

AN ORDINANCE TO PROVIDE FOR A
TAX ABATEMENT FOR A SENIOR CITIZEN APARTMENT COMPLEX

THE VILLAGE OF EDWARDSBURG ORDAINS:

WHEREAS, it is the public purpose of the State of Michigan and its political subdivisions to provide housing for its Senior Citizens, with such purpose and policy being enunciated in Act No. 346 of the Public Acts of 1966 of the State of Michigan, and

WHEREAS, property tax exception will serve to stimulate the development of housing for Senior Citizens, and

WHEREAS, Edwardsburg Manor Ltd. Prt. Proposed to erect, own, and operate a Senior Citizens Housing Project, Identified as Edwardsburg Manor Apartments, on certain property more particularly described as follows:

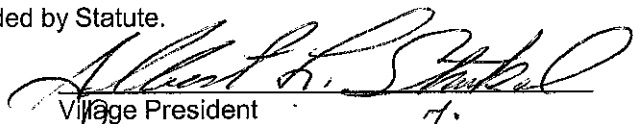
Four acres included in the following described parcel of land, to wit:

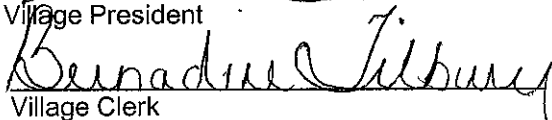
Part of the North half of Section 8. Township 8 South, Range 15 West, Village of Edwardsburg described as, from the North Quarter corner of Section 8, measure West 27.50 feet, thence measure South 36 degrees 08' West 165.80 feet to the point of beginning of the land herein described, thence East 468.78 feet to the Westerly line of Gateway Drive, thence South 9 degrees 08' 513.37 feet, thence South 36 degrees 28' West 137.98 feet all along said westerly line of Gateway Drive, thence North 53 degrees 32' West 232.50 feet, thence South 37 degrees 13' West 82.00 feet, thence North 53 degrees 32' West 376.80 feet, thence North 36 degrees 08' East 397.30 feet to the point of beginning. Containing 6.62 Acres more or less.

WHEREAS, pursuant to the authority vested in the Edwardsburg Village Council, the Village Council hereby determine that the Development is qualified for exemption from property taxes as provided in this Act.

THEREFORE, the Village of Edwardsburg, ORDAINS, that the property and the Development to be constructed on the property shall be exempt from all property taxes, for twenty years 2004 – 2023, as provided in the Act from and after the continuation of the management of the Development, and the Village Council hereby agrees to accept payment of an annual service charge for public services in lieu of all property taxes, to be paid by the Developer to the Village, determine by and the submission of Total Gross Rent (TGR) less the Total of All Utilities (TAL), at a rate of ten percent (10%) of the balance, annually. Payable in installments for three months (January, February and March) on April 1st, 2004 and a similar sum (TGR – TAL @ 10%) on April 1st each year thereafter during the tax Period, and an additional sum of the balance of the annual amount owed on October 1, 2004 and a like sum on October 1st each year thereafter during the period. Developer will provide Village with a Statement of Income and Utility expense by March 15 of each year of this agreement.

This Ordinance to be effective when published as provided by Statute.

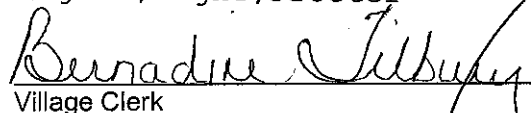

Village President


Village Clerk

This Ordinance passed by a Roll Call vote at the Regular Meeting held on December 15, 2003.

Yes: 6 Mackling, Robinson, Pabreza, Monaghan, Tighe, Proctor

No: 0


Village Clerk

Westlaw.

M.C.L.A. 125.1415a

Page 1

▷

MICHIGAN COMPILED LAWS ANNOTATED
CHAPTER 125. PLANNING, HOUSING, AND ZONING
STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966
CHAPTER 1. DEFINITIONS AND GENERAL PROVISIONS

→ **125.1415a. Housing project; tax exemption; service charge for public services**

Sec. 15a. (1) If a housing project owned by a nonprofit housing corporation, consumer housing cooperative, limited dividend housing corporation, mobile home park corporation, or mobile home park association is financed with a federally-aided or authority-aided mortgage or advance or grant from the authority, then, except as provided in this section, the housing project is exempt from all ad valorem property taxes imposed by this state or by any political subdivision, public body, or taxing district in which the project is located. The owner of a housing project eligible for the exemption shall file with the local assessing officer a notification of the exemption, which shall be in an affidavit form as provided by the authority. The completed affidavit form first shall be submitted to the authority for certification by the authority that the project is eligible for the exemption. The owner then shall file the certified notification of the exemption with the local assessing officer before November 1 of the year preceding the tax year in which the exemption is to begin.

(2) The owner of a housing project exempt from taxation under this section shall pay to the municipality in which the project is located an annual service charge for public services in lieu of all taxes. Subject to subsection (6), the amount to be paid as a service charge in lieu of taxes shall be for new construction projects the greater of, and for rehabilitation projects the lesser of, the tax on the property on which the project is located for the tax year before the date when construction or rehabilitation of the project was commenced or 10% of the annual shelter rents obtained from the project. A municipality, by ordinance, may establish or change, by any amount it chooses, the service charge to be paid in lieu of taxes by all or any class of housing projects exempt from taxation under this act. However, the service charge shall not exceed the taxes that would be paid but for this act.

(3) The exemption from taxation granted by this section shall remain in effect for as long as the federally-aided or authority-aided mortgage or advance or grant from the authority is outstanding, but not more than 50 years. The municipality may establish by ordinance a different period of time for the exemption to remain in effect.

(4) Except as otherwise provided in this subsection, any payments for public services received by a municipality in lieu of taxes under this section shall be distributed by the municipality to the several units levying the general property tax in the same proportion as prevailed with the general property tax in the previous calendar year. For payments in lieu of taxes collected after June 30, 1994, the distribution to the several units shall be made as if the number of mills levied for local school district operating purposes were equal to the number of mills levied for those purposes in 1993 minus the number of mills levied under the state education tax act, Act No. 331 of the Public Acts of 1993, being sections 211.901 to 211.906 of the Michigan Compiled Laws, for the year for which the distribution is calculated. For tax years after 1993, the amount of payments in lieu of taxes to be distributed to a local school district for operating purposes under this subsection shall not be distributed to the local school district but instead shall be paid to the state treasury and credited to the state school aid fund established by section 11 of article IX of the state constitution of 1963.

© 2008 Thomson Reuters/West. No Claim to Orig. US Gov. Works.

(5) Notwithstanding subsection (1), a municipality may provide by ordinance that the tax exemption established in subsection (1) shall not apply to all or any class of housing projects within its boundaries to which subsection (1) applies. If the municipality makes that provision, the tax exemption established in subsection (1) shall not apply to the class of housing projects designated in the ordinance. If the ordinance so provides, the ordinance shall be effective with respect to housing projects for which an exemption has already been granted on December 31 of the year in which the ordinance is adopted, but not before. A municipality that has adopted an ordinance described in this subsection may repeal that ordinance, and the repeal shall become effective on the date designated in the repealing ordinance.

(6) Notwithstanding subsection (2), the service charge to be paid each year in lieu of taxes for that part of a housing project that is tax exempt under subsection (1) and that is occupied by other than low income persons or families shall be equal to the full amount of the taxes that would be paid on that portion of the project if the project were not tax exempt. The benefits of any tax exemption granted under this section shall be allocated by the owner of the housing project exclusively to low income persons or families in the form of reduced housing charges.

(7) For purposes of this section only, "low income persons and families" means, with respect to any housing project that is tax exempt, persons and families eligible to move into that project. For purposes of this subsection, the authority may promulgate rules to redefine low income persons or families for each municipality on the basis of conditions existing in that municipality.

(8) This state shall not reimburse any unit of government for a tax exemption granted to any housing project under this section.

Current through P.A.2008, No. 268 of the 2008 Regular Session,
94th Legislature

Copr. © 2008 Thomson Reuters/West.

END OF DOCUMENT

© 2008 Thomson Reuters/West. No Claim to Orig. US Gov. Works.