

**CITY OF ST. JOSEPH  
DOWNTOWN DEVELOPMENT AUTHORITY BYLAWS**

**ARTICLE I.  
PURPOSE AND POWERS**

Section 1. General Purpose

The purpose of the City of St. Joseph Downtown Development Authority (“DDA”) is to act as a Downtown Development Authority in accordance with the Recodified Tax Increment Financing Act, P.A. 57 of 2018, Part 2 as may be amended, being MCL 125.4201-4230, (“Public Act 57”), as formerly authorized under Public Act 197 of 1975 as amended, MCL 125.1651 et. seq., (“Public Act 197”) including, but not limited to work toward the following objectives:

- (a) Correct and prevent deterioration in the Downtown Development District.
- (b) Encourage historic preservation.
- (c) Create and implement development plans.
- (d) Promote economic growth.

In furtherance of these objectives, the DDA has all of the powers which now or hereafter may be conferred by law on DDA organized under Public Act 57 of 2018, as amended.

Section 2. General Powers

The DDA may take the following actions, as described in Public Act 57 of 2018:

- (a) Prepare an analysis of economic changes taking place in the downtown district.
- (b) Study and analyze the impact of metropolitan growth upon the downtown district.
- (c) Plan and propose the construction, the 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.
- (d) Develop long-range plans, in cooperation with the Planning Commission of the City of St. Joseph, 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.
- (e) Implement any plan of development in the downtown district necessary to achieve its general purposes, in accordance with the powers granted by Part 2 of the Act.

- (f) Make and enter into contracts necessary or incidental to the exercise of its powers and the performance of its duties.
- (g) Acquire by purchase or otherwise, on terms and conditions and in a manner it deems proper, or own, convey, or otherwise dispose of, or lease as lessor or lessee, land and other property, real or personal, or rights of interests therein, which the DDA determines is reasonably necessary to achieve its purposes and to grant or acquire licenses, easements, and options with respect thereto.
- (h) 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 thereto, within the downtown district for the use, in whole or in part, of any public or private person or corporation, or a combination thereof.
- (i) Fix, charge, and collect fees, rents, and charges for the use of any building or property under its control or any part thereof, or facility therein, and pledge the fees, rents and charge for the payment of revenue bonds issued by the DDA.
- (j) Lease any building or property under its control, or any part thereof.
- (k) Accept grants and donations of property, labor, or other things of value from public or private sources.
- (l) Acquire and construct public facilities.
- (m) Create, operate and fund marketing initiatives that benefit only retail and general marketing of the downtown district.
- (n) Other actions authorized by Part 2 of the Act and consistent with its purposes.

**ARTICLE II.  
BOARD**

Section 1. Board Supervision

The DDA shall be under the supervision and control of a board.

Section 2. Number, Tenure and Qualifications.

The DDA Board (“Board”) shall consist of nine members under the following:

- (a) The members shall be appointed for a term of four years and the appointments shall be staggered for two appointments each year;
- (b) Beginning in 2019, all new or re-appointments to the Downtown Development

Authority Board shall end on April 30. In order to bring terms into conformity with the new end date, beginning with terms expiring on November 1, 2019, terms will expire six (6) months early and instead run through May 1. For example, terms expiring on November 2019 will run through May 1, 2023;

- (c) One of Board members shall be the Mayor, as Chief Executive Officer, of the City of St. Joseph, whose term shall run concurrently with, his/her position as Mayor and automatically expire when his/her position as Mayor ends for any reason;
- (d) At least 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; and
- (e) At least one of the members shall be a resident of the downtown district if 100 or more persons reside within the district.

### Section 3. Selection of Board Members.

The Mayor of the City of St. Joseph, subject to approval of the City Commission, shall appoint the members of the Board. Subsequent Board members shall be appointed in the same manner as the original appointments at the expiration of each member's term of office. Before assuming the duties of office, a member shall qualify by taking and subscribing to the constitutional oath of office and signing the Code of Conduct.

### Section 4. Compensation of Members.

Members of the Board shall serve without compensation, but shall be reimbursed for authorized actual and necessary expenses.

### Section 5. Expiration of Term, Continuation in Office, Reappointment and Filling of Vacancies.

Members whose terms of office have expired shall continue to hold office until a successor has been appointed. If a vacancy is created by the death, resignation or removal of a member; a successor shall be appointed by the Mayor, subject to approval of the City Commission, within thirty days to hold office for the remainder of the term so vacated.

### Section 6. Removal.

Pursuant to proper notice and an opportunity to be heard, a member may be removed from office for neglect of duty including nonattendance at meetings, misconduct, malfeasance, or any other good cause by a majority vote of the City Commission. Removal of a member is subject to review by the circuit court.

### Section 7. Disclosure of Interest.

A Board member who has a direct interest in any matter before the DDA shall disclose his/her interest prior to the DDA taking any action with respect to the matter, which disclosure

shall become a part of the record of the DDA's official proceedings. Further, any member making such disclosure shall then refrain from participating in the DDA's decision-making process relative to such matter. Board members shall comply with the City of St. Joseph's Code of Ethics and Conflict of Interest policy.

### **ARTICLE III. OFFICERS**

#### Section 1. Officers.

The officers of the DDA shall be a Chair and Vice-Chair.

#### Section 2. Removal of Officers.

An officer may be removed by the Board whenever in its judgment the best interest of the DDA would be served. The removal of an officer requires two-thirds (2/3) vote of the total membership.

#### Section 3. Filling of Board Vacancies.

A vacancy of a Board Officer may be filled by the Board for the unexpired portion of the term.

#### Section 4. Chair.

The Chair retains his or her ability to discuss, make motions and vote on issues before the DDA. The Chair:

- (a) Shall preside at all meetings with all powers under parliamentary procedure;
- (b) May appoint committees and officers of committees or choose to let the committees select their own officers;
- (c) May call special meetings pursuant to these Bylaws;
- (d) May act as an Ex-Officio member of all committees of the DDA Board;
- (e) May review with staff, the items to be on the agenda, may periodically meeting with the DDA Director or other City staff to review operation and procedures, and to monitor progress on various projects.
- (f) May represent the DDA Board before the City Commission when warranted or requested; and
- (g) Shall perform such other duties as may be ordered by the DDA Board.

#### Section 5. Vice Chair.

In the absence of the Chair or in the event of his or her inability or refusal to act, the Vice-Chair shall perform the duties of the Chair and when so acting shall have all the powers and be subject to all restrictions of the Chair.

Section 6.     Election of Officers.

Beginning in May, 2020, nominations for Chair and Vice Chair shall be made from the floor at the annual meeting in May. The terms of office shall be for one year and begin at the close of the annual meeting at which he/she is elected, or until a successor shall be elected and qualified. No member shall hold more than one office at a time.

Section 6 7.    Other.

The Board may appoint and/or employ a Director, Treasurer, and/or Secretary. Such positions may be filled by City of St. Joseph staff and positions may be combined. The Director's responsibilities are described in Article V.

**ARTICLE IV.  
MEETINGS**

Section 1.     Annual Meeting.

Beginning in 2020, the annual organizational meeting shall be held on the first Thursday of May at 8:00 a.m. at such place as determined by the Board of Directors. The election of officers shall occur at the annual organizational meeting. If the election of officers does not occur on the day designated, or any adjournment thereof, the Board shall cause the election to be held at a regular or special meeting of the Board within ninety (90) days of the annual meeting.

Section 2.     Regular Meetings.

Regular meetings of the Board shall be held at 8:00 a.m. on the first Thursday of each month at such place as determined by the Board of Directors. All expense items shall be publicized monthly and the financial records shall always be open to the public. Any regularly scheduled meeting may be canceled for a lack of quorum and may be rescheduled in compliance with P.A. 267 of 1976, as amended (being the Michigan Open Meetings Act, MCL 15.261 *et seq.*) ("Open Meetings Act"). When the regular meeting day falls on a legal holiday or as otherwise appropriate, the Downtown Development Authority Board shall select a suitable alternate day. An annual notice of regularly scheduled Downtown Development Authority Board meetings shall be prepared and comply with the Open Meetings Act.

Section 3.     Special Meetings.

Special meetings of the Board may be called 1) by the Chair; 2) by the Vice Chair in the absence of the Chair; 3) by the Director; 4) by any three members; or 5) by the City Commission by giving twenty-four (24) hours notice of the meeting stating the purpose of the meeting and by posting the notice eighteen (18) hours prior to the meeting.

Section 4. Notice of Meetings

All meetings of the Board, Committees, and Advisory Boards as established under Article VI, shall be preceded by public notice posted eighteen (18) hours prior to the meeting in accordance with the Open Meetings Act. Notice to the members of the Board, Committees, Advisory Boards and the public shall be the responsibility of the Secretary.

Section 5. Board Business.

The business which the Board may perform shall be conducted at a public meeting of the board held in compliance with the Open Meetings Act, Public Act.

Section 6. Agenda.

The Director shall prepare the agendas in cooperation with the Chair for all meetings and shall provide them to the DDA members at least twenty-four (24) hours prior to a meeting. Delivery may be completed electronically or by personal delivery; in the event of electronic delivery paper copies shall be provided at the meeting upon request by any member. Any member of the DDA may request an item to be placed upon the Agenda, provided such requested is provided forty-eight (48) hours in advance of the scheduled meeting.

Section 7. Quorum and Voting.

A majority of the members of the Board in office shall constitute a quorum for the transaction of business. No action shall be taken except upon concurring vote of five members of the Board, unless a higher number is required by statute or these rules. In the event that membership eligible to consider a proposal is reduced to fewer than five members because of disclosure of interest (Article II, Section 7), unanimous vote of the remaining members eligible to vote shall constitute Board action.

Section 8. Parliamentary Procedure.

Parliamentary procedure in Board meetings shall be informal. However, if required to keep order, Board meetings shall then look to *Roberts Rules of Order Newly Revised*, (10<sup>th</sup> Edition, Perseus Publishing, New York, 2000 (ISBN 0-7382-037-6)) for guidance on issues not specifically covered by these Bylaws.

Section 9. Mandatory Voting.

Except when a member is excused from participating on a matter by the chair because of a disclosed conflict of interest, all members present shall vote on all matters before the Board.

**ARTICLE V.**  
**APPOINTMENT/EMPLOYMENT OF PERSONNEL**

Section 1. Director.

The Board may employ and fix the compensation of a Director, subject to the approval of the City Commission. The City Manager or other employee of the City may serve as the Director. 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 penal sum determined in the ordinance establishing the DDA, payable to the DDA for use and benefit of the DDA, approved by the Board, and filed with the City Clerk. The premium on the bond shall be deemed an operating expense of the DDA, payable from funds available to the Authority for expenses and operation.

The Director shall be the chief administrative officer of the DDA. 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 DDA in the manner authorized by Act 57 of 2018 as amended. The Director shall attend the meetings of the Board, and shall render to the Board and to the City Commission regular reports covering the activities and financial condition of the DDA. If the Director is absent or disabled, the Board may designate a qualified person as Acting Director to perform the duties of the office. Before entering upon the duties of the office, the Acting Director shall take and subscribe to the oath, and furnish bond, as required of the Director. The Director shall furnish the Board with information or reports governing the operation of the DDA as the Board requires.

Section 2. Treasurer.

The Board may employ and fix the compensation of a Treasurer, who shall keep the financial records of the DDA and who, together with the Director, shall approve all vouchers for the expenditure of funds of the DDA. The Treasurer shall perform such other duties as may be delegated by the Board and shall furnish bond in an amount as prescribed by the Board.

Section 3. Secretary.

The Board may employ and fix the compensation of a Secretary, who shall maintain custody of the official seal and of 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 its proceedings, and shall perform such other duties delegated by the Board.

Section 4. Legal Counsel.

The Board may retain legal counsel to advise the Board in the proper performance of its duties. The legal counsel shall represent the DDA in actions brought by or against the DDA. The City Attorney for the City St. Joseph shall serve in this role unless the City Commission objects,

there is a conflict of interest in so doing, or unless the Board obtains other counsel.

Section 5.     Other Personnel.

The Board may employ other personnel it deems necessary.

**ARTICLE VI.  
COMMITTEES AND ADVISORY BOARDS**

Section 1.     Committees.

The Board by resolution may designate and appoint one or more committees to advise the Board. The committee members shall be members of the DDA. The Chair of the DDA shall appoint the members and select the Chair. The committees may be terminated by a vote of the DDA. At the annual meeting the committees will be evaluated and reappointed or dissolved. A majority of members of the committee will constitute a quorum. A majority of the members present at a meeting at which a quorum is present shall constitute the action of the committee.

Section 2.     Advisory Boards.

The Board may by resolution authorize the establishment of advisory boards to the DDA. The Chair shall select, with the advice and consent of the DDA, the members of each advisory board. Each advisory board shall elect officers from among its membership and shall establish rules governing their election.

**ARTICLE VII.  
CONTRACTS AND FUNDS**

Section 1.     Contracts.

The Board may authorize the Director or an agent or agents of the DDA to enter into any contract or execute and deliver any instrument on behalf of the DDA within the limits authorized by Public Act 57 of 2018, as amended. The authorization may be general or confined to specific instances.

Section 2.     Funds.

All checks, drafts or orders for the payment of money issued in the name of the ~~Authority~~ DDA shall be processed through the City Finance Office and all money, notes or other evidence of indebtedness shall be issued in the same manner as other City invoices. All invoices paid shall be provided to the Board each month. All funds of the DDA shall be placed in such banks, trust companies, or other depositories as selected by the City of St. Joseph City Commission for City funds.



Section 3.     Contributions or Gifts.

The Board may accept on behalf of the DDA any contribution, gift, bequest, or device for the general purposes or for any special purpose of the DDA.

**ARTICLE VIII.  
BOOKS AND RECORDS**

Section 1.     Books and Records.

The Director, Recording Secretary or other City staff, on behalf of the Board, shall keep, a record of Board meetings, which, shall at a minimum include an indication of the following:

- a. Copy of the meeting posting pursuant to the Open Meetings Act;
- b. Copy of the complete agenda packets;
- c. Copy of the approved meeting minutes and any items received during the meeting;
- d. Records of any action, support documents, maps, site plans, photographs, correspondence received, attached as an appendix to the minutes;
- e. Citizen comments;
- f. Monthly financial reports and expense records;
- g. Copy of the annual audit prepared by an independent certified public accountant, and
- h. Copy of annual report outlining activities of the DDA and Board.

Section 2.     Retention of Records.

DDA and Board records shall be preserved and kept on file according to statutory requirements and City policy or procedures not in conflict therewith.

Section 3.     Fiscal Year.

The fiscal year of the Authority shall at all times conform to the fiscal year of the City of St. Joseph.

**ARTICLE IX.  
RAISING OF FUNDS**

The DDA is authorized to raise funds as allowed by law, including but not limited to the following:

Section 1.     Ad Valorem Tax.

The DDA with the approval of the City Commission may levy an ad valorem tax on the real and tangible property not exempt by law and as finally equalized in the downtown district. The tax shall be no more than 2 mills. The tax shall be collected by the City of St. Joseph. The City shall collect the tax at the same time and in the same manner as it collects its other ad valorem

taxes. The tax shall be paid to the Treasurer of the DDA and credited to the general fund of the DDA for purposes of financing only the operations of the DDA.

Section 2.     Borrowing Money Prior to Collection of Tax.

The City may, at the request of the DDA, borrow money and issue its notes under the Revised Municipal Finance Act, Public Act 34 of 2001, MCL 141.2101 – 141.2821, in anticipation of collection of the ad valorem tax authorized in this section.

Section 3.     Revenue Bonds.

The DDA may borrow money and issue its negotiable revenue bonds therefor pursuant to Act 94 of the Public Acts of 1933, as amended, being sections 141.101 to 141.140 of the Michigan Compiled Laws. Revenue bonds issued by the DDA shall not except as hereinafter provided be deemed a debt of the City of St. Joseph or the State of Michigan. The City Commission by a majority vote of the members may pledge its full faith and credit to support the DDA revenue bonds.

Section 4.     Tax Increment Financing.

When the DDA determines that it is necessary for the achievement of its purposes pursuant to Act 57 of 2018, as amended the DDA shall prepare and submit a tax increment financing plan to the City Commission. The plan shall include a development plan as provided in the Act, a detailed explanation of the tax increment procedure, the maximum amount of bonded indebtedness to be incurred, the duration of the program and shall be in compliance with the Act. The plan shall contain a statement of the estimated impact of tax increment financing on the assessed values of all taxing jurisdictions in which the development area is located. The plan may provide for the use of part of all of the captured assessed value, but the portion intended to be used by the DDA shall be clearly stated in the tax increment financing plan.

**ARTICLE X.  
DISTRICT BOUNDARIES**

The DDA shall exercise its powers within the downtown district of the City of St. Joseph as described and approved by the City Commission in Chapter 10, 10-18 of the City of St. Joseph Code of Ordinances, as may be amended from time to time.

**ARTICLE XI.  
ETHICS AND CONFLICT OF INTEREST**

Section 1.     Purpose.

Citizens of the City of St. Joseph are entitled to have fair, ethical and accountable local government that has earned the public’s full confidence. In order to function effectively, public

officials need to be independent, impartial and fair in their judgements and actions, and to conduct deliberations openly unless legally confidential, acting with respect and civility.

Section 2. Act in the Public Interest.

Recognizing that acting in the public interest must be their primary concern, DDA Board members must work for the common good of the citizens of the City of St. Joseph and not for any private or personal interest. A DDA Board member shall assure civil, respectful, fair and equal treatment of all persons, claims and transactions coming before the DDA Board, prepare for issues coming before him/her, and attentively participate in discussion and business brought before the DDA Board.

- a. All Board members will strive to maintain a high level of attendance for all regular and special meetings of the Board.
- b. All Board members shall vote on every matter unless absent or unable to vote due to a conflict of interest as described in these bylaws.

Section 3. Conflict of Interest.

It is not automatically an unacceptable conflict of interest for a Board member to derive personal or professional benefit from a DDA activity. Many DDA participants stand to gain some benefit from their service in the DDA program, such as downtown business and property owners. Such indirect benefit is entirely proper and is not usually an unacceptable conflict of interest with the DDA programs.

Each member of the Board shall avoid conflicts of interest and the appearance of a conflict of interest or other impropriety. As such, Board members shall refrain from participation in a matter arising from a personal or financial involvement or interest that would cause a reasonable person to believe that the public official cannot act in his/her official capacity without self-interest or bias. Board members are usually considered to have an interest in an activity if they, or an immediate family member (including spouse, children, step-children, grandchildren, parents, brothers, sisters, grandparents, parents' in-law, grandparents' in-law, etc) or close personal relationship associated with a project.

- a. As used here, a conflict of interest shall at a minimum include, but not necessarily be limited to issues:
  - i. Has a substantial financial interest in the activity.
  - ii. Has a substantial financial interest in any organization involved in the activity.
  - iii. Holds a position as a trustee, director, general manager or principal officer in an organization involved in the activity.
  - iv. Uses "inside information" for personal benefit or to the detriment of the DDA program. "Inside information" is information which has not become public information and which was obtained through the participant's work with the DDA program.

- v. Use of his/her position with the DDA program to the detriment of the DDA program.
  - vi. Uses his/her position with the DDA program for personal or business benefit which is in conflict with the best interest of the DDA program.
  - vii. Where his/her employee or employer has a direct interest in the outcome, and the relationship is such that the Board member is unable, or appears unable, to have a fair and impartial opinion.
- b. When a Board member believes that he/she may have a conflict of interest, the Board member shall immediately notify the Chair, the Director, or the City Manager, who will consult with the City Attorney for further clarification. If a preliminary determination is made by the City Attorney that a conflict of interest exists, the Board member with the conflict shall do all of the following:
- I. Declare a conflict of interest exists and describe the nature of the conflict at the next Board meeting, before the proceeding related to the agenda item begins.
  - II. Refrain from participating in the portion of the Board meeting proceeding that is related to the conflicted item and leave the room during the proceedings, including discussion, deliberating and voting, until the item is concluded.
  - III. If there remains a question of whether a conflict of interest exists, the question shall be put before the Board, which shall determine whether a conflict of interest exists. A majority vote of the remaining members of the Board is required to find that no conflict exists. The remaining members of the Board shall vote on this question and determine if a conflict of interest exists, even if the number of remaining members does not constitute a quorum.

Section 4. Standards.

The following minimum standards shall apply to all Board members in their service to the City of St. Joseph.

- a. Compliance
  - i. A Board member shall comply with all laws of the United States, the State of Michigan and the City of St. Joseph including charter provisions and ordinances.
  - ii. A Board member shall comply with all rules, regulations, bylaws, procedures and policies applicable to the member's official service to the City of St. Joseph.
- b. Communication
  - i. A Board member shall respect the confidentiality of information concerning the property, personnel or affairs of the DDA and/or the City. He/she shall neither disclose nor divulge to an unauthorized person confidential information acquired in the course of his/her duties in advance of the time prescribed for its authorized

release to the public without proper legal authorization, nor use such information to advance their personal, financial or other private interest.

- ii. A Board member shall publicly share substantive information that is relevant to a matter under consideration, which he/she may have received from sources outside the decision making process.
  - iii. Whenever possible, members shall avoid *Ex Parte* contact with or about an applicant, application or issue when an administrative decision is before the Board.
  - iv. If inadvertent *Ex Parte* contact occurs, the member should fully disclose what was said and the nature of the contact to the Board at the next public meeting or hearing, so that every member and other interested parties are made aware of what was said.
- c. Representation.
- i. A Board member shall not represent his/her personal views as those of the Board.
  - ii. A Board member shall not make any statements or answer any questions on behalf of the Board unless expressly authorized by the Board.
  - iii. A Board member shall act within the authority granted to a Board and shall respect the roles of other officials and bodies.
  - iv. A Board member shall not interfere with the DDA's or City's administrative functions or the duties of City staff and shall not impair the City staff's ability to implement policy decisions made by any official body.
- d. City Resources. Except to the extent that they would be available to the other members of the public, a Board members shall not use or attempt to use DDA or City personnel, resources, property, funds, or information for private gain.
- e. Gifts, Favors or Loans. Gifts shall not be accepted by a Board member from anyone connected with any issue that has or is likely to come before the Board. As used here, gifts shall mean cash, any tangible item, or service, regardless of value; and any food item valued over \$25. Ordinary social hospitality is not considered a gift, favor or loan under this provision.

### **ARTICLE XIII** **Amendment to the Bylaws**

#### Section 1. Amendments.

The Board shall have the power to make, alter, or amend the bylaws in whole or in part by a two-thirds (2/3) vote of the total membership. Any proposed amendments or alteration shall be submitted in advance of the meeting at which they are to be acted upon.

Originally adopted by St. Joseph Downtown Development Authority on February 20, 2014.  
This document adopted on February 7, 2019 by the St. Joseph Downtown Development Authority.