way that will contribute to the overall goals for the district. To this end, the following programs are planned to be developed:

- o The DDA will develop a land acquisition plan to identify locations for future parks, parking or other purposes to guide the DDA's purchase of land for purposes of redevelopment, re-sale, or conversion to a park or other use.
- o A downtown housing program will be developed to help improve the availability, variety, condition and marketability of residential units within the district.
- o A rental incubator program will be created to help bring potential business owners and land owners together. The program would help match owners of vacant buildings with new and growing businesses that want to locate within the district but who may not have the resources to secure a long-term lease.
- o Design guidelines for new construction in the district will be updated to reflect current attitudes, and to acknowledge modern technology and trends in construction.

§ **Land Acquisition Projects.** The Downtown Development Authority will acquire blighted, underutilized or dilapidated sites as needed to remove unsafe buildings, rehabilitate, resell or redevelop land that is not contributing to the district. Undeveloped, inappropriately developed and blighted property within the development district will be purchased for redevelopment or resale or use as a commercial incubator structure. Other land will be acquired for recreational use and parks within the development district. This may include but is not limited to improvements at Rotary Park on First Street within the development district as well as the creation of pocket parks within the historic downtown area. Improvements may include but are not limited to: landscaping, seating, decorative fencing and lighting. No property will be acquired without the expressed approval of the Imlay City Commission.

## **EXPECTED SALE, DONATION, EXCHANGE OR LEASE OF PROPERTY**

This Plan does not involve any acquisition projects. However, the Downtown Development Authority may consider purchasing, selling or donating any property to or from the City of Imlay City during the duration of this development plan.

## **DESIRED ZONING, STREETS, INTERSECTIONS AND UTILITY CHANGES**

The Downtown Development Authority is proposing no additional changes to the district's zoning, street levels, intersections or utilities at this time. Necessary improvements will occur as is required at the discretion of the Imlay City Commission.

### **Zoning**

The zoning categories found within the DDA District are shown on the Zoning Map. No zoning changes are proposed as part of the development plan activities.

### **Streets**

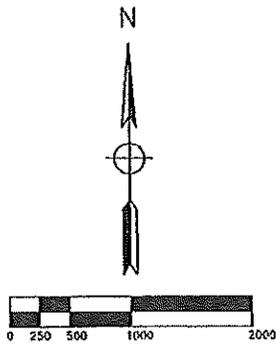
Aside from potential improvements or reconstruction, no major street changes are proposed as part of the development plan activities.

### **Intersections**

No major intersection changes are proposed as part of the development plan activities.

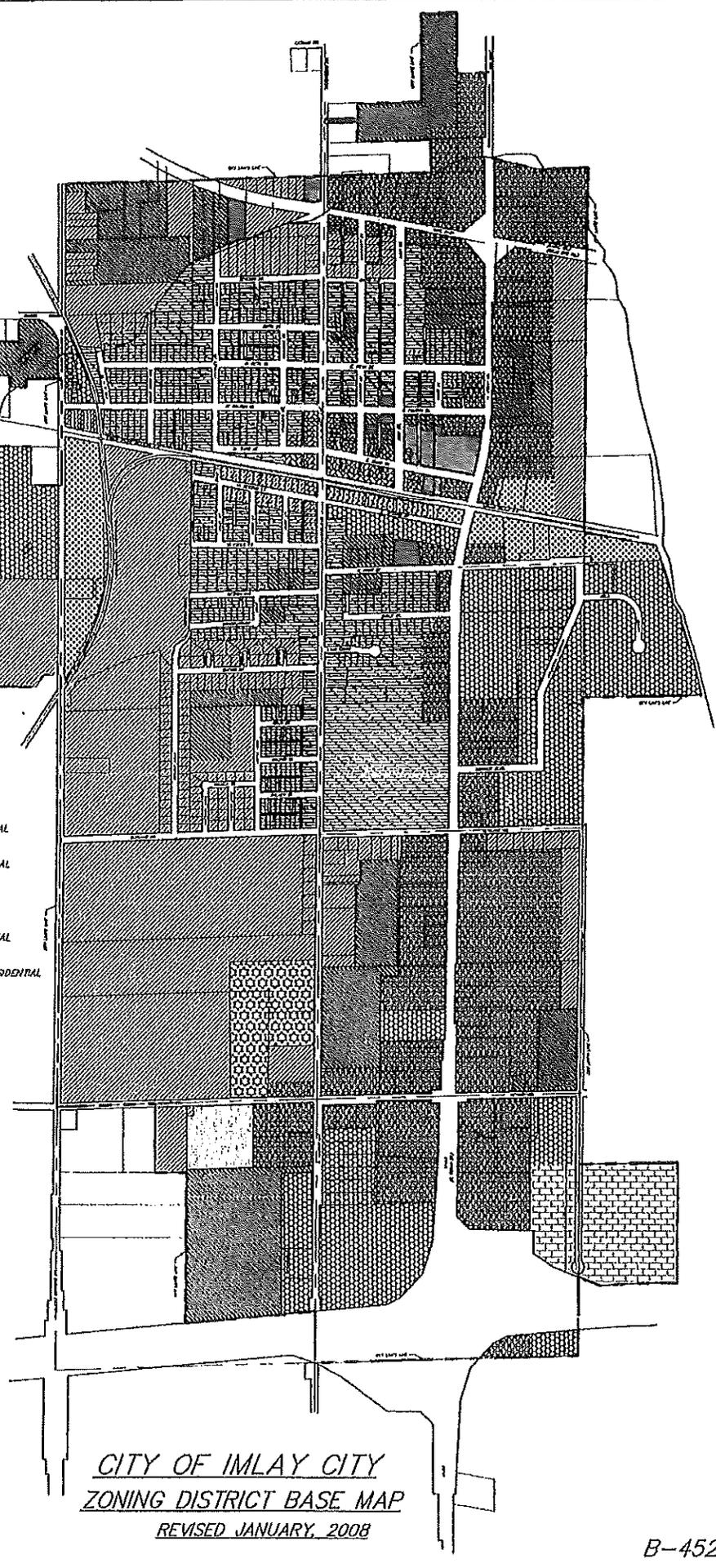
### **Utilities**

As a result of the proposed Gateway/Streetscape Enhancement Project, the Downtown Development Authority will be requesting that all overhead utilities within the project area be buried to create a cleaner more aesthetically appealing appearance. The Downtown Development Authority will request the placement of utilities underground and the replacement of underground utilities as is required throughout the duration of the development plan.



ZONING DISTRICTS

- R-1 ONE FAMILY RESIDENTIAL  
(9,600 SQ. FT.)
- R-2 ONE FAMILY RESIDENTIAL  
(7,500 SQ. FT.)
- R-2 / PUD
- R-3 TWO FAMILY RESIDENTIAL
- RM-1 MULTIPLE FAMILY RESIDENTIAL
- RM-1 / PUD
- OS-1 OFFICE SERVICE
- B-1 LOCAL BUSINESS
- B-2 CENTRAL BUSINESS
- B-3 GENERAL BUSINESS
- I-1 LIGHT INDUSTRIAL
- I-2 HEAVY INDUSTRIAL
- P-1 VEHICULAR PARKING
- I-1 / PUD



CITY OF IMLAY CITY  
ZONING DISTRICT BASE MAP  
 REVISED JANUARY, 2008



## **IMPLEMENTATION**

### **Public-Private Partnerships**

In addition to a number of public improvements proposed to be financed with public funds under the discretion of the Downtown Development Authority, the overall development plan includes as a goal the accomplishment of certain private development through private investment in cooperation with the DDA and the City. These improvements include but are not limited to the following:

- § Restoration and revitalization of development area storefronts to provide an appearance that is aesthetically pleasing and complementary to the existing business. This includes establishing a design improvement program which may include the implementation and allocation of public funds to be utilized through a matching grant program administered by the DDA for façade related improvements. The proposed improvement program would manage visual change constructively, building on existing physical assets and encouraging innovation that supports them. This may include imitating or restoring historical architecture or making necessary changes that are compatible with the commercial area's established characteristics, especially building height, setback from the road, use of materials and the rhythm of door and window openings. Suggestions for building appearance will be provided by the DDA as requested.
- § Renovation of rear building facades and creation of rear entrances which are attractive and convenient to consumers and staff members utilizing the rear parking areas.
- § Redevelopment and expansion of privately owned commercial sites in cooperation with the present or future owners. The DDA currently offers a number of assistance programs available to assist in the accomplishment of these projects including but not limited to the following: The Imlay City Façade Loan Program, Imlay City Revolving Loan Fund, Site Assistance Grant Programs, Positive District Promotional Activity, Brownfield Redevelopment, Assistance in finding property buyers, developers and tenants and tax abatements through the Lapeer Development Corporation, a county wide economic development resource.

Tax increment revenues derived from the Development Area will be utilized to finance all or a portion of the public improvements within the development district as proposed in the plan. The manner in which tax increment revenues will be utilized to finance these public improvements is herein set forth.

### **Tax Increment Financing**

Tax Increment Financing (TIF financing) is a method of funding public investments in an area slated for (re)development by capturing, for a time, all or a portion of the increased tax revenue that may result from increases in property values, either as a result of (re)development or general market inflation.

TIF Revenue represents the value of new taxes that may be received as a result of new property value increases.

**General Obligation Bonds**

Tax increment revenues may be pledged as debt service on one or more series of general obligation bonds issued by the City of Imlay City pursuant to Section 16 (1) of Public Act 197 of 1975.

**Tax Increment Bonds**

Tax increment revenues may be pledged as debt service on one of more series of tax increment bonds issued by the DDA pursuant to Section 16 (2) of Public Act 197 of 1975.

**Debt Service Reserve**

For each series of bonds issued, a debt service reserve account may be established pursuant to the requirements of applicable statutes.

**Pay-As-You-Go**

To the extent not financed from the proceeds of a bond issue, and as deemed necessary by the DDA, tax increment revenues may be used to finance all or part of any public improvement the DDA may undertake on a pay-as-you-go basis.

**Reimbursement**

Tax increment revenues may be used by the DDA to reimburse the City of Imlay City for any funds advanced to the DDA for use in financing those public improvements, or any portion thereof, indicated in the Development Plan. To the extent the City of Imlay City may be called upon to meet any debt service insufficiencies, as a result of a full or limited faith and credit pledge behind a bond issue, tax increment revenues will be used to reimburse the City of Imlay City in the amount of any such advance it has made.

**Administrative and Operating Costs**

Tax increment revenues may be used by the DDA to pay administrative and operating costs such as, but not limited to, the employment and compensation of a director, treasurer, secretary, legal counsel and other personnel considered necessary to the DDA; the reimbursement to DDA members of actual and necessary expenses; the administrative costs related to the acquisition and disposal of real property, demolition of structures, site preparation, and relocation of businesses; costs assessed to the DDA by the City of Imlay City for handling and auditing the DDA's funds; and other costs incurred by the DDA in connection with performance of its authorized functions, including, but not limited to, architects, engineers, legal, appraisal, testing and accounting fees.

**Land Contract Financing**

A land contract is a contract between a buyer and seller of real property in which the seller retains ownership of the property, and provides financing to the buyer, who is allowed to take possession of the property. The contract specifies a sale price, but in these cases, a third party (a bank or mortgage lender) is not involved, and loan installments are paid directly to the seller. Much as with a third party loan, interest is charged, and sometimes a "balloon" or down payment is

required. If the terms of the agreement are not met by the buyer, then the seller can re-claim the property and take full possession of all legal ownership rights.

**Commercial Rehabilitation Districts**

The City is enabled by State legislation to approve a CR District where the property value is frozen at the value on the date the district is created, and will not increase until a date specified by the City.

**Surplus Funds**

Funds not required for any of the preceding purposes will be considered surplus and shall be distributed proportionately to all taxing jurisdictions.

# TAX INCREMENT FINANCING PLAN

## EXECUTIVE SUMMARY

The purpose of this tax increment financing plan is to produce revenues sufficient to pay for projects outlined in the development plan. The specific tax increment financing plan proposed by the Downtown Development Authority is as follows:

- § Maximum Amount of bonded Indebtedness: The DDA, in any one year, will not pledge for annual debt service requirements in excess of 80% of the estimated tax increment revenue to be received from the development area for that given year. The total aggregate amount of borrowing shall not exceed an amount which is the 80% of the estimated tax increment will service as to annual principal and interest requirements. The total amount of bonded indebtedness will not exceed \$3,021,032,
- § Base Value: The initial assessed value, (the base year SEV from which the "captured assessed value" is calculated), is the 1985 State Equalization Valuation (for property assessed as of December 31, 1984) of the Imlay City Downtown Development District, as finally determined by the State Tax Commission.
- § Portion of "Captured Assessed Value" to be used: Recognizing the declining value of the tax base in the Downtown Development District, the DDA proposed that all of the taxes levied by taxing units on the captured assessed value of real and personal property within the District be used by the authority to the extent needed from year to year to accomplish the above-stated purpose.
- § Duration of the Program: The remaining duration of this extension of the Tax Increment Financing Plan shall be 20 years and the duration of the overall plan is 31 years.
- § Source of Funds: It is expected that there will be one or more bond issues to finance all or part of the proposed Development Plan. If not all funds are received from the bond issue, some of the project may be financed from annual revenues on a "pay as you go" basis.

### TIF TERMINOLOGY

- } "Base Value" is the taxable value of property in the TIF district at the date the TIF is established
- } "Current Value" is the taxable value of property in the district as of the current year
- } "Revenue Capture" is the difference between tax revenue collected from the Current Value and the Base Value

## INTRODUCTION

The tax increment financing plan projects a significant long-range benefit for the two taxing units involved in the tax base of the Imlay City Downtown Development District, in exchange for short-range deferral of some tax revenues which would be re-invested in the District to stimulate private investment and business expansion resulting in a healthier commercial tax base.

The two taxing units would technically forgo the taxes realized from the future growth in the Downtown Development District's tax base, to the extent needed to pay off the bonds issued for the downtown development project described earlier. However, the Downtown Development Authority feels very strongly that in reality the two taxing units will not realize these tax increases,

and they may continue to lose tax base in the Downtown Development District if the development plan is not undertaken.

The Downtown Development Authority Act authorizes several potential sources of funds for the Downtown Development Authority to use in financing its development activities, including the following:

- § Donations
- § A tax up to two (2) mills levied on the Downtown Development District upon approval of the Imlay City Commission or for the general fund of the Authority for purposes of the Authority.
- § Proceeds from a revenue bond issue or general obligation bond issue.
- § Revenues from property owned by the Downtown Development Authority.
- § Moneys received from other sources approved by the Imlay City Commission.
- § Proceeds from a tax increment financing plan.

The following comments on the first five sources will put into perspective the need for considering the tax increment financing plan.

- § Donations: These funds could be from either individuals or corporations including philanthropic foundations. However, no sources of donations are known to be available to the DDA, particularly in terms of the estimated development cost of \$3,776,290.
- § Tax Levy: The potential tax levy will not be considered by the DDA. It is believed to be counterproductive to the goal of the development plan. Levying a tax on the Downtown Development District, as a means of making a "public investment" greatly reduces the economic stimulation effect as the individual businesses would experience an immediate cost from the initial public development. In light of the trend in the tax base the Downtown Development District, a real public investment is needed, rather than in indirect private investment to stimulate private market sources.
- § Bond Proceeds: Although these are provided in the statute as a "source of financing," they are only a vehicle for borrowing, not an actual source of capital. Whether revenue bonds or tax increment bond are used, their sale requires the availability of another source of funds to repay them as they mature. A bond sale may be used for the financing of elements within the development plan. Use of bonding will be determined by the needs of a proposed development inside the boundaries of the development area.

The Downtown Development Authority shall not sell any bonds pursuant to this plan without the approval of the Imlay City commission prior to the issuance of any such bonds.

- § Revenue from Properties: The Imlay City Downtown Development Authority does not currently own any property with the development district. All income from properties acquired during implementation of the development plan will be applied to costs of that implementation. Excess funds will be used to assist in the financing of other elements within this plan.
- § Other Sources: These might include general revenues of the city of Imlay City approved by the City Commission for use by the DDA. The City of Imlay City will continue to actively

pursue any all state and federal grant opportunities that may assist in the financing of the development plan.

- § 100% of the tax increment dollars that accrue each year will be used to finance the development plan and to generate projects on a "pay as you go" basis.

## **EXPLANATION OF TAX INCREMENT FINANCING**

Tax Increment Financing (TIF financing) is a method of funding public investments in an area slated for (re)development by capturing, for a time, all or a portion of the increased tax revenue that may result from increases in property values, either as a result of (re)development or general market inflation.

Once the TIF expires (potentially in 20 years), the CIA will cease its revenue capture and 100% of taxes collected from future property values will be distributed to the appropriate taxing agencies in place at that time.

To utilize TIF financing, the CIA must prepare a Development Plan and a TIF Plan. Both plans are submitted to the City Council, who must approve the plans. Table 1 on the following page shows the projected revenues expected for the district. It represents the amount the DDA can anticipate in TIF Revenue, based on available property data. The increases in property values are based on a modest inflation rate of 2.5% annually. In reality, property values, and resulting TIF capture will exceed these figures as redevelopment increases property values at a more rapid rate.

While it is known that these calculations will not be the actual revenue that will be received, it provides a realistic estimate upon which the Development Plan can be based. Adjustments to these calculations may be made by amending this Plan in the future. Projected estimates of SEV capture, and the resulting captured value that provides the basis for projected tax revenues, is included in Table 2. Actual estimates of revenues are shown in Table 3.

**TABLE 2**

**ESTIMATE OF TAX CAPTURE REQUIREMENT INCOME**

	Fiscal Year	Base Value	% Value Increase <sup>(2)</sup>	Estimated Value <sup>(3)</sup>	Estimated Capture Amount
Base Year:	1992	\$6,736,146			
	2013	\$6,736,146	-0.1%	\$22,890,400	\$16,154,254
	2014	\$6,736,146	0.0%	\$22,890,400	\$16,154,254
	2015	\$6,736,146	0.5%	\$23,004,852	\$16,268,706
	2016	\$6,736,146	0.5%	\$23,119,876	\$16,383,730
	2017	\$6,736,146	1.0%	\$23,351,075	\$16,614,929
	2018	\$6,736,146	1.5%	\$23,701,341	\$16,965,195
	2019	\$6,736,146	2.0%	\$24,175,368	\$17,439,222
	2020	\$6,736,146	2.5%	\$24,779,752	\$18,043,606
	2021	\$6,736,146	2.5%	\$25,399,246	\$18,663,100
	2022	\$6,736,146	2.5%	\$26,034,227	\$19,298,081
	2023	\$6,736,146	2.5%	\$26,685,083	\$19,948,937
	2024	\$6,736,146	2.5%	\$27,352,210	\$20,616,064
	2025	\$6,736,146	2.5%	\$28,036,015	\$21,299,869
	2026	\$6,736,146	2.5%	\$28,736,915	\$22,000,769
	2027	\$6,736,146	2.5%	\$29,455,338	\$22,719,192
	2028	\$6,736,146	2.5%	\$30,191,722	\$23,455,576
	2029	\$6,736,146	2.5%	\$30,946,515	\$24,210,369
	2030	\$6,736,146	2.5%	\$31,720,178	\$24,984,032
	2031	\$6,736,146	2.5%	\$32,513,182	\$25,777,036
	2032	\$6,736,146	2.5%	\$33,326,012	\$26,589,866
	2033	\$6,736,146	2.5%	\$34,159,162	\$27,423,016
	2034	\$6,736,146	2.5%	\$35,013,141	\$28,276,995

- (1) This table estimates property value increases based on inflation only. Value increases due to property improvements are not considered, but would increase the amount of capture.
- (2) Value increases shown are estimates only. 2013 and 2014 inflation is estimated based on the actual change in value from 2012 to 2013, with incremental rebound in the marketplace projected through the remaining term.
- (3) Capture amounts include both real and personal property values

Beginning with the next tax collection following the approval of the plans in May, 2014 and for each collection in years covered by the plan, municipal and county treasurers transmit directly to the DDA, the applicable portion of the tax levy set by the taxing units on the real and personal property in the development area, including that portion of any commercial facilities tax levied pursuant to P.A. 255 of 1978 and that portion on an industrial facilities tax levied pursuant to PA 198 of 1974. The intent of the DDA is to allow all voted and separately identified debt millage to pass through to the intended taxing units. Therefore, the tax levy for tax increment purposes in the DDA Development Area is the total millage reduced by the amount of debt service millage levied.

The tax increment financing procedure is contained with the Downtown Development Authority statute. The procedure may be proposed by a downtown development authority as a method of financing a downtown development plan. It then may be adopted by the city commission, following consultation with the taxing units involved and a public hearing as required by statute. The essence of the tax increment procedure is as follows:

- § The public makes an investment in public improvements, and also potentially in facilities to be leased or sold to private owners, for the purpose of stimulating private investment in a specific downtown commercial area (the Downtown Development District). The investment may be made in response to a declining business climate and commercial tax base, or in response to a stable business climate and tax base which the public wishes to protect and develop.
- § A bond issue may be sold to finance the improvements.
- § Taxes generated from the subsequent growth in the tax base of the Downtown Development District are then used to retire the bonded debt. This tax base growth is called the "captured value". Specifically, it is the difference between the taxable value of the Downtown Development District at any point in time, and the value of the District in existence at the time of the adoption of downtown development plan. Increases in assessed values within a development area which result in the generation of tax increment revenues, can result from any of the following:
  - Construction of new developments occurring after the date establishing the "base value".
  - Construction through rehabilitation, remodeling, alterations, or additions occurring after the date establishing the "base value."
  - Increases in property values which occur for any other reasons, including inflationary growth.
- § The taxes which are potentially available for retiring the bonded debt of the downtown development plan include all the taxes normally levied by all the taxing units on the captured assessed value of the Downtown Development District. The Downtown Development Authority may enter into agreements with each of the taxing units to share a portion of the captured assessed value of the District. Any taxes generated by the captured assessed value, beyond the amount needed to meet the cost of the specific development project, are returned proportionately to the taxing units (a requirement of the statute).
- § When the specific development/financing plan is accomplished, the captured assessed value is released and the taxing units receive all the taxes levied on it from that point on.

§ Since only the growth in tax base (the captured assessed value) in the Downtown Development District is used to finance the development plan, the taxing units continue to receive their full tax levy on the District tax base in existence at the adoption of the development plan. In addition, any taxes generated by the captured assessed value beyond the amount required by the development plan are returned each year to the taxing units.

The justification of the tax increment financing procedure is based on the expectation that all of a portion of the "captured value" which is created, following implementation of a downtown development plan, would not have occurred without the stimulation of the public investment involved in the plan implementation; and therefore, the short-term investment made by the taxing units in the foregoing part of the initial growth in tax revenues is repaid by the long-term benefit of substantially greater taxes realized from a significantly stronger commercial tax base.

**MAXIMUM AMOUNT OF BONDED INDEBTEDNESS TO BE INCURRED** The DDA will explore the possibility of bonding against future revenues to supply the funds required to accomplish larger public improvement projects. The extent of the indebtedness and the timing of the debt retirement will be determined by the extent of the tax increment revenues. Appendix A includes a discussion and summary of bonding requirements. The maximum indebtedness could not exceed the ability to service the debt from tax increments. Only 80% of projected DDA revenues are available as debt service funds. This is a requirement of PA 197 of 1975.

### **DURATION OF THE DEVELOPMENT PROGRAM**

The duration of the tax increment financing plan is twenty (20) years, commencing upon approval by the City Commission in 2014 and will cease with tax collections due in December 2034, unless this plan is amended to extend or shorten its duration.

### **ESTIMATED IMPACT OF TAX INCREMENT FINANCING ON TAXING JURISDICTIONS**

The most important impact of this plan on the effected taxing jurisdictions is that the base value within the Development Area will remain constant for the taxing jurisdictions over the life of this plan. No decrease in tax revenues will occur from what they currently received. Tax revenues for taxing agencies are capped at the 1992 value. Any increase in value over the 1992 level will become the base upon which DDA revenues are computed.

The estimates of taxes to be captured in this report are based upon the 2012 tax rates levied by the taxing units. The applicable millage rates and projected taxes captured from each taxing jurisdiction on real property are projected in Table 3.

**TABLE 3  
ESTIMATED TAX REVENUE CAPTURE BY TAXING JURISDICTION**

Fiscal Year	Millage Rates Captured Value <sup>1</sup>	3.7886	14.35	18.4686
		Lapeer County Operating	City Operating	Estimated Revenue Capture
2013	\$16,154,254	\$61,202	\$231,814	\$293,016
2014	\$16,154,254	\$61,202	\$231,814	\$293,016
2015	\$16,268,706	\$61,636	\$233,456	\$295,092
2016	\$16,383,730	\$62,071	\$235,107	\$297,178
2017	\$16,614,929	\$62,947	\$238,424	\$301,372
2018	\$16,965,195	\$64,274	\$243,451	\$307,725
2019	\$17,439,222	\$66,070	\$250,253	\$316,323
2020	\$18,043,606	\$68,360	\$258,926	\$327,286
2021	\$18,663,100	\$70,707	\$267,815	\$338,523
2022	\$19,298,081	\$73,113	\$276,927	\$350,040
2023	\$19,948,937	\$75,579	\$286,267	\$361,846
2024	\$20,616,064	\$78,106	\$295,841	\$373,947
2025	\$21,299,869	\$80,697	\$305,653	\$386,350
2026	\$22,000,769	\$83,352	\$315,711	\$399,063
2027	\$22,719,192	\$86,074	\$326,020	\$412,094
2028	\$23,455,576	\$88,864	\$336,588	\$425,451
2029	\$24,210,369	\$91,723	\$347,419	\$439,142
2030	\$24,984,032	\$94,655	\$358,521	\$453,175
2031	\$25,777,036	\$97,659	\$369,900	\$467,559
2032	\$26,589,866	\$100,738	\$381,565	\$482,303
3033	\$27,423,016	\$103,895	\$393,520	\$497,415
2034	\$28,276,995	\$107,130	\$405,775	\$512,905
		\$1,740,054	\$6,590,766	\$8,330,820

<sup>1</sup> From Table 1

In the long term, improvements proposed for the Development Area will provide stability and growth in the Downtown District and the City as a whole. This will greatly benefit all taxing jurisdictions. This benefit will result from increases in property valuations surrounding the Development Area; increases in property valuations in the Development Area at the time the tax increment financing plan is completed; and increases in property valuations throughout the entire community, which, to a significant degree, are dependent upon the well-being of the Downtown District for stability and growth.

## PLANNED EXPENDITURES

1. **Estimate of Tax Increment Revenues.** Table 2 summarizes only the estimated tax increment revenue by year.
2. **Expenditure of Tax Increment Revenues.** The program and schedule for the expenditure of tax increment revenues to accomplish the proposed public improvements for the DDA Development Area is included in Appendix B. Cost estimates within the Appendix are estimates current to the date of adoption. All estimates are based solely upon concepts. They are not developed from construction drawings. No inflationary factor is forecasted. Stated estimates include fees for design, preparation of construction drawings or other professional services to the extent stated.

Any additional tax increment revenues beyond those projected in this plan will:

- 1) be used to expedite any debt service,
- 2) further the implementation of the public improvement program, or
- 3) be returned, pro-rata, to the taxing units.

Should the tax increment revenues be less than projected, the DDA may choose to:

- 1) Collect and hold the captured revenues until a sufficient amount is available to implement specific public improvements,
- 2) Consider implementing public improvement projects based upon the ability to match existing funds with expenditures while seeking out additional funding sources,
- 3) Amend the development plan and/or tax increment financing plan to allow for alternative projects and funding.

## FINANCING ANALYSIS

The DDA anticipates completion of projects on a "pay-as-you-go" basis, committing funds only as dollars become available. The DDA is empowered, with permission of the City Commission, to issue bonds against proposed revenues. The state act allows for no more than 80% of the anticipated tax increment revenues to be used for debt service. In practice a Limited Tax General Obligation (LTGO) Bond Issue would be required. The City would pledge anticipated tax increment revenues to repay the bonds. The General Fund of the City must be pledged to pay any shortfall of funds required to meet the debt service of the bond issue. For this reason a conservative approach is taken in estimating available funds.

The cost effectiveness of bonding is limited by the amount of debt service that would be available. Debt service is considered the total amount committed to payment of a bond debt, including principal and interest payments. A projection of available funds, after payment of the debt service for that bond, is presented in Table 4.

Fiscal Year	Total Projected Revenue	Maximum Debt Service Allowed by Law	Remaining Available
2013	\$293,016	\$234,412	\$58,603
2014	\$293,016	\$234,412	\$58,603
2015	\$295,092	\$236,073	\$59,018
2016	\$297,178	\$237,742	\$59,436
2017	\$301,372	\$241,097	\$60,274
2018	\$307,725	\$246,180	\$61,545
2019	\$316,323	\$253,058	\$63,265
2020	\$327,286	\$261,829	\$65,457
2021	\$338,523	\$270,818	\$67,705
2022	\$350,040	\$280,032	\$70,008
2023	\$361,846	\$289,477	\$72,369
2024	\$373,947	\$299,157	\$74,789
2025	\$386,350	\$309,080	\$77,270
2026	\$399,063	\$319,251	\$79,813
2027	\$412,094	\$329,675	\$82,419
2028	\$425,451	\$340,361	\$85,090
2029	\$439,142	\$351,314	\$87,828
2030	\$453,175	\$362,540	\$90,635
2031	\$467,559	\$374,047	\$93,512
2032	\$482,303	\$385,842	\$96,461
2033	\$497,415	\$397,932	\$99,483
2034	\$512,905	\$410,324	\$102,581
<b>TOTAL</b>	<b>\$8,330,820</b>	<b>\$6,664,656</b>	<b>\$1,666,164</b>

## **PROPOSED METHOD OF FINANCING**

The Authority will prepare an Annual Budget to program the specific expenditures for the upcoming fiscal year. The Authority will be able to choose the specific work elements each year following the receipt of recommendations from City Administration.

It is presently planned that the public sector improvements will be financed through the use of captured tax increments in accordance with a Tax Increment Financing Plan established pursuant to Public Act 197 of 1975, as amended. Under P.A. 197 of 1975, as amended, the Authority is empowered to carry out a public improvement program utilizing the funding from tax increment financing as approved by the City Commission.

The Authority may issue tax increment bonds in accordance with Section 16 of Act 197, and pledge future captured tax increments to pay the principal and interest due on such bonds. A comprehensive discussion of tax increment financing for the proposed public improvements is set forth in the Tax Increment Financing Plan.

Proposed projects will be funded on a "pay as you go" basis. The Downtown Development Authority will continue to pursue grant funding as may be possible. Revenue bonds and tax increment bonds will be used as a financing tool in conjunction with large developments that occur within the development district. The Downtown Development Authority shall not sell any bonds pursuant to this plan without the prior approval of the Imlay City Commission. The Downtown Development Authority may also purchase property under land contract and undertake installment contract financing. The plan will be financed by Tax Increment Financing.

## **PROPOSED LESSEES**

No acquisition is proposed in this plan. However, if such was to occur, acquisition of property would be based on the value such as identified by an independent appraisal of a licensed appraiser to perform such work in the State of Michigan.

## **PROCEDURES FOR CONVEYANCE**

If leased, sold or conveyed, the value of property shall be determined by the Downtown Development Authority Board and the Imlay City Commission. The Downtown Development Authority will adhere to appropriate bidding procedures as is applicable by Imlay City Charter.

**ESTIMATED NUMBER OF RESIDENTS IN THE DEVELOPMENT AREA**

Based upon the information collected by the Imlay City Downtown Development Authority, the number of residents residing in the development district is 81. This total includes the following:

Residents in owner-occupied residential units	27
Residents in tenant occupied residential units	54
Total Residents	81

There will be no displacement of the 81 residents living within the development district. As the development district population does not exceed 100 residents, the Imlay City Downtown Development Authority will not form a Development Area Citizens Council.

The development plan does not call for the displacement of any residents; however, if studies or projects necessitate the displacement of any residents, the plan will be amended with the approval of the Imlay City Commission following a public hearing. No occupied residences are designated for acquisition and clearance by the Authority.







# DDA BOUNDERY MAP





# BY-LAWS

# THE DOWNTOWN DEVELOPMENT AUTHORITY OF THE CITY OF IMLAY CITY

## RULES

### ARTICLE I

#### BOARD MEMBERSHIP

##### Section 1

The board of Directors of the Downtown Development Authority of the City of Imlay City shall be subject to approval by the Mayor and the City Commission of the City of Imlay City.

##### Section 2

A member of the Board who has a direct interest in any matter before the Authority shall comply with the conflict-of-interest policy as adopted by the Board.

##### Conflict-of-Interest Policy

A board member who has a conflict of interest regarding any matter before the Authority shall disclose the interest prior to any action by the Authority with respect to the matter. The disclosure shall become a part of the record. Any member making such a disclosure shall then refrain from participating in the Authority's decision-making process, which would include comments and or discussion relative to the matter. The Board members and the Authority shall comply with Michigan Public Act 317 of 1968 as amended, being Michigan Compiled Law 15.321 et. seq., or any other Michigan statute governing conflict of interest of Downtown Development Authority members then in effect.

##### Section 3

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

##### Section 4

The board of Directors of the Downtown Development Authority shall be made of a board of up to 9 members. Members shall be appointed by the Mayor, subject to approval by the City Commission. Not less than a majority of the members shall be persons having an interest in property located in the downtown district or officers, members, trustees, principals, or employees of a legal entity having an interest in property located in the downtown district. Not less than 1 of the members shall be a resident of the downtown district, if the downtown district has 100 or more persons residing within it.

##### Section 5

Pursuant to notice and after having been given an opportunity to be heard, a member of the board may be removed for cause by the City Commission. A member of the Downtown Development Authority may be removed by the City Commission, after written charges and a public hearing, for nonfeasance, misfeasance or malfeasance in

office. Sufficient cause for removal includes, but is not limited to, a director of the board acquiring unexcused absences at three consecutive regular meetings, or 25 percent of such meetings in any calendar year. The member shall be deemed to have vacated their office, and the City Commission may declare said office vacant. Upon such office being declared vacant, the Mayor shall appoint with the approval of the City Commission a new member to fill such vacancy for the unexpired term.

## **ARTICLE II**

### **OFFICERS**

#### **Section 1**

The officers of the Authority shall consist of a chairperson, vice chairperson, secretary and treasurer and director if appointed.

#### **Section 2**

The officers of the Authority shall be elected in July of each year by the members of the Board. Each officer shall serve for one year or until his or her successor shall take office. Vacancies in office shall be filled by election of the Board.

#### **Section 3**

The chairperson shall preside at all meetings of the Board and shall perform such other duties as they are assigned to him or her by the Board.

#### **Section 4**

The vice chairperson shall preside whenever the chairperson is unavailable. If neither the chairperson nor the vice chairperson is available to preside at a meeting, a temporary presiding officer shall be elected for that meeting.

#### **Section 5**

The Board may employ and fix the compensation of a secretary, who shall maintain custody of the official seal and records, books, documents, or other papers not required to be maintained by the treasurer. The secretary shall attend meetings of the Board and keep a record of the proceedings and shall perform such other duties delegated by the Board.

#### **Section 6**

The treasurer of the City of Imlay City will be asked to serve as the DDA treasurer. They shall keep the financial records of the Authority and who, together with the Director, if any, shall approve all accounts payable vouchers for the expenditure of funds of the Authority. The treasurer shall perform such other duties as may be delegated to him or her by the Board and shall furnish bond in an amount prescribed by the City of Imlay City Charter.

Section 7

The Board may employ and fix the compensation of a director, subject to the approval of the City of Imlay City Commission. The director shall serve at the pleasure of the board. A member of the Board is not eligible to hold the position of director. Before entering upon the duties of the office, the director shall take and subscribe to the constitutional oath and furnish bond by posting a bond in the amount of \$5,000 payable to the Authority for the use and benefit of the Authority, approved by the Board, and filed with the Clerk of the City of Imlay City, if not covered by the City's Municipal Insurance policy. The premium on the bond shall be considered an operating expense of the Authority, payable from funds available to the Authority for expense of operation. The director shall be the chief executive officer of the Authority. Subject to the approval of the Board, the director shall supervise and be responsible for the preparation of plans and the performance of the functions of the authority in the manner authorized by Public Act No. 197 of 1975. The director shall attend the meetings of the Board and shall render to the Board and to the governing body a regular report covering the activities and financial condition of the Authority. If the director is absent or disabled, the Board may designate a qualified person as acting director to perform the duties of the office, the acting director shall take and subscribe to the constitutional oath and furnish a bond as required by the director. The director shall furnish the Board with information or reports governing the operations of the Authority, as the Board requires.

**ARTICLE III**

**MEETINGS**

Section 1

Regular meetings of the Board shall be held at the City offices of the City of Imlay City or such other location as designated by the Board.

Section 2

If standard meeting dates are established, a resolution setting the specific date of each regular meeting of the year shall be adopted by the City Commission with the recommendation of the Downtown Development Authority each January and posted at the City Offices. Further, notices shall be posted to comply with state law and local ordinance.

Section 3

Special meetings may be called by the chairperson, the secretary, the DDA Director, or by any two members who submit a written request to the chairperson or DDA Director.

Section 4

Notice of all special meetings shall be posted at the City offices at least 18 hours prior to the meeting or as otherwise required to comply with applicable laws and ordinances.

Section 5

A majority of the membership of the Board shall constitute a quorum for any meeting or as required by law.

Section 6

All meetings and records of the Authority shall be open to the public. The DDA shall make proposed minutes available for public inspection within 8 business days after the meeting to which the minutes refer. The DDA shall make approved minutes available for public inspection within 5 business days after the meeting at which the minutes are approved by the public body.

Section 7

The normal order of business shall be:

- a. call to order
- b. pledge of allegiance
- c. roll call
- d. approval of the agenda
- e. public participation
- f. approval of minutes
- g. financial reports
- h. old business
- i. new business
- j. executive directors report
- k. board member comments
- l. adjournment

Section 8

Two annual meetings of the Authority shall be held each year. One shall be held in July and one in December. The business of the annual meeting shall include the election of officers. The fiscal year of the Authority shall be July 1<sup>st</sup> through June 30<sup>th</sup>.

**ARTICLE IV**

Section 1

Amendments to these Rules may be proposed at any meeting of the Board.

Section 2

In order to become effective, any amendment to these Rules must be approved by at least two thirds of the regular members of the Board and approved by the City Commission of the City of Imlay City.

The undersigned DDA Executive Director of the Board of the Downtown Development Authority of the City of Imlay City hereby certifies that these Rules, as Amended and Restated, were duly adopted by the Board at a meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
Christine Malzahn, Executive DDA Director

The undersigned City Clerk of the City of Imlay City hereby certifies that these Rules, as Amended and Restated, were approved by the City Commission of the City of Imlay City at a regular meeting held on the \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
Dawn Sawicki-Franz, City Clerk



# 2023 MEETING DATES AND BUDGET

IMLAY CITY  
DOWNTOWN DEVELOPMENT AUTHORITY  
2023 MEETING CALENDAR

January 9, 2023

July 10, 2023

February 13, 2023

August 14, 2023

March 13, 2023

September 11, 2023

April 10, 2023

October 9, 2023

May 8, 2023

November 13, 2023

June 12, 2023

December 11, 2023

IMLAY CITY  
DOWNTOWN DEVELOPMENT AUTHORITY  
2023 EVENT CALENDAR

**FARMERS MARKET**

Thursdays from 10 am - 4 pm

May 18	August 10
May 25	August 17
June 1	August 24
June 8	August 31
June 15	September 7
June 22	September 14
June 29	September 21
July 6	September 28
July 13	October 5
July 20	October 12
July 27	October 19
August 3	October 26

**SUMMER CONCERT SERIES**

Tuesdays 7 pm

June 6	August 1
June 13	August 8
June 20	August 15
June 27	August 22
July 11	August 29
July 18	

**ART IN THE ROUGH**

September 16  
Discussed making all day  
music and art event (Noon – 10 pm)

**WINTER PLAYGROUND**

December 2 (5 – 8 pm)  
Coordinated with Chamber

## **2023 Office Closed**

Monday, January 2, 2023 (New Year's Day)

Monday, January 16, 2023 (Dr. Martin Luther King Day)

Friday, April 07, 2023 (Good Friday)

Monday, May 29, 2023 (Memorial Day)

Tuesday, July 4, 2023 (Independence Day)

Monday, September 4, 2023 (Labor Day)

Friday, November 10, 2023 (Veteran's Day)

Thursday, November 23, 2023 (Thanksgiving)

Friday, November 24, 2023 (Day after Thanksgiving)

Monday, December 25, 2023 (Observance of Christmas Eve)

Tuesday, December 26, 2023 (Observance of Christmas Day)

Friday, December 29, 2023 (New Year's Eve)

## **NO Elections for 2023**



## **DIRECTORS DUTIES**

## What does the DDA Director do anyway?

- 1) Current economic projects:
  - a. Lapeer Manufacturing
    - i. Relocation from Lapeer to build new facility in Phase II of Industrial Park
    - ii. Looking for tax incentives, available PA 198
    - iii. Purchasing another company from California and combining them here will create an additional 6-8 jobs
  - b. Dietech
    - i. Expanding – building on Almont Avenue.
  - c. Murphy's Pub & Grill
    - i. Remodeling old Tietz Restaurant
    - ii. Applied for a redevelopment liquor license – awaiting response and approval
    - iii. Will apply for the Keno license too
  - d. Restaurant in Belle Valley Plaza (Renee)
    - i. Will apply for redevelopment liquor license
    - ii. Working on costs of renovation to become a restaurant
    - iii. Met with CCA, notes in file
  - e. All Cities Restoration
    - i. Bought old Mold Masters Building and working on renovating them
    - ii. Interested in possible purchase of bowling alley – I sent him the information
  - f. Somewhere In Time
    - i. 150 E Third, converting back into a bed & breakfast- could qualify for CDBG Funding. Awaiting information from the owners to proceed
  - g. Vintech
    - i. Issue with IFT – Pat Haney threatened to go to state to have revoked if they continue to fight taxable value. Spoke to Dennis to let him handle situation and Patricia Lucas has been informed.
    - ii. Are beginning to outgrow the facility. Possible expansion in the future
  - h. Trim Unlimited
    - i. Staffing issues, cannot hire people with right qualifications have worked with Thumbworks and tried to make connections with Sewers Guilds, etc to assist, as well as hosting a job fair
  - i. B Naturals
    - i. Needs to find new location in downtown ASAP. Showed her several properties and she put an offer in on one. Follow up with her
  - j. CEC Program- Champion
    - i. Lead SEED Group core team, volunteers, and coordinate Entrepreneur Meetups and Manufacturer Luncheons
  - k. Retention Calls
    - i. Commercial retention calls are done by Chamber and DDA

- ii. Industrial retention calls are done by DDA, Lapeer Development Corporation, & MEDC

#### Incentives

- 1) Redevelopment Liquor Licenses
  - a. Application
  - b. State Regulations
  - c. Process for implementation
    - i. Commission Meetings
    - ii. Fee Schedule
- 2) Grants
  - a. Façade Grant
  - b. Grafitti Grant
- 3) Façade Loan
  - a. Need new signature cards, consider adding Patricia Lucas for logistical purposes, etc.

#### Grants

- 1) DIA – Lapeer County Community Foundation follow up report due in August
- 2) DIA – Four County Community Foundation Grant follow up report due in August
- 3) GFAC grant follow up report due in August
- 4) GFAC Grant application for 2015 due in beginning of October
- 5) Assist Rotary with applying for Parks & Rec grant for Rotary Park improvements
  - a. LCCF due end of June
  - b. FCCF due July 1
- 6) DIG Grant final audit submission, the rest is completed
- 7) DUFB reports due at end of market season

#### Design

- 1) Christmas lights – will need to add more
- 2) Christmas Tree wanted by community – possible location at Police Department
- 3) New Winter banners needed in about 2 years
- 4) DIG Grant parking lot project – contractor agreed to mill 1 inch of entire senior center parking lot area and relay. Needs to be fixed around sewer grates as well. Puddling exists in many areas and large cracks are present. Water also puddles at entrance to senior center. They will also need to restripe the lot when done as the striping was done in the rain and it all washed away. The bonding company has been informed of all this.
- 5) Awaiting the quote from McNulty electric for the lightpole so that we can file a claim and order the light fixture that was knocked down by DPW

- 6) Electric car charging station we are still awaiting for a rep to come out and help with setup since the electrical contractor threw away all the necessary information needed to get the charging station up and running. The current contact has been very hard to get over here or return of calls, etc. GOOD LUCK!

#### Contracts

- 1) Landscaping
- 2) Irrigation
- 3) Secretary

#### Organization

- 1) Create and implement a balanced budget
- 2) facilitate an audit
- 3) Keep up with business openings and closing
- 4) inventory property availability
- 5) answer emails and phone calls
- 6) Administer and apply for Grants
- 7) Understanding of Construction projects helpful
- 8) Supervise part time and contractual employees
- 9) oversee promotional activities (the grunt work is done by a part timer)
- 10) Member of MEDA, Rotary Club, ISCS, & NMDC
- 11) Answer questions from peers on the MDA listserv
- 12) Do meeting agendas
- 13) Attend monthly DDA Meetings, Monthly Promotion meetings, outside promotion meetings (Chamber, Blueberry or Cinco), SEED Meetings, planning commission, ZBA, Lapeer economic club, Lapeer development corporation, and several downtown conferences on an annual basis.

The organization of promotions, farmer's market, etc. is being handled by a part time person. However, you will need to oversee the financial aspects of reporting, etc for the SNAP, Debit, Sneior Fresh, WIC and DUFB Programs. Also handle check requests for the Farmers Market

- 14) Handle retention calls in Industrial Park and all downtown businesses
- 15) Plan and implement business workshops, Entrepreneur Meetups and manufacturer luncheons

PROMOTIONS –

- 1) work with Chamber on joint events including – BUY LOCAL, workshops, meetups, dual advertising, winter playground, and cinco de mayo (if reactivated)
- 2) Events – Summer Concert Series, Summer Movie Series, Farmers Market, Polly Ann Trail Walk, possible Cinco De Mayo, Scarecrow decorating, Homecoming, Blueberry Parade, Winter Playground



# **OPEN MEETINGS ACT**

**OPEN MEETINGS ACT**  
**Act 267 of 1976**

AN ACT to require certain meetings of certain public bodies to be open to the public; to require notice and the keeping of minutes of meetings; to provide for enforcement; to provide for invalidation of governmental decisions under certain circumstances; to provide penalties; and to repeal certain acts and parts of acts.

**History:** 1976, Act 267, Eff. Mar. 31, 1977.

*The People of the State of Michigan enact:*

**15.261 Short title; effect of act on certain charter provisions, ordinances, or resolutions.**

Sec. 1. (1) This act shall be known and may be cited as the "Open meetings act".

(2) This act shall supersede all local charter provisions, ordinances, or resolutions which relate to requirements for meetings of local public bodies to be open to the public.

(3) After the effective date of this act, nothing in this act shall prohibit a public body from adopting an ordinance, resolution, rule, or charter provision which would require a greater degree of openness relative to meetings of public bodies than the standards provided for in this act.

**History:** 1976, Act 267, Eff. Mar. 31, 1977.

**15.262 Definitions.**

Sec. 2. As used in this act:

(a) "Public body" means any state or local legislative or governing body, including a board, commission, committee, subcommittee, authority, or council, that is empowered by state constitution, statute, charter, ordinance, resolution, or rule to exercise governmental or proprietary authority or perform a governmental or proprietary function; a lessee of such a body performing an essential public purpose and function pursuant to the lease agreement; or the board of a nonprofit corporation formed by a city under section 4o of the home rule city act, 1909 PA 279, MCL 117.4o.

(b) "Meeting" means the convening of a public body at which a quorum is present for the purpose of deliberating toward or rendering a decision on a public policy, or any meeting of the board of a nonprofit corporation formed by a city under section 4o of the home rule city act, 1909 PA 279, MCL 117.4o.

(c) "Closed session" means a meeting or part of a meeting of a public body that is closed to the public.

(d) "Decision" means a determination, action, vote, or disposition upon a motion, proposal, recommendation, resolution, order, ordinance, bill, or measure on which a vote by members of a public body is required and by which a public body effectuates or formulates public policy.

**History:** 1976, Act 267, Eff. Mar. 31, 1977;—Am. 2001, Act 38, Imd. Eff. July 11, 2001.

**15.263 Meetings, decisions, and deliberations of public body; requirements; attending or addressing meeting of public body; COVID-19 safety measures; tape-recording, videotaping, broadcasting, and telecasting proceedings; accommodation of absent members; remote attendance; rules; exclusion from meeting; exemptions.**

Sec. 3. (1) All meetings of a public body must be open to the public and must be held in a place available to the general public. All persons must be permitted to attend any meeting except as otherwise provided in this act. The right of a person to attend a meeting of a public body includes the right to tape-record, to videotape, to broadcast live on radio, and to telecast live on television the proceedings of a public body at a public meeting. The exercise of this right does not depend on the prior approval of the public body. However, a public body may establish reasonable rules and regulations in order to minimize the possibility of disrupting the meeting. For a meeting of a public body held in person before April 1, 2021, the public body shall do both of the following:

(a) To the extent feasible under the circumstances, ensure adherence to social distancing and mitigation measures recommended by the Centers for Disease Control and Prevention for purposes of preventing the spread of COVID-19, including the measure that an individual remain at least 6 feet from anyone from outside the individual's household.

(b) Adopt heightened standards of facility cleaning and disinfection to limit participant exposure to COVID-19, as well as protocols to clean and disinfect in the event of a positive COVID-19 case in the public body's meeting place.

(2) All decisions of a public body must be made at a meeting open to the public. For purposes of any meeting subject to this section, except a meeting of any state legislative body at which a formal vote is taken, the public body shall, subject to section 3a, establish the following procedures to accommodate the absence of

any member of the public body due to military duty, a medical condition, or a statewide or local state of emergency or state of disaster declared pursuant to law or charter or local ordinance by the governor or a local official, governing body, or chief administrative officer that would risk the personal health or safety of members of the public or the public body if the meeting were held in person:

(a) Procedures by which the absent member may participate in, and vote on, business before the public body, including, but not limited to, procedures that provide for both of the following:

(i) Two-way communication.

(ii) For each member of the public body attending the meeting remotely, a public announcement at the outset of the meeting by that member, to be included in the meeting minutes, that the member is in fact attending the meeting remotely. If the member is attending the meeting remotely for a purpose other than for military duty, the member's announcement must further identify specifically the member's physical location by stating the county, city, township, or village and state from which he or she is attending the meeting remotely.

(b) Procedures by which the public is provided notice of the absence of the member and information about how to contact that member sufficiently in advance of a meeting of the public body to provide input on any business that will come before the public body.

(3) All deliberations of a public body constituting a quorum of its members must take place at a meeting open to the public except as provided in this section and sections 7 and 8.

(4) A person must not be required as a condition of attendance at a meeting of a public body to register or otherwise provide his or her name or other information or otherwise to fulfill a condition precedent to attendance.

(5) A person must be permitted to address a meeting of a public body under rules established and recorded by the public body. The legislature or a house of the legislature may provide by rule that the right to address may be limited to prescribed times at hearings and committee meetings only.

(6) A person must not be excluded from a meeting otherwise open to the public except for a breach of the peace actually committed at the meeting.

(7) This act does not apply to the following public bodies, but only when deliberating the merits of a case:

(a) The Michigan compensation appellate commission operating as described in either of the following:

(i) Section 274 of the worker's disability compensation act of 1969, 1969 PA 317, MCL 418.274.

(ii) Section 34 of the Michigan employment security act, 1936 (Ex Sess) PA 1, 421.34.

(b) The state tenure commission created in section 1 of article VII of 1937 (Ex Sess) PA 4, MCL 38.131, when acting as a board of review from the decision of a controlling board.

(c) The employment relations commission or an arbitrator or arbitration panel created or appointed under 1939 PA 176, MCL 423.1 to 423.30.

(d) The Michigan public service commission created under 1939 PA 3, MCL 460.1 to 460.11.

(8) This act does not apply to an association of insurers created under the insurance code of 1956, 1956 PA 218, MCL 500.100 to 500.8302, or other association or facility formed under that act as a nonprofit organization of insurer members.

(9) This act does not apply to a committee of a public body that adopts a nonpolicymaking resolution of tribute or memorial, if the resolution is not adopted at a meeting.

(10) This act does not apply to a meeting that is a social or chance gathering or conference not designed to avoid this act.

(11) This act does not apply to the Michigan veterans' trust fund board of trustees or a county or district committee created under 1946 (1st Ex Sess) PA 9, MCL 35.602 to 35.610, when the board of trustees or county or district committee is deliberating the merits of an emergent need. A decision of the board of trustees or county or district committee made under this subsection must be reconsidered by the board or committee at its next regular or special meeting consistent with the requirements of this act. "Emergent need" means a situation that the board of trustees, by rules promulgated under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, determines requires immediate action.

(12) As used in subsection (2):

(a) "Formal vote" means a vote on a bill, amendment, resolution, motion, proposal, recommendation, or any other measure on which a vote by members of a state legislative body is required and by which the state legislative body effectuates or formulates public policy.

(b) "Medical condition" means an illness, injury, disability, or other health-related condition.

**History:** 1976, Act 267, Eff. Mar. 31, 1977;—Am. 1981, Act 161, Imd. Eff. Nov. 30, 1981;—Am. 1986, Act 269, Imd. Eff. Dec. 19, 1986;—Am. 1988, Act 158, Imd. Eff. June 14, 1988;—Am. 1988, Act 278, Imd. Eff. July 27, 1988;—Am. 2016, Act 504, Eff. Apr. 9, 2017;—Am. 2018, Act 485, Eff. Mar. 29, 2019;—Am. 2020, Act 228, Imd. Eff. Oct. 16, 2020;—Am. 2020, Act 254, Imd. Eff. Dec. 22, 2020.

**15.263a Electronic public meetings; telephonic or video conferencing; "agricultural commodity group" defined; permissibility under certain circumstances; 2-way communication required; advance notice of electronic meetings; availability of agenda; registration requirement prohibited; remote participation limited to military duty or medical condition.**

Sec. 3a. (1) A meeting of a public body held, in whole or in part, electronically by telephonic or video conferencing in compliance with this section and, except as otherwise required in this section, all of the provisions of this act applicable to a nonelectronic meeting, is permitted by this act in the following circumstances:

(a) Before March 31, 2021 and retroactive to March 18, 2020, any circumstances, including, but not limited to, any of the circumstances requiring accommodation of absent members described in section 3(2).

(b) Subject to subdivision (d), on and after March 31, 2021 through December 31, 2021, only those circumstances requiring accommodation of members absent for the reasons described in section 3(2). For the purpose of permitting an electronic meeting due to a local state of emergency or state of disaster, this subdivision applies only as follows:

(i) To permit the electronic attendance of a member of the public body who resides in the affected area.

(ii) To permit the electronic meeting of a public body that usually holds its meetings in the affected area.

(c) Subject to subdivision (d), after December 31, 2021, only in the circumstances requiring accommodation of members absent due to military duty as described in section 3(2).

(d) On and after March 31, 2021, for a public body that is an agricultural commodity group, any circumstances, including, but not limited to, any of the circumstances requiring accommodation of absent members described in section 3(2). As used in this subdivision, "agricultural commodity group" means any of the following:

(i) A committee as that term is defined in section 2 of the agricultural commodities marketing act, 1965 PA 232, MCL 290.652.

(ii) The state beef industry commission created in section 3 of the beef industry commission act, 1972 PA 291, MCL 287.603.

(iii) The potato industry commission created in section 2 of 1970 PA 29, MCL 290.422.

(iv) The Michigan bean commission created in section 3 of 1965 PA 114, MCL 290.553.

(2) A meeting of a public body held electronically under this section must be conducted in a manner that permits 2-way communication so that members of the public body can hear and be heard by other members of the public body, and so that public participants can hear members of the public body and can be heard by members of the public body and other participants during a public comment period. A public body may use technology to facilitate typed public comments during the meeting submitted by members of the public participating in the meeting that may be read to or shared with members of the public body and other participants to satisfy the requirement under this subsection that members of the public be heard by others during the electronic meeting and the requirement under section 3(5) that members of the public be permitted to address the electronic meeting.

(3) Except as otherwise provided in subsection (8), a physical place is not required for an electronic meeting held under this section, and members of a public body and members of the public participating electronically in a meeting held under this section that occurs in a physical place are to be considered present and in attendance at the meeting for all purposes.

(4) If a public body directly or indirectly maintains an official internet presence that includes monthly or more frequent updates of public meeting agendas or minutes, the public body shall, in addition to any other notices that may be required under this act, post advance notice of a meeting held electronically under this section on a portion of the public body's website that is fully accessible to the public. The public notice on the website must be included on either the homepage or on a separate webpage dedicated to public notices for nonregularly scheduled or electronic public meetings that is accessible through a prominent and conspicuous link on the website's homepage that clearly describes its purpose for public notification of nonregularly scheduled or electronic public meetings. Subject to the requirements of this section, any scheduled meeting of a public body may be held as an electronic meeting under this section if a notice consistent with this section is posted at least 18 hours before the meeting begins. Notice of a meeting of a public body held electronically must clearly explain all of the following:

(a) Why the public body is meeting electronically.

(b) How members of the public may participate in the meeting electronically. If a telephone number, internet address, or both are needed to participate, that information must be provided specifically.

(c) How members of the public may contact members of the public body to provide input or ask questions on any business that will come before the public body at the meeting.

(d) How persons with disabilities may participate in the meeting.

(5) Beginning on the effective date of the amendatory act that added this section, if an agenda exists for an electronic meeting held under this section by a public body that directly or indirectly maintains an official internet presence that includes monthly or more frequent updates of public meeting agendas or minutes, the public body shall, on a portion of the website that is fully accessible to the public, make the agenda available to the public at least 2 hours before the electronic meeting begins. This publication of the agenda does not prohibit subsequent amendment of the agenda at the meeting.

(6) A public body shall not, as a condition of participating in an electronic meeting of the public body held under this section, require a person to register or otherwise provide his or her name or other information or otherwise to fulfill a condition precedent to attendance, other than mechanisms established and required by the public body necessary to permit the person to participate in a public comment period of the meeting.

(7) Members of the general public otherwise participating in a meeting of a public body held electronically under this section are to be excluded from participation in a closed session of the public body held electronically during that meeting if the closed session is convened and held in compliance with the requirements of this act applicable to a closed session.

(8) At a meeting held under this section that accommodates members absent due to military duty or a medical condition, only those members absent due to military duty or a medical condition may participate remotely. Any member who is not on military duty or does not have a medical condition must be physically present at the meeting to participate.

**History:** Add. 2020, Act 228, Imd. Eff. Oct. 16, 2020;—Am. 2020, Act 254, Imd. Eff. Dec. 22, 2020;—Am. 2021, Act 54, Imd. Eff. July 13, 2021.

#### **15.264 Public notice of meetings generally; contents; places of posting.**

Sec. 4. The following provisions shall apply with respect to public notice of meetings:

(a) A public notice shall always contain the name of the public body to which the notice applies, its telephone number if one exists, and its address.

(b) A public notice for a public body shall always be posted at its principal office and any other locations considered appropriate by the public body. Cable television may also be utilized for purposes of posting public notice.

(c) If a public body is a part of a state department, part of the legislative or judicial branch of state government, part of an institution of higher education, or part of a political subdivision or school district, a public notice shall also be posted in the respective principal office of the state department, the institution of higher education, clerk of the house of representatives, secretary of the state senate, clerk of the supreme court, or political subdivision or school district.

(d) If a public body does not have a principal office, the required public notice for a local public body shall be posted in the office of the county clerk in which the public body serves and the required public notice for a state public body shall be posted in the office of the secretary of state.

**History:** 1976, Act 267, Eff. Mar. 31, 1977;—Am. 1984, Act 87, Imd. Eff. Apr. 19, 1984.

#### **15.265 Public notice of regular meetings, change in schedule of regular meetings, rescheduled regular meetings, or special meetings; posting; statement of date, time, and place; website; recess or adjournment; emergency sessions; emergency public meeting; meeting in residential dwelling; limitation; notice; duration requirement.**

Sec. 5. (1) A meeting of a public body shall not be held unless public notice is given as provided in this section by a person designated by the public body.

(2) For regular meetings of a public body, there shall be posted within 10 days after the first meeting of the public body in each calendar or fiscal year a public notice stating the dates, times, and places of its regular meetings.

(3) If there is a change in the schedule of regular meetings of a public body, there shall be posted within 3 days after the meeting at which the change is made, a public notice stating the new dates, times, and places of its regular meetings.

(4) Except as provided in this subsection or in subsection (6), for a rescheduled regular or a special meeting of a public body, a public notice stating the date, time, and place of the meeting shall be posted at least 18 hours before the meeting in a prominent and conspicuous place at both the public body's principal office and, if the public body directly or indirectly maintains an official internet presence that includes monthly or more frequent updates of public meeting agendas or minutes, on a portion of the website that is

fully accessible to the public. The public notice on the website shall be included on either the homepage or on a separate webpage dedicated to public notices for nonregularly scheduled public meetings and accessible via a prominent and conspicuous link on the website's homepage that clearly describes its purpose for public notification of those nonregularly scheduled public meetings. The requirement of 18-hour notice does not apply to special meetings of subcommittees of a public body or conference committees of the state legislature. A conference committee shall give a 6-hour notice. A second conference committee shall give a 1-hour notice. Notice of a conference committee meeting shall include written notice to each member of the conference committee and the majority and minority leader of each house indicating time and place of the meeting.

(5) A meeting of a public body that is recessed for more than 36 hours shall be reconvened only after public notice that is equivalent to that required under subsection (4) has been posted. If either house of the state legislature is adjourned or recessed for less than 18 hours, the notice provisions of subsection (4) are not applicable. Nothing in this section bars a public body from meeting in emergency session in the event of a severe and imminent threat to the health, safety, or welfare of the public when 2/3 of the members serving on the body decide that delay would be detrimental to efforts to lessen or respond to the threat. However, if a public body holds an emergency public meeting that does not comply with the 18-hour posted notice requirement, it shall make paper copies of the public notice for the emergency meeting available to the public at that meeting. The notice shall include an explanation of the reasons that the public body cannot comply with the 18-hour posted notice requirement. The explanation shall be specific to the circumstances that necessitated the emergency public meeting, and the use of generalized explanations such as "an imminent threat to the health of the public" or "a danger to public welfare and safety" does not meet the explanation requirements of this subsection. If the public body directly or indirectly maintains an official internet presence that includes monthly or more frequent updates of public meeting agendas or minutes, it shall post the public notice of the emergency meeting and its explanation on its website in the manner described for an internet posting in subsection (4). Within 48 hours after the emergency public meeting, the public body shall send official correspondence to the board of county commissioners of the county in which the public body is principally located, informing the commission that an emergency public meeting with less than 18 hours' public notice has taken place. The correspondence shall also include the public notice of the meeting with explanation and shall be sent by either the United States postal service or electronic mail. Compliance with the notice requirements for emergency meetings in this subsection does not create, and shall not be construed to create, a legal basis or defense for failure to comply with other provisions of this act and does not relieve the public body from the duty to comply with any provision of this act.

(6) A meeting of a public body may only take place in a residential dwelling if a nonresidential building within the boundary of the local governmental unit or school system is not available without cost to the public body. For a meeting of a public body that is held in a residential dwelling, notice of the meeting shall be published as a display advertisement in a newspaper of general circulation in the city or township in which the meeting is to be held. The notice shall be published not less than 2 days before the day on which the meeting is held, and shall state the date, time, and place of the meeting. The notice shall be at the bottom of the display advertisement, set off in a conspicuous manner, and include the following language: "This meeting is open to all members of the public under Michigan's open meetings act".

(7) A durational requirement for posting a public notice of a meeting under this act is the time that the notice is required to be accessible to the public.

**History:** 1976, Act 267, Eff. Mar. 31, 1977;—Am. 1978, Act 256, Imd. Eff. June 21, 1978;—Am. 1982, Act 134, Imd. Eff. Apr. 22, 1982;—Am. 1984, Act 167, Imd. Eff. June 29, 1984;—Am. 2012, Act 528, Imd. Eff. Dec. 28, 2012.

#### **15.266 Providing copies of public notice on written request; fee.**

Sec. 6. (1) Upon the written request of an individual, organization, firm, or corporation, and upon the requesting party's payment of a yearly fee of not more than the reasonable estimated cost for printing and postage of such notices, a public body shall send to the requesting party by first class mail a copy of any notice required to be posted pursuant to section 5(2) to (5).

(2) Upon written request, a public body, at the same time a public notice of a meeting is posted pursuant to section 5, shall provide a copy of the public notice of that meeting to any newspaper published in the state and to any radio and television station located in the state, free of charge.

**History:** 1976, Act 267, Eff. Mar. 31, 1977.

#### **15.267 Closed sessions; roll call vote; separate set of minutes.**

Sec. 7. (1) A 2/3 roll call vote of members elected or appointed and serving is required to call a closed session, except for the closed sessions permitted under section 8(a), (b), (c), (g), (i), and (j). The roll call vote

and the purpose or purposes for calling the closed session shall be entered into the minutes of the meeting at which the vote is taken.

(2) A separate set of minutes shall be taken by the clerk or the designated secretary of the public body at the closed session. These minutes shall be retained by the clerk of the public body, are not available to the public, and shall only be disclosed if required by a civil action filed under section 10, 11, or 13. These minutes may be destroyed 1 year and 1 day after approval of the minutes of the regular meeting at which the closed session was approved.

History: 1976, Act 267, Eff. Mar. 31, 1977;—Am. 1993, Act 81, Eff. Apr. 1, 1994;—Am. 1996, Act 464, Imd. Eff. Dec. 26, 1996.

### **15.268 Closed sessions; permissible purposes; applicability to independent citizens redistricting commission.**

Sec. 8. (1) Except as otherwise provided in subsection (2), a public body may meet in a closed session only for the following purposes:

(a) To consider the dismissal, suspension, or disciplining of, or to hear complaints or charges brought against, or to consider a periodic personnel evaluation of, a public officer, employee, staff member, or individual agent, if the named individual requests a closed hearing. An individual requesting a closed hearing may rescind the request at any time, in which case the matter at issue must be considered after the rescission only in open sessions.

(b) To consider the dismissal, suspension, or disciplining of a student if the public body is part of the school district, intermediate school district, or institution of higher education that the student is attending, and if the student or the student's parent or guardian requests a closed hearing.

(c) For strategy and negotiation sessions connected with the negotiation of a collective bargaining agreement if either negotiating party requests a closed hearing.

(d) To consider the purchase or lease of real property up to the time an option to purchase or lease that real property is obtained.

(e) To consult with its attorney regarding trial or settlement strategy in connection with specific pending litigation, but only if an open meeting would have a detrimental financial effect on the litigating or settlement position of the public body.

(f) To review and consider the contents of an application for employment or appointment to a public office if the candidate requests that the application remain confidential. However, except as otherwise provided in this subdivision, all interviews by a public body for employment or appointment to a public office must be held in an open meeting pursuant to this act. This subdivision does not apply to a public office described in subdivision (j).

(g) Partisan caucuses of members of the state legislature.

(h) To consider material exempt from discussion or disclosure by state or federal statute.

(i) For a compliance conference conducted under section 16231 of the public health code, 1978 PA 368, MCL 333.16231, before a complaint is issued.

(j) In the process of searching for and selecting a president of an institution of higher education established under section 4, 5, or 6 of article VIII of the state constitution of 1963, to review the specific contents of an application, to conduct an interview with a candidate, or to discuss the specific qualifications of a candidate if the particular process of searching for and selecting a president of an institution of higher education meets all of the following requirements:

(i) The search committee in the process, appointed by the governing board, consists of at least 1 student of the institution, 1 faculty member of the institution, 1 administrator of the institution, 1 alumnus of the institution, and 1 representative of the general public. The search committee also may include 1 or more members of the governing board of the institution, but the number does not constitute a quorum of the governing board. However, the search committee must not be constituted in such a way that any 1 of the groups described in this subparagraph constitutes a majority of the search committee.

(ii) After the search committee recommends the 5 final candidates, the governing board does not take a vote on a final selection for the president until at least 30 days after the 5 final candidates have been publicly identified by the search committee.

(iii) The deliberations and vote of the governing board of the institution on selecting the president take place in an open session of the governing board.

(k) For a school board to consider security planning to address existing threats or prevent potential threats to the safety of the students and staff. As used in this subdivision, "school board" means any of the following:

(i) That term as defined in section 3 of the revised school code, 1976 PA 451, MCL 380.3.

(ii) An intermediate school board as that term is defined in section 4 of the revised school code, 1976 PA 451, MCL 380.4.

(iii) A board of directors of a public school academy as described in section 502 of the revised school code, 1976 PA 451, MCL 380.502.

(iv) The local governing board of a public community or junior college as described in section 7 of article VIII of the state constitution of 1963.

(l) For a county veteran services committee to interview a veteran or a veteran's spouse or dependent regarding that individual's application for benefits or financial assistance and discuss that individual's application for benefits or financial assistance, if the applicant requests a closed hearing. This subdivision does not apply to a county veteran services committee voting on whether to grant or deny an individual's application for benefits or financial assistance. As used in this subdivision, "county veteran services committee" means a committee created by a county board of commissioners under section 1 of 1953 PA 192, MCL 35.621, or a soldiers' relief commission created under section 2 of 1899 PA 214, MCL 35.22.

(2) This act does not permit the independent citizens redistricting commission to meet in closed session for any purpose. As used in this subsection, "independent citizens redistricting commission" means the independent citizens redistricting commission for state legislative and congressional districts created in section 6 of article IV of the state constitution of 1963.

**History:** 1976, Act 267, Eff. Mar. 31, 1977;—Am. 1984, Act 202, Imd. Eff. July 3, 1984;—Am. 1993, Act 81, Eff. Apr. 1, 1994;—Am. 1996, Act 464, Imd. Eff. Dec. 26, 1996;—Am. 2018, Act 467, Eff. Mar. 27, 2019;—Am. 2021, Act 31, Imd. Eff. June 24, 2021;—Am. 2021, Act 166, Imd. Eff. Dec. 27, 2021.

**Compiler's note:** Enacting section 1 of Act 166 of 2021 provides:

"Enacting section 1. This amendatory act is intended to clarify that the independent citizens redistricting commission for state legislative and congressional districts, since its establishment under section 6 of article IV of the state constitution of 1963, has been required to conduct all of its business at open meetings, without exception and in a manner that invites wide public participation throughout this state, as provided in section 6(10) of article IV of the state constitution of 1963, and that the commission continues to be subject to this unqualified open meetings requirement."

#### **15.269 Minutes.**

Sec. 9. (1) Each public body shall keep minutes of each meeting showing the date, time, place, members present, members absent, any decisions made at a meeting open to the public, and the purpose or purposes for which a closed session is held. The minutes shall include all roll call votes taken at the meeting. The public body shall make any corrections in the minutes at the next meeting after the meeting to which the minutes refer. The public body shall make corrected minutes available at or before the next subsequent meeting after correction. The corrected minutes shall show both the original entry and the correction.

(2) Minutes are public records open to public inspection, and a public body shall make the minutes available at the address designated on posted public notices pursuant to section 4. The public body shall make copies of the minutes available to the public at the reasonable estimated cost for printing and copying.

(3) A public body shall make proposed minutes available for public inspection within 8 business days after the meeting to which the minutes refer. The public body shall make approved minutes available for public inspection within 5 business days after the meeting at which the minutes are approved by the public body.

(4) A public body shall not include in or with its minutes any personally identifiable information that, if released, would prevent the public body from complying with section 444 of subpart 4 of part C of the general education provisions act, 20 USC 1232g, commonly referred to as the family educational rights and privacy act of 1974.

**History:** 1976, Act 267, Eff. Mar. 31, 1977;—Am. 1982, Act 130, Imd. Eff. Apr. 20, 1982;—Am. 2004, Act 305, Imd. Eff. Aug. 11, 2004.

#### **15.269a Sound recordings of public meetings.**

Sec. 9a. (1) Every meeting of a public body that is a state licensing board, state commission panel, or state rule-making board, except a meeting or part of a meeting held in closed session, must be recorded in a manner that allows for the capture of sound, including, without limitation, in any of the following formats:

- (a) A sound-only recording.
- (b) A video recording with sound and picture.
- (c) A digital or analog broadcast capable of being recorded.

(2) A recording required under subsection (1) must be maintained for a minimum of 1 year from the date of the meeting in a format that can be reproduced upon a request under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

**History:** Add. 2022, Act 63, Eff. Mar. 29, 2023.

#### **15.270 Decisions of public body; presumption; civil action to invalidate; jurisdiction; venue; reenactment of disputed decision.**

Sec. 10. (1) Decisions of a public body shall be presumed to have been adopted in compliance with the requirements of this act. The attorney general, the prosecuting attorney of the county in which the public body serves, or any person may commence a civil action in the circuit court to challenge the validity of a decision of a public body made in violation of this act.

(2) A decision made by a public body may be invalidated if the public body has not complied with the requirements of section 3(1), (2), and (3) in making the decision or if failure to give notice in accordance with section 5 has interfered with substantial compliance with section 3(1), (2), and (3) and the court finds that the noncompliance or failure has impaired the rights of the public under this act.

(3) The circuit court shall not have jurisdiction to invalidate a decision of a public body for a violation of this act unless an action is commenced pursuant to this section within the following specified period of time:

(a) Within 60 days after the approved minutes are made available to the public by the public body except as otherwise provided in subdivision (b).

(b) If the decision involves the approval of contracts, the receipt or acceptance of bids, the making of assessments, the procedures pertaining to the issuance of bonds or other evidences of indebtedness, or the submission of a borrowing proposal to the electors, within 30 days after the approved minutes are made available to the public pursuant to that decision.

(4) Venue for an action under this section shall be any county in which a local public body serves or, if the decision of a state public body is at issue, in Ingham county.

(5) In any case where an action has been initiated to invalidate a decision of a public body on the ground that it was not taken in conformity with the requirements of this act, the public body may, without being deemed to make any admission contrary to its interest, reenact the disputed decision in conformity with this act. A decision reenacted in this manner shall be effective from the date of reenactment and shall not be declared invalid by reason of a deficiency in the procedure used for its initial enactment.

History: 1976, Act 267, Eff. Mar. 31, 1977.

**15.271 Civil action to compel compliance or enjoin noncompliance; commencement; venue; security not required; commencement of action for mandamus; court costs and attorney fees.**

Sec. 11. (1) If a public body is not complying with this act, the attorney general, prosecuting attorney of the county in which the public body serves, or a person may commence a civil action to compel compliance or to enjoin further noncompliance with this act.

(2) An action for injunctive relief against a local public body shall be commenced in the circuit court, and venue is proper in any county in which the public body serves. An action for an injunction against a state public body shall be commenced in the circuit court and venue is proper in any county in which the public body has its principal office, or in Ingham county. If a person commences an action for injunctive relief, that person shall not be required to post security as a condition for obtaining a preliminary injunction or a temporary restraining order.

(3) An action for mandamus against a public body under this act shall be commenced in the court of appeals.

(4) If a public body is not complying with this act, and a person commences a civil action against the public body for injunctive relief to compel compliance or to enjoin further noncompliance with the act and succeeds in obtaining relief in the action, the person shall recover court costs and actual attorney fees for the action.

History: 1976, Act 267, Eff. Mar. 31, 1977.

**15.272 Violation as misdemeanor; penalty.**

Sec. 12. (1) A public official who intentionally violates this act is guilty of a misdemeanor punishable by a fine of not more than \$1,000.00.

(2) A public official who is convicted of intentionally violating a provision of this act for a second time within the same term shall be guilty of a misdemeanor and shall be fined not more than \$2,000.00, or imprisoned for not more than 1 year, or both.

History: 1976, Act 267, Eff. Mar. 31, 1977.

**15.273 Violation; liability.**

Sec. 13. (1) A public official who intentionally violates this act shall be personally liable in a civil action for actual and exemplary damages of not more than \$500.00 total, plus court costs and actual attorney fees to a person or group of persons bringing the action.

(2) Not more than 1 action under this section shall be brought against a public official for a single meeting.

An action under this section shall be commenced within 180 days after the date of the violation which gives rise to the cause of action.

(3) An action for damages under this section may be joined with an action for injunctive or exemplary relief under section 11.

History: 1976, Act 267, Eff. Mar. 31, 1977.

**15.273a Selection of president by governing board of higher education institution; violation; civil fine.**

Sec. 13a. If the governing board of an institution of higher education established under section 4, 5, or 6 of article VIII of the state constitution of 1963 violates this act with respect to the process of selecting a president of the institution at any time after the recommendation of final candidates to the governing board, as described in section 8(j), the institution is responsible for the payment of a civil fine of not more than \$500,000.00. This civil fine is in addition to any other remedy or penalty under this act. To the extent possible, any payment of fines imposed under this section shall be paid from funds allocated by the institution of higher education to pay for the travel and expenses of the members of the governing board.

History: Add. 1996, Act 464, Imd. Eff. Dec. 26, 1996.

**15.274 Repeal of MCL 15.251 to 15.253.**

Sec. 14. Act No. 261 of the Public Acts of 1968, being sections 15.251 to 15.253 of the Compiled Laws of 1970, is repealed.

History: 1976, Act 267, Eff. Mar. 31, 1977.

**15.275 Effective date.**

Sec. 15. This act shall take effect January 1, 1977.

History: 1976, Act 267, Eff. Mar. 31, 1977.





# ROBERTS RULES QUICK GUIDE

# ROBERT'S RULES

 of ORDER QuickStudy
 

## Introduction

Published in 1876, *Robert's Rules of Order* was originally written by U.S. Army Brigadier General Henry Robert

Robert wanted to write a manual for parliamentary procedure after presiding over a church meeting for which he felt he was woefully unprepared

In his work, Robert discovered that people from different regions of the country have different ideas of parliamentary procedure, resulting in organizations focused more on the procedure and less on the substance of their work

As a result of his *Rules of Order*, people could belong to many organizations without needing to learn new procedural rules at every new organization

• *Robert's Rules of Order* are based on those used in the U.S. House of Representatives (*Jefferson's Manual*), but adapted for smaller organizations and societies

**NOTE:** "Parliamentary law" is not actual law in the sense that it is not codified or used in a court proceeding; instead, "parliamentary law" and *Robert's Rules of Order* should be seen less as binding on an assembly and more as a set of strong guidelines an assembly can mold to its own needs

Robert intended his *Rules of Order* to be adopted by organizations, assemblies, and clubs to use as their parliamentary, or procedural, authority; following the procedures for adopting bylaws then, these *Rules of Order* become binding upon the organization to establish its procedural rules of order

## Preliminaries

### Types of Assemblies

**Deliberative assemblies** convene meetings; they are groups of people who come together with a common agenda: *the meeting*; the different types of deliberative assemblies are:

**Mass meetings:** Open and unorganized meetings with a purpose defined by the meetings' sponsors (e.g., political or social rallies)

**Conventions:** Meetings of delegates chosen to enact or debate decisions affecting a large group of people (e.g., the meetings by political parties to choose their nomination for the U.S. presidency)

- **Legislative bodies:** Lawmaking bodies chosen by a group of people for a fixed period of time (e.g., Congress)

**Boards:** Administrative or managerial bodies with an assigned, specific function (e.g., a Board of Trustees of a university)

**Committees:** Bodies that are usually very small and subordinate to an assembly or board (e.g., a congressional committee)

### Mass Meetings

A special kind of meeting that is publicized and open to the public is a *mass meeting*; it usually takes on a "town hall meeting" format; to prepare for a mass meeting, the sponsors must:

Choose who they prefer as a chairperson

Choose who calls the meeting to order and nominates the chairperson

Choose who should be nominated for secretary and by whom

Decide the rules that will be proposed for the meeting

Choose who makes the initial speech opening the meeting and explaining its purpose

To conduct business, the assembly at the meeting should adopt *resolutions*; these resolutions may be drafted before the meeting, or the assembly can appoint a committee to draft the resolutions at the meeting

### Conventions

A *convention* is an assembly of *delegates*, or representatives of the assembly or constituency, sitting as a single body and acting in the name of the larger group; an assembly may call a convention any time the bylaws authorize the assembly to call one; the bylaws that govern a convention should outline:

- The authorization for a periodic convention
- The powers and duties for the convention and the delegates
- The quorum for the convention
- The voting members
- Qualifications for the delegates and alternates and their election
- Anything the convention needs for its organization and operation

A *caucus* is a meeting the delegates hold before the actual convention where they decide how they will deal with certain procedural matters of the convention

Planning a convention requires a lot of preparation that usually starts months in advance; the established society should create committees for the convention to help organize the convention; usually the organization needs:

- A **credentials committee**, which performs the following duties:
  - Distributes information for attending the convention
  - Distributes information for being a delegate
  - Examines all applications to verify the eligibility of the members who wish to be delegates
  - Compiles the list of eligible members
  - Arranges for registration to take place at the convention, usually starting one or two days before the convention starts
  - Handles registration
  - Prepares the committee's first report
  - Continues until the convention ends
- A **committee on standing rules**, which drafts rules for the convention, including:
  - Parliamentary rules
  - Rules for conducting business at the convention
  - Any other non-parliamentary rules that the committee feels should be added
- A **program committee**, which plans the schedule of meetings, proceedings, and convention events
- A **convention arrangements committee**, which makes the arrangements for the site of the convention and any hotel arrangements for the members
- A **resolutions committee**, which screens all the main motions that are about to come in front of the convention

### Legislative Bodies

A *legislative body* is a constitutionally established public body of representatives chosen by an electorate for a fixed term of office, charged with making laws; each legislative body is specific to its own laws, procedural rules, and decorum; therefore, *Robert's Rules of Order* does not delve into the parliamentary procedure of legislative bodies

### Boards & Officers

A *board* is the administrative and judicial body of the assembly with the power to act on behalf of the organization; usually the members of the board are elected or appointed

**Officers** are leaders of an assembly and are usually elected; there are three main officers that are essential to an organized group, especially a large group:

- **President or chairperson**, although if the president is acting as the chairperson for the meeting, he/she is referred to as the chairperson
- **Vice president**, who serves as the president or chairperson, if needed
- **Secretary**, who keeps the minutes (or notes) of each meeting and is the records keeper for the assembly

The president or chairperson has many important duties in running the meetings and the assembly; they include:

- Opening a meeting on time and calling it to order
- Announcing the order of business and keeping to the stated order
- Recognizing members to speak on the floor
- Keeping tabs on voting procedures and announcing the legitimate results of each vote
- Refusing to honor frivolous motions and ensuring that all members act with decorum
- Handling business in the most efficient way possible
- Deciding questions of order and responding to members' questions about parliamentary procedure
- Authenticating his/her signature
- Properly adjourning the meeting



## Committees

**Committees**, or bodies of one or more elected or appointed people who consider, investigate, or take action on specific matters, can take many forms:

- **Ordinary committee:** A small number of people to whom the assembly gives a specific task, such as the Senate Judiciary Committee, which is charged with judging Supreme Court candidates
- **Committee of the whole:** A whole assembly charged with acting as an ordinary committee; this is usually used only in larger legislative assemblies, when a motion to commit passes
- **Standing committee:** Committees that continue to exist, such as a committee created by the bylaws
- **Special committees:** Committees that stop existing when they finish the task they were assigned; an example is the Watergate committee, which investigated President Nixon

Committees are created through the bylaws or through a main motion; there are various methods of appointing or electing members to the committee:

- **Election by ballot**, where the assembly nominates the committee members and votes according to a ballot

- **Nominations from the floor**, where the assembly nominates the committee members without the secrecy of ballot voting
- **Nominations by the chair**, if the chairperson has special knowledge and judgment about the committee's tasks
- **Appoint by adoption of a motion naming members to a committee**, where the assembly adopts a motion to create the committee that includes the committee members' names

Committee meetings follow the same parliamentary procedure as do the larger assembly meetings, including the rules outlined in the bylaws

## Committee of the Whole

A *committee of the whole* and its alternate forms are procedural devices that allow the full assembly to consider a matter deeply as a committee would

- A **committee of the whole** is usually used in larger assemblies; any voting results are used as recommendations to the assembly and not as a final decision of the assembly

- A **quasi-committee of the whole** is usually used in medium-sized assemblies; the voting operates the same as in a committee of the whole, except that the chairperson of the assembly remains as the chairperson of the committee
  - **Informal consideration** is best suited for a small assembly; it lifts the formal speaking and debating requirements
- Even though a committee of the whole (or quasi-committee of the whole) acts like the general assembly, important exceptions include:

- Committees of the whole cannot create subcommittees or comment on another committee's work
- Appeals from the decision of the chair must be directly voted on
- Debate can be closed or limited by the assembly only before going into committee of the whole
- Committees of the whole cannot order roll call or ballot votes
- Committees of the whole cannot impose disciplinary measures; they may only report the facts to the assembly
- Committees of the whole cannot adjourn or recess

**NOTE:** Permanent Society = Club = Organization = Assembly; *Robert's Rules of Order* uses these terms interchangeably

## Starting a Permanent Society

Organizing a *permanent society* starts much the same way as a mass meeting, but the invitations are limited to interested people; anyone may organize a permanent society, and the organizer should choose the interested people to begin the organization; at the first organizational meeting, the proposed members should accomplish these tasks:

- Elect temporary officers
- Adopt a resolution to form an organization or society
- Provide background information for the organization or society
- Give opinions as to the direction the organization should take
- Introduce and adopt a motion to form a committee to draft bylaws
- Introduce and adopt a motion to fix the meeting dates and times for the report of the bylaws committee
- Introduce and adopt a motion authorizing the bylaws committee to reproduce copies of the complete draft for everyone

At the second organizational meeting, the members should:

- Read and approve the minutes from the first meeting
- Receive the report from the bylaws committee
- Read each article and section from the bylaws
- Vote to adopt the bylaws
- Decide the date and time for the next meeting

## Combining or Ending Organizations

- When two existing organizations wish to combine, they may *merge*, where one organization loses its independent identity, or *consolidate*, where each organization keeps its independent identity, and they form a new organization to absorb the two organizations' assets and liabilities
- When an organization ends, it *dissolves*; an incorporated organization must dissolve according to the laws of the state in which it is incorporated, through a resolution

## Procedural Rules & Bylaws for All Types of Organizations

Assemblies and organizations need *procedural rules* to guide parliamentary procedure; the different kinds of rules assemblies and organizations can adopt are:

- **Corporate charters:** Legal instruments needed for incorporating an assembly or organization under the laws of a particular state
- **Constitution/bylaws:** A society's own basic rules for itself as an organization, such as its name, purpose, and committees
- **Rules of order:** Rules of parliamentary procedure for running ordinary business while in meetings
- **Standing rules:** Rules for the administration of the organization instead of parliamentary procedure

*Bylaws* are the rules that the organization uses for its own administration; usually an organization appoints a committee to draft the bylaws before implementation; the basic way to structure bylaws is:

- **Article 1 – Name:** Describes the name of the organization if not already done in a corporate charter or constitution
- **Article 2 – Object:** Describes the society's objective and the reason behind its creation
- **Article 3 – Members:** Describes the different types of members, qualifications for membership, and any dues or fees that must be paid
- **Article 4 – Officers:** Describes the offices, their duties, and how the officers will take their office
- **Article 5 – Meetings:** Describes the dates and times for regular meetings or how the assembly will schedule meetings
- **Article 6 – Executive Board:** States which offices are included in the executive board, delineates the powers of the board, and describes any rules for the board to conduct its business
- **Article 7 – Committees:** Establishes standing committees as well as their functions and procedures
- **Article 8 – Parliamentary Authority:** Describes the process through which the organization adopts its rules of order
- **Article 9 – Amendment of Bylaws:** Describes the procedure for amending the bylaws

Organizations may always add additional articles if needed to describe the duties of officers, financial obligations, etc.

## Amending Bylaws

Bylaws are amended through the main motion *amend something previously adopted*; the procedure for raising the motion is the same as any other motion except:

- The bylaws may specify any special rules for the motion's adoption, although the bylaws must include notice and a two-thirds vote for adoption of the amendment
- The notice of the motion for amendment must limit the permissible primary and secondary amendments
- The organization cannot reconsider affirmative votes on the motion to amend the bylaws
- Even though the motion is a main motion, other main motions may be pending at the same time for changes to the bylaws

Depending on the length of the bylaws, the organization amends them through:

- **Isolated changes**, made by motion, could include multiple changes in one motion
- **General revisions**, made by substituting a whole new revised set of bylaws if the revisions are extensive enough

The procedure for considering many amendments at one time is the same as amending a motion by seriatim, or by paragraph:

1. The assembly is given notice of each individual amendment, even if two or more are competing
  2. The chairperson organizes each amendment as though the assembly were to fill in the blanks of the bylaws
  3. The chairperson reads the first submission, and it is explained by its proponent
  4. The chairperson then asks if there is any debate on the amendment
  5. Once debate has ended, the assembly votes on the amendment
  6. Once all amendments have been voted upon, the chairperson opens the entire document for amendments, and the process starts over if needed
  7. Once all amendments are made and included, the chairperson presents the amended rule and asks for a vote for the entire document
  8. The assembly votes on the entire document
- Amendments to bylaws take effect immediately upon adoption; the bylaws should specify the margin by which an amendment must win

# Procedures for Conducting a Meeting

Major vocabulary terms for meetings:

- A **meeting** is an assembly of members in a single room to conduct business
- A **session** is a series of connected meetings for a single order of business or agenda
- A **recess**, taken in the middle of a meeting, is a short break having no effect on the business of the meeting, after which the meeting is resumed where it left off
- An **adjournment** ends a meeting
- An **adjournment sine die** ends a session or a series of meetings

The assembly and its bylaws decide how many meetings and sessions to hold and their frequency; when a meeting ends, the assembly should decide when and where to hold the next meeting

Assemblies must finish any pending business before adjourning a session; the assembly in the following session is not tied to any business that was not discussed in the previous session

There are different types of meetings an assembly can hold:

- A **regular meeting** is a meeting held on the date and time specified in the bylaws to discuss any business that arises within the scope of the assembly
- A **special meeting** is a meeting that is not held at the regular time and date to deal with urgent business that cannot wait until the following regular meeting
- An **adjourned meeting** is one that continues the previous session or special meeting, taking up the business that was interrupted at the adjournment of the last meeting
- An **annual meeting** is a meeting held once each year, usually to give the various reports of officers and committees
  - An **executive session** is a secret meeting for executive business
  - A **public session** is the opposite of an executive session and must be open to the public, even if the public is not a member of the assembly

## Starting a Meeting

To start a meeting, the chairperson of the meeting must **call the meeting to order** by taking his/her position (usually at the front of the room) and saying, "The meeting will come to order"; once the chairperson calls the meeting to order, the meeting can begin on the **order of business**; this order is usually:

1. Reading and approval of minutes
2. Reports of officers, boards, and committees
3. Reports of special committees, or committees appointed to exist for a specific task
4. Special orders, or business that has a special priority, such as committee reports left over from the previous meeting
5. Unfinished business and general orders, or business left over from the previous meeting
6. New business

Meeting business is usually handled with **motions**; to bring a motion before the assembly, the steps are:

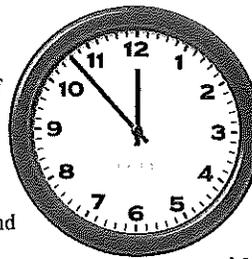
1. The member must be recognized by the chairperson, usually by standing and waiting to be called upon
2. He/she then makes the motion by saying, "I move to..."
3. Another member seconds the motion, saying, "Seconded"
4. The chair repeats the motion; at this time, the motion is **pending**, or open to discussion

- Motions usually made at the beginning of meetings are:
- **Call for the orders of the day**, in which the assembly adopts its agenda or order of business
  - **Fix the time to which to adjourn**, where the assembly decides when the meeting will end and sets a time for the next meeting

## Minutes

The **minutes** are the record of the meeting's procedures and what was accomplished at the meeting; minutes generally include:

- The name of the assembly and the kind of meeting
- The date and time of the meeting
- Who was present at the meeting and who operated as the chairperson
- The approval of the previous meeting's minutes, if needed
- All main motions, their topics, and who proffered them
- Whether the main motions were approved or denied and the number of votes for each side
- All secondary motions when needed for clarity or completeness
- All notices of motions
- All points of order and appeals and their dispositions
- When the meeting adjourned



- Members should not speak more than twice on a motion
- The chairperson cannot close debate before every member who wishes to speak is able, within a reasonable period of time
- Everyone must adhere to **decorum** carrying on the debate in an orderly manner without personal attacks on other members

Members can adhere to decorum by:

- Confining their statements and remarks to the merits of the pending question and not outside the scope of the question
- Not attacking a member's motives for speaking, for or against or presenting a motion
- Addressing all statements and remarks through the chairperson
- Addressing the speaker or the chairperson correctly (never use "you," but always refer to the speaker or the chairperson in the third person)
- Avoiding the use of members' names
- Not speaking adversely on a prior action that isn't pending and has already been finalized
- Refraining from speaking against his/her own motion
- Reading from reports or quotations only without objection or with permission; a member may read from reports or quotations with the chairperson's permission as long as no other member objects
- Continuing to stand when the chairperson addresses him/her directly during an interruption
- Refraining from disturbing the assembly during debate

The chairperson has guidelines for decorum as well:

- The chairperson always refers to him/herself in the third person
- When reporting in his/her presidential capacity, the chairperson may speak of him/herself as "Your President"
- The chairperson does not refer to a member's name, only referring to him/her in the third person (e.g., "Will the speaker...")
- The chairperson may refer to a member by name when assigning the floor, however
- The chairperson must not participate in the debate except through the vice president

## Recognition Preference

The preference rules for recognizing a member when there is a debatable question pending on the floor are:

1. A member can stand to give previous notice of a different motion
2. The member who presents the motion and who has not yet spoken on the motion, including:
  - The reporting member's motion to implement a recommendation from a committee report
  - The member who moved to un-table a motion that was previously laid on the table
  - The member who made a motion to reconsider
3. Members who have not yet spoken on the question; if everyone who wishes to speak on the question has, members may speak again

## Reports

**Reports of officers** are reports of an officer's administrative duties; examples of these reports include:

- **Reports of executive officers**, which usually contain information or recommendations for actions
- **Treasurer's reports**, which report on the financial state of the organization
- **Reports of other officers**, which are usually made annually and for informational purposes only

**Reports of boards and committees** are official statements formally adopted by the body as information for the assembly (e.g., a report of the committee for drafting the bylaws would include drafts of the bylaws); the reports must contain only information that has been legally agreed to in the board or committee meeting

## Quorum

To hold a meeting and conduct business, there must be a **quorum**, or a certain number of members present, at the meeting; the number is usually a percentage of the total members and can be fixed by the assembly or by rules

If a quorum does not exist at a meeting, the meeting must immediately adjourn, as all business completed without a quorum would be illegal

## Decorum in Debate

Once there is a quorum and the chair calls the meeting to order, members can be recognized for motions:

1. To obtain the floor, the member must stand and address the chairperson by saying, "Mr./Madam Chairperson"
2. The chairperson recognizes the member by saying the member's name
3. The member may then introduce a motion for **debate**; the general rules of debate are:
  - The speaker must be recognized by the chairperson before speaking
  - The speaker cannot usually speak for more than ten minutes unless the members decide otherwise

4. The chairperson should recognize alternating opinions on the question or motion

The preference rules for recognizing a member when there is no debatable question pending on the floor are:

1. A member assigned to offer a motion or an important prearranged main motion
2. When a set of motions is presented in a series, the member presenting the motions has preference to present each motion in turn
3. A member who offers a similar motion to one that the assembly voted down at the member's suggestion
4. A member may be recognized over a member offering a main motion when a member rises:
  - To move to reconsider and enter on the minutes
  - To move to reconsider a vote
  - To call up a motion to reconsider
  - To give previous notice
  - To move to un-table an issue

Members cannot interrupt each other, except in some urgent situations:

- A call for the orders of the day when they are not followed
- Raising a question of privilege
- Raising a point of order, brought by a member who believes the chair has breached the parliamentary rules
- The chair calling to a member's attention that he/she is not observing the speaking rules
- Calling for a separate vote on a set of resolutions on different subjects that were included in one motion
- A request that requires an immediate response
- An appeal
- An objection to the consideration of a question
- A division of the assembly

At the end of the interruption, the member who had the floor regains it when the chairperson asks him/her to stand to regain his/her position on the floor

Assemblies may set their own rules for debate in their bylaws; some general guidelines that assemblies should use when creating their debating rules are:

- Speeches should be no longer than ten minutes each
- The member speaking should immediately conclude his/her speech when the chairperson rises
- If the member needs only a minute more for his/her speech, the chairperson need not dismiss the member immediately
- No member should speak more than twice per question per day
- Members are not allowed to yield their unelapsed time to another member to allow one member a particularly long speech
- Merely asking a question or making a brief suggestion is not speaking in debate and should not be counted against a member for his/her daily speech limit

## Motions

### Main Motions

**Original main motions** are motions that bring a substantive question to the assembly for debate and action; these are different from **incidental main motions**, which are motions dealing with the procedure of the assembly, like the **call for the orders of the day** motion

Characteristics of main motions:

- Every other motion takes precedence over the main motion
- Main motions cannot be applied to any other motions
- They must be seconded
- There can be only one main motion on the floor at a time
- They are debatable, amendable, and can be reconsidered
- They mostly require a majority vote

After a member brings a motion to the assembly, the assembly must either consider the motion or dispose of the motion; to fully consider a motion:

- The assembly debates the motion, unless no one in the assembly wants to debate the motion
- The chairperson puts the motion to a vote
- The chairperson announces the results of the vote

### 10 Easy Steps for Making Motions

1. The member asks permission from the chairperson for the floor
2. The chairperson grants permission
3. The member makes the motion, stating, "I move to..."
4. The chairperson asks for any seconds
5. Members may stand and call out "Second," or they may simply call out "Second"; if there is no second, the motion fails immediately
6. If there is a second, the chairperson states the question of the motion; this opens debate
7. The assembly debates the motion; during this time, the motion may be amended or tabled for further debate at a later time
8. When debate is finished, the chairperson puts the motion to a vote
9. The chairperson counts the votes
10. The chairperson announces the votes and enacts or defeats the motion

### Subsidiary Motions

There are different types of motions; **subsidiary motions** deal with the original main motion, such as:

- **Postpone indefinitely**, which kills the original main motion without a direct vote on it
- **Amend**, which modifies something in the main motion before the assembly acts on the motion (**NOTE:** The assembly must agree to amend the motion and then agree on the amendment before the amendment can be thought of as the main motion)
- **Commit or refer**, which assigns the motion to a committee for investigation or a report
- **Postpone definitely**, which puts off the question until an expressed time
- **Limit or extend debate**, which either shortens or lengthens the time for debate on a motion if the assembly needs it
- **Previous question**, which closes debate and amendments, bringing the assembly to a vote on the motion
- **Lay on the table**, which interrupts the current business to introduce urgent business immediately

Subsidiary motions have four characteristics that make them subsidiary:



- These motions always apply to motions and do something to them, or change their status
- They may be applied to any main motion
- They fit an order of preference (as listed previously)
- They may be applied at any time from the point when the chairperson states a question upon which they may be applied to the time when the question is voted upon

### Privileged Motions

**Privileged motions** do not relate to any business, but they take precedence over everything else in the assembly; these motions include:

- **Call for the orders of the day**, which need not be seconded
- **Raising a question of privilege**, which permits an emergency motion or question dealing with the rights and privileges of the members
- **Recess**, which gives the assembly a short break
- **Adjourn**, which closes the meeting
- **Fix the time to which to adjourn**, which sets the time for the meeting to end

Privileged motions are privileged because they take precedence over debate to deal with urgent procedural matters; they take the order of preference as listed previously

### Incidental Motions

**Incidental motions** do not necessarily relate to business but answer questions of procedure with regard to motions; they are in order only when they are legitimately incidental to another pending motion or to other business at hand, at which point they take precedence over any other pending motions; they must be decided before business can continue; these motions include:

- **Point of order**, which asks the chairperson for a ruling and enforcement of the rules when a member thinks the rules were broken, which need not be seconded
- **Appeal**, which takes away a decision from the chairperson and gives it to the assembly if a member thinks the chairperson's decision was wrong
- **Suspend the rules**, which suspends the rules when the assembly wants to do something it cannot do without breaking the rules
- **Objection to the consideration of a question**, which avoids a main motion if the assembly thinks the motion should have never come before it
- **Division of a question**, which separates different parts of a question or motion that can stand on their own
- **Consideration by paragraph or seriatim**, which permits debate on different parts of a long motion or question without putting the different parts into question
- **Division of the assembly**, which requires the chairperson to take a vote by each member rising to give his/her vote

- **Motions relating to nominations**, which must be raised if the bylaws do not outline mechanics for nominations and an election
  - **Request to be excused from duty**, which relieves the member from an obligation he/she holds
- While the incidental motions look like subsidiary motions, none of the incidental motions has all four characteristics of the subsidiary motions; it should be noted that each incidental motion is applicable only in the specific period of time in which it is raised; generally, incidental motions deal with procedural questions arising out of:
- Another pending motion
  - Another motion or business item that:
    - The motion attempts to introduce
    - Has been made but not yet repeated by the chairperson
    - Was just pending

**Requests and inquiries** are special types of incidental motions that connect to the business at hand; they include:

- **Parliamentary inquiry**, which directs a question on parliamentary procedure or the organization's rules to the chairperson, which need not be seconded
- **Point of information**, which requests information from the chairperson about the matter at hand, which need not be seconded
- **Request for permission to withdraw or modify a motion**, which asks the chairperson for permission to withdraw or modify a motion already stated by the chairperson
- **Request to read papers**, which asks the chairperson for permission to read excerpts from his/her papers, which is not usually allowed in debate

### Motions That Bring a Question Again Before an Assembly

*Motions that bring a question again before an assembly* are special motions that do not fit anywhere else; they include:

- **Take from the table, or un-table**, which takes up a motion or an order of business that was earlier laid on the table
- **Rescind**, which takes back a main motion, amendment, bylaw, section, or paragraph that was presented and adopted
- **Amend something previously adopted**, which modifies a motion, amendment, bylaw, section, or paragraph that was presented and adopted if rescinding is too much
- **Discharge a committee**, which takes a matter out of a committee's hands before they have made a report on their findings so the assembly may act on it or the matter may be dropped
- **Reconsider**, which prompts the assembly to reconsider a motion that was adopted earlier that day, but new information or a changed situation makes it clear that the true will of the assembly would not be followed with the previous course

The reason why these motions are separate is because they relate to the following principles of parliamentary procedure:

- During a session or meeting when the assembly decides a question, it cannot be brought up again except through special circumstances
- When an assembly disposes of a question without finally acting on it, no similar or conflicting motion that would restrict the assembly in acting on the first motion may be introduced
- Changing something the assembly already adopted requires more than what was necessary to adopt it in the first place

### Enacting Motions

For an assembly to enact or approve the motion, the assembly needs to *vote* on it; usually a majority of votes is needed to enact or approve the motion; however, certain motions require a two-thirds majority of voters to approve the motion; these include motions that:

- Suspend or modify a rule of order
- Prevent the introduction of a question for consideration
- Close, limit, or extend the limits of debate
- Close nominations, polls, or otherwise limit voting
- Take away membership or an office

### Special Note on Amendments

*Amending* a motion (or the bylaws) modifies the wording of the motion; the motion to amend:

- Must always be germane to the motion, meaning the assembly cannot amend a motion that is not pending
- Does not modify the motion if the amendment fails
- Can be applied to any main motion, but it cannot be applied to itself
- Must always be seconded
- Is out of order when another motion has the floor
- Is debatable when the motion that is being amended is debatable; if the motion is not debatable, then the motion to amend is not debatable
- May be amended, but secondary amendments are not allowed
- Requires a majority vote
- Can be reconsidered
- When applied to a main motion, takes precedence over the main motion and the motion to postpone indefinitely but gives way to all other motions
- When applied to a non-main motion, takes precedence over the motion that it seeks to amend but gives way to any other motion that would take precedence over the motion

Improper amendments include amendments that:

- Are not germane to the motion
- Have the effect of rejecting the main question
- Have the effect of repeating a question the assembly has already decided
- Change one parliamentary procedure into another
- Change the form of another amendment
- Strike out enacting words, such as "resolved"
- Are frivolous, or do not otherwise follow the rules of decorum
- Make the motion or question incomprehensible or incoherent
- Would convert the motion to an improper form
- Change the preamble of a resolution without finally amending the subsequent paragraphs or clauses

An amendment can take one of five forms:

- Inserts or adds words or paragraphs according to the following rules:
  - The motion for amendment must specify exactly where the words or paragraphs are to go by naming the words or paragraphs before and after the insertion
  - After words have been inserted or added, they cannot be removed unless there is a reconsideration or a new motion:
    - › to strike out the entire paragraph where the words were inserted or added
    - › to strike out a portion of the paragraph where the words were inserted or added
    - › to substitute an entire paragraph for the one in which the words were inserted
    - › to strike out a portion of the paragraph and enter in new words or a new paragraph that presents a different question

- If a motion to insert words is voted down, it may still be revived through a motion:

- › to insert part of the words
- › to insert part of the words in a different place
- › to insert the same words in place of others
- › to insert the same words in a different place where the effect will be different

• **Strikes out words or paragraphs** according to the following rules:

- The motion must specify the location of the words
- Only consecutive words may be struck out
- If a motion to strike words fails, it may still be revived through a motion:
  - › to strike out only part of the words
  - › to strike out the words with some others
  - › to strike out all or a part of the same words and substitute them for others
  - › to strike out all or some of the same words together with some others and substitute them for others

- A motion to strike a paragraph may be open to a secondary amendment in any form that is available to striking words

- A struck-out paragraph cannot be inserted again unless the wording is changed to present a different question

• **Strikes out and inserts** according to the rules above

• **Substitutes**, also according to the rules above

• **Fills in blanks**, using one of three ways:
 

- To fill a blank with a name, the chairperson takes nominations for the name and the assembly votes on them until one receives a majority

- To fill a blank with an amount of money, the chairperson takes nominations for the amount and arranges the amounts so that the least acceptable amount is voted upon first
- To fill a blank with a place, date, or number, use one of the above methods depending on the circumstances

When an amendment needs to be amended, or an amendment is applied to itself, a *secondary amendment*, or an amendment to the amendment, results

### Voting

*Putting the question* is when a chairperson calls for a vote on a motion after clarifying to the assembly upon what they are voting; an assembly votes using the following methods:

- **Voice**, which is the usual method
- **Rising**, which is used to determine the winner of an inconclusive voice vote

- **Show of hands**, which is used instead of rising, usually in smaller groups

The chairperson then counts and announces the vote:

- Usually a motion needs a simple majority to pass, but some need a two-thirds (66%) majority to pass, as explained previously



- The assembly can decide if there are restrictions on who may vote, such as limiting votes to only those present at the meeting, or using another ratio of winning votes to pass a motion
- All members have a right to **abstain**, or decline from voting, if they have a personal interest in the outcome of the vote
- If the motion passes, it passes immediately
- The chairperson may vote when his/her vote will affect the result, such as to break a tie, but a chairperson may not vote twice

## Nominations & Elections

A **nomination** is a motion to elect a person to a position; the methods of nomination are:

- **The chair**, where the chairperson nominates the candidate
- **From the floor**, where a member nominates the candidate
- **Ballot**, where members may nominate other members for an office on a ballot (note that this is not the same as a petition election, as described below)
- **Mail**, where members are too far away to meet together in one place; this acts much like a ballot nomination, but nominations are simply collected through the mail instead of in person
- **Petition**, where a group of members may nominate someone by a petition

Assemblies and organizations may have their own rules outlining how to run elections; some methods are:

- **Ballot election**, in which the assembly votes for the candidate on a ballot
- **Viva-voce election**, in which the assembly votes for the candidate by a voice vote
- **Roll-call election**, in which each member stands and states for which candidate he/she is voting
- **Elected officers** win their seats when they win the most votes; an elected officer takes his/her office immediately upon winning an election, unless the assembly's rules state otherwise

## Disciplinary Procedures

Disciplinary procedures should be outlined in the bylaws so that every member has notice as to the procedures; a fair disciplinary procedure includes:

- A confidential investigation by a committee to determine if further disciplinary action is warranted (**NOTE:** This committee does not have power, if not delineated in the bylaws, to compel a member to appear in front of it)
- The committee prepares and presents a report on the investigation, either exonerating the member or recommending the charges for the guilty member
- The accused is formally notified, and his/her rights are suspended for the duration of the trial
- A trial, or formal hearing, on the charges at which the accused may appear to defend him/herself
- The assembly reviews the committee's findings if the trial was not held in front of the assembly

The procedure for running the trial should include:

1. The chair directs the secretary to read the charges aloud to the committee or the assembly
2. The chair asks the accused how he/she would plead (guilty or not guilty)
3. If the accused pleads guilty, the trial ends
4. If the accused pleads not guilty, the trial proceeds in this order:
  - Opening statements by both sides
  - Witness testimony
  - Testimony of defense witnesses
  - Rebuttal witnesses for the organization or society
  - Closing arguments by both sides
5. The accused leaves the room when both sides finish their closing arguments
6. The committee or the assembly deliberate as to the guilt or innocence of the accused member
7. When deliberations are complete, the chair states, "The question before the assembly is: Is the member guilty of the specifications against him/her?"
8. The assembly or the committee members vote
9. Any punishment must be decided by a ballot vote, by a two-thirds margin
10. When voting is done, the accused is called back into the hall and the result is delivered

## Ending a Meeting

A chairperson ends a meeting by **adjourning**, or closing the meeting, after all debate and business are finished; if there is unfinished business, the assembly may take it up at the next meeting; before a meeting ends, the assembly should decide the date and time of the next meeting if it is not already decided in the bylaws

Before adjourning, the chairperson must:

- Inform the assembly of any unfinished business to give the assembly the opportunity to finish it before adjourning
- Make any important announcements
- Make any motions to reconsider a previous vote if needed
- Make a motion to reconsider and enter on the minutes
- Give notice of a motion that will be presented at the next meeting if the motion is one that requires notice
- Move to set a time for an adjourned meeting if there isn't one already scheduled
- Formally state that the meeting "is adjourned"

The motion to adjourn must, like all motions, be seconded and voted upon so that the chairperson cannot end a meeting without the assembly's consent. If all business is finished and the preselected hour to adjourn has arrived, the assembly need not move to adjourn; the chairperson may ask, "Is there any further business?"; if there is none, the chairperson may then say, "Then I hereby adjourn this meeting"; the meeting is then adjourned.

## Form of Popular Motions

When you want to make a motion to...	You say...
Postpone indefinitely	I move to postpone the motion indefinitely
Amend	I move to amend the motion by...
Commit or refer	I move to commit/refer the matter to...
Postpone definitely	I move to postpone the motion to...
Limit or extend debate	I move to limit/extend the time for debate
Previous question	I move for previous question
Table	I move to table...
Un-table	I move to un-table...
Orders of the day	I move for the orders of the day
Question of privilege	I rise for a question of privilege
Recess	I move for a recess
Adjourn	I move to adjourn
Fix the time to adjourn	I move to fix the time to adjourn
Point of order	Point of order, Chairperson, (question)
Point of information	Point of information, Chairperson, (question)
Rescind	I move to rescind my motion
Reconsider	I move for a reconsideration of...
Vote	I move to vote on...
Nominate	I move to nominate...
Suspend the rules	I move to suspend the rules and...
Divide the question	I move to divide the question
Divide the assembly	I move for a rising vote

## How to Use the Book

- Go to the table of contents and search for the action for which you need help (the table of contents does not list page numbers; it lists section numbers)
- Go to the section to which the table of contents directs you; *Robert's Rules of Order* is written in prose, so you will have to read the whole section to get a comprehensive idea of what it contains
- Each individual section is part of a larger section, so it is beneficial to read other sections in the subheading if you need more direction; this is especially helpful if you do not know when the topic you are researching arises during a meeting
- If you find yourself in a part of the rules that provides little guidance, do not worry—the rules assume that your assembly will write its own bylaws to fit its own purposes
- **NOTE:** *Robert's Rules of Order* can be superseded by your assembly's bylaws; so, if *Robert's Rules of Order* does not fit your assembly's processes, there is no need to change your assembly's rules to fit those outlined in *Robert's Rules of Order*

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