CITY OF HART
Tax Increment Finance Authority
BYLAWS

A. PURPOSE

The role and focus of the Tax Increment Finance Authority (TIFA) is to correct and prevent deterioration in the TIFA district; to encourage the historical preservation of buildings in the district; to create and implement future development plans in and for the district; to promote economic growth; and encourage the expansion of commercial enterprises in the TIFA District in accordance with the TIF Plan and Michigan Public Act 57 of 2018.

B. BOARD POWERS

The TIFA Board shall have the authority to:

1. Prepare an analysis of economic changes taking place in the TIFA District;

2. Study and analyze the impact of growth upon the TIFA District;

3. Plan and propose the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a public facility, an existing building, or a multiple-family dwelling unit which may be necessary or appropriate to the execution of a plan, which in the opinion of the Board of Directors s of TIFA, aids in the economic growth of the TIFA District;

4. Develop long-range plans, designed to halt and prevent the deterioration of the property values, economic stagnation and decline, and competitive decline in the TIFA District; and to promote the economic growth of the TIFA District;

5. Implement any plan of promotions, development and financing in the TIFA District necessary to achieve the purpose of the TIF Plan and Michigan Public Act 57 of 2018, in accordance with the powers of the Authority as granted by Act;

6. Make and enter into contracts necessary or incidental to the exercise of its powers and the performance of its duties;

7. Acquire by purchase or otherwise, on terms and conditions and in a manner the Authority deems proper, or own, convey, or otherwise dispose of, or lease as lessor or lessee, any other property, real or personal, or rights or interest therein, which the Authority determines is reasonably necessary to achieve the purposes of the TIF Plan and Michigan Public Act 57 of 2018, and to grant or acquire licenses, easements and options with respect thereto with the consent of the City Council.

8. 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 TIFA District for the

use, in whole or in part, of any public or private person or corporation, or combination thereof;

9. 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;

10. Lease any building or property under its control, or any part thereof;

11. Accept grants and donations of property, labor or other things of value from public or private sources;

12. Acquire and construct public facilities;

13. Prepare its own budget for approval by the City Council;

14. Utilize Tax Increment Financing (TIF) or other revenue measures throughout the district;

15. To employ a full-time Administrator, administrative staff, consultants and other service providers;

16. Any other allowed actions approved by City Council as permitted by the laws of the State of Michigan.

C. BOARD MEMBERS

1. Responsibilities
The business affairs of the TIFA shall be managed by the TIFA Board.

2. Number, Tenure, and Qualifications
The TIFA shall consist of no less than 7 and no more than 11 members, including the acting mayor of Hart.

Not less than a majority of the members shall be persons having an interest in property located in the district or hold office in an entity which has an interest in property in the District.

3. Selection of Board Members
The mayor shall appoint the voting Members of the TIFA Board, upon consultation with the TIFA Board, subject to the approval of City Council. Subsequent voting TIFA Board members shall be appointed in the same manner at the expiration of each Board members term of office of if a vacancy on the TIFA Board is created by the death, resignation or removal of a Member. Candidates for the member position on the TIFA Board shall be identified through a recruitment application and selection process that will consider the needs of its programs. The mayor may ask for the assistance or advice

of the TIFA Board or TIFA staff in selecting voting TIFA Board Members candidates. A person so appointed by the mayor shall be declared a voting member of the "TIFA Board" upon taking the oath of office.

4. Board Member Attendance

When appointed, each Member should state his/her willingness and intention to attend each scheduled monthly meeting of the TIFA Board.

In the event of business trips, family vacation, changed job requirements, sickness or other personal matters that prohibit the Member from attending a TIFA Board Meeting, the Member shall notify TIFA staff or the TIFA Board Chairperson as early as possible of the inability to attend the scheduled meeting, thus ensuring that a quorum will be present for the meeting.

If a Member is absent from more than three (3) meetings in a 12-month period of time, the TIFA Board may recommend through the Mayor to City Council that the Member be removed.

5. Removal

Pursuant to notice and after having been given an opportunity to be heard, a Member of the TIFA Board may be removed for cause by the City Council, following the recommendation of the Executive Committee or whole TIFA Board.

6. Disclosure of Interests

Each Member shall be subject to the written Conflict of lnterest document, if adopted by the Board.

A Member of the TIFA Board or an employee who has a direct interest in any matter before the TIFA Board shall disclose his or her interest prior to the TIFA Board taking any action with respect to the matter, which disclosure shall become a part of the official record of the proceedings. If the TIFA Board determines such a conflict of interest exists, they shall require that the Member involved in such conflict abstain from any vote pertaining to such conflict, and a majority present at the meeting shall be considered as deciding the matter.

7. Compensation of Members

Members of the TIFA Board shall serve without compensation and shall not profit directly or indirectly from any action taken by the TIFA Board but shall be reimbursed for actual and necessary expenses subject to authorization by a vote of the majority of the TIFA Board then eligible to vote.

D. MEETINGS

1. Annual Meeting

An annual meeting of the TIFA Board shall be held each year for the purpose of

installing new members, strategic planning, electing Board Officers, and assessing the prior year's achievements. Setting goals for the next year and for the transaction of such other business as may be placed on the agenda for the meeting. This organizational meeting shall coincide with the fiscal year of the City.

8. Regular Meetings

Regular meetings of the TIFA Board shall be held a minimum of once per month, unless the TIFA Board determines otherwise. The Chairperson shall determine the specific time and day of each month that regular meetings shall be held based on the availability of the Members of the TIFA Board. All meetings shall be held in accordance with the Open Meetings Act. The Hart City Council, the Board Chairperson, or by four or more Administrators may request a special meeting of the Board. The person(s) calling said special meeting shall designate its time and place, although any meeting so called shall be within the corporate limits of the City.

9. Special Meetings

Special meetings of the TIFA Board may be called at the request of the Mayor of the City of Hart or the TIFA Board Chairperson. The person calling the special meeting of the "TIFA Board" may fix the time and place for the holding of the special meeting, with no less than 48-hour's notice to all TIFA Board Members. Notice to Members shall be by email and posted on the TIFA Board website and posted outside of City Hall. All meetings shall be held in accordance with the Open Meetings Act.

10. Notice of Meetings

All meetings shall be preceded by public notice in accordance with the Open Meetings Act.

11. Quorum and Voting

A majority of the Members of the TIFA Board then in office shall constitute a quorum for the transaction of business. If the number of Members available to vote is reduced because of Disclosure of Interests, a majority of the remaining Members eligible to vote shall constitute a quorum for the transaction of business. The vote of majority Members present at a meeting at which a quorum is or was present shall constitute the action of the TIFA Board unless the vote of larger number of Members is required by statute or elsewhere in these Bylaws.

12. Public Meetings

The meetings of the TIFA Board shall be public and shall follow all provisions of the Michigan Open Meetings Act and for any "closed" sessions.

13. Minutes of All Meetings

The minutes of any meeting of the TIFA Board will be prepared by the Board Secretary or approved substitute and provided to all Members for their review prior to the next regularly scheduled meeting and to each Member of City Council. Minutes of executive

session meetings shall be maintained in conformity with and shall be subject to the provisions of the Open Meetings Act. "Closed" session minutes in accordance with the Open Meetings Act.

E. OFFICERS

1. Officers

   The Officers of the TIFA Board shall be a Chairperson$_1$ Vice-Chairperson, Secretary and Treasurer.

2. Election and Term of Office

   Officers of the TIFA Board shall be elected annually by the Members during the regular July TIFA Board meeting.

   Each Officer shall hold office until his successor shall have been duly elected. An Officer shall serve one two-year term in the same office. No Member shall hold more than one office at a time. An Officer must be a current TIFA Board Member.

3. Removal

   After notice and having been given an opportunity to be heard, the TIFA Board may remove any Officer from his or her Officer position for cause whenever the TIFA Board determines, by a majority vote, that it is in the best interest of the TIFA Board. The removed Officer shall continue to be a Member of the TIFA Board unless removed from his or her membership by the City Council.

4. Vacancies

   A vacancy in office because of death, resignation, removal, disqualification or otherwise, may be filled by a current TIFA Board Member appointed by the Board Chairperson subject to City Council, subject to approval of the TIFA Board, for the unexpired portion of the term.

5. Chairperson

   The Chairperson shall preside at all meetings of the TIFA Board and shall discharge the duties of the presiding officer. To be eligible a candidate for Chairperson must have served one full year on the TIFA Board.

6. Vice Chairperson

   In the absence of the Chairperson, or in the event of his or her inability or refusal to act, the Vice-Chairperson shall perform the duties of the Chairperson. When so acting, the Vice- Chairperson shall have all the powers of and be subject to all the restrictions upon the Chairperson. The Vice-Chairperson shall perform such other duties as from time to time may be assigned by the Chairperson or the TIFA Board. To be eligible as a candidate for Vice- Chairperson, the member must have served one full year on the TIFA Board, with the exception of the first year after the adoption of the Bylaws.

7. Secretary
The Secretary shall record, review and present to the TIFA Board for approval all meeting minutes, committee reports and correspondence.

8. Treasurer
The City Clerk/Treasurer shall review and present to the "TIFA Board" for approval all TIFA fund and expense reports with the assistance of the TIFA staff.

F. EMPLOYMENT OF PERSONNEL

The TIFA Board may employ personnel it deems necessary to fulfill its mission. Personnel may include, but not be limited to, an Administrator, Treasurer, Secretary or Legal Counsel. The Administrator shall report directly to the Chairperson of the Board and shall supervise any other staff members. Compensation levels and performance appraisals of the Administrator and other staff, if any, shall be determined by the Board and reviewed at least annually.

The Administrator shall be responsible for the day-to-day operations of the Program and is expected to attend all regular and special Board meetings and report on the status of the program from time to time to City Council.

The Administrator shall have the authorization to make purchases that have been approved by the TIFA Board upon the adoption of the fiscal year budget; other non-budgeted expenses must first meet with the approval of the TIFA Board. For any expense in excess of $1,000.00 sealed competitive bids must first be obtained as outlined in the Hart City Charter.

G. CONTRACTS, CHECKS, DEPOSITS AND FUNDS

1. Contracts
Under the authorization of the TIFA Board, contracts may be entered into or executed by an agent of the City of Hart in accordance with city policies and ordinances on behalf of the TIFA. Such authorization may be general or confined to specific instances. All employees shall be "at will" employees.

2. Checks, Drafts, Etc
All orders for the payment of money, notes or other evidence of indebtedness shall be signed by the Administrator and forwarded to the City Treasurer for issuance of payment through the TIFA account.

3. Deposits
All funds of the TIFA shall immediately be deposited into the appropriate fund or account to the credit of the TIFA in such banks, trust companies or other depositories as the utilized by the City of Hait for this purpose or as authorized by the TIFA Board.

4. Gifts
The TIFA Board may accept any contributions, gifts, bequests, or devises for the general

purposes or for any special purpose of the TIFA, as allowable by the General Accounting Standards Board, generally accepted accounting principles, the Internal Revenue Service or applicable regulations. The Administrator shall inform the City Council of the receipt of such gifts, identify of the donor need not be reported should the donor wish to remain anonymous.

5. Budget

The TIFA Board shall set goals and objectives annually during the 4th quarter of the fiscal year to develop and approve a budget for the fiscal year beginning the first day of July. The TIFA Board shall submit an annual budget to the City of Hart City Manager by March 1 for inclusion in the annual budget presentation to City Council.

H. BOOKS AND RECORDS

The TIFA shall keep correct and complete books and records of account and shall also keep minutes of TIFA Board meetings. The TIFA shall also keep at the principal office a record giving names and addresses of the Members entitled to vote. The books and records of the TIFA shall be open to the public at all times in accordance with the State of Michigan Freedom of Information Act. The Administrator shall provide the TIFA Board with financial reports of activity including revenues received and expenditures. All bank accounts maintained by the TIFA shall incorporate the words " Hart Tax Increment Finance Authority" in the title of such accounts. The Administrator shall notify City Council of the creation of any new accounts.

I. FISCAL YEAR

The fiscal year of the TIFA Board shall begin on the first day of July and end on the last day of June the following year.

J. AMENDMENT TO BYLAWS

Amendment(s) to these Bylaws may be proposed by the TIFA Board acting upon the vote of the majority of the Members present at the meeting provided a quorum is present.

Upon any such Amendment(s) being proposed, a meeting for consideration of the same shall be fully called in accordance with the provision of the Bylaws, or the Amendment(s) shall be considered at the Regular Meeting to be held within 30 days of such proposal.

These Bylaws may be amended by the TIFA Board at any Regular Meeting or a Special Meeting called for such purpose by an affirmative vote of not less than Sixty-Six and Two-Thirds (66 2/3%) Percent of all the Members present.

Written notice of proposed Bylaws Amendment(s) must be given to all Members at least 10 days prior to the meeting for consideration of the same.

All Amendment(s) to the Bylaws shall be subject to approval of the City Council and shall become effective upon approval unless stated in the Amendment(s).

Adopted by Hart Main Street Authority Board Members on _____

_____
Chair

_____
Vice Chair

_____
TIFA Administrator

Adopted by City Council on _____

_____
City Clerk