

Ann Arbor City Council Regular Session: February 19, 2013  
Email Redactions List Pursuant to Council Resolution R-09-386

<u>Sent Time</u>	<u>Received Time</u>	<u>To</u>	<u>From</u>	<u>CC</u>	<u>Redactions</u>	<u>Reason for Redaction</u>
	There were no emails to redact.					

**Allen, Jane**

---

**From:** Naud, Matthew  
**Sent:** Tuesday, February 19, 2013 8:58 PM  
**To:** Hieftje, John  
**Subject:** Re: PACE Bond - summary/update

Thank you

Matthew Naud

Environmental Coordinator  
City of Ann Arbor

[mnaud@a2gov.org](mailto:mnaud@a2gov.org)

[www.a2gov.org/soe](http://www.a2gov.org/soe) - State of Our Environment Report - 10 goals and 60 indicators

On Feb 19, 2013, at 6:10 PM, "Hieftje, John" <[JHieftje@a2gov.org](mailto:JHieftje@a2gov.org)> wrote:

Will do.

---

**From:** Naud, Matthew  
**Sent:** Tuesday, February 19, 2013 5:33 PM  
**To:** Hieftje, John  
**Cc:** Crawford, Tom; Horning, Matthew; Fales, Mary Joan  
**Subject:** RE: PACE Bond - summary/update

John – see the following minor amendments (in Yellow) to number 12 in the PACE Bond Resolution

Could you make these on the floor?

Matthew Naud  
Environmental Coordinator  
Assistant Emergency Manager  
City of Ann Arbor  
[mnaud@a2gov.org](mailto:mnaud@a2gov.org)

<image001.jpg><image002.jpg><image003.png>

[www.a2gov.org/soe](http://www.a2gov.org/soe) - State of Our Environment Report - 10 goals and 60 indicators

---

**From:** Horning, Matthew  
**Sent:** Tuesday, February 19, 2013 5:11 PM  
**To:** Naud, Matthew; Fales, Mary Joan  
**Cc:** Crawford, Tom; Brown, Bowden  
**Subject:** RE: PACE Bond - summary/update

So, how do we go about getting this amendment made on the floor tonight?

12. Reserve Fund . The Bonds shall be further secured by the Reserve Fund in the initial amount of up to \$200,000, which shall be funded solely by grant moneys received by the City from the U.S. Department of Energy, and which shall be established at the time of delivery of the Bonds as a separate depository account of the City. The Reserve Fund may be established at the financial institution purchasing the Bonds, as determined by the Treasurer. The City hereby irrevocably pledges the Reserve Fund as security for payment of principal of and interest on the Bonds. The City reserves the right to release funds from the Reserve Fund (following the first year of the term of the Bonds), provided that an amount equal to not less than 10% of the outstanding principal amount of the Bonds is at all times retained in the Reserve Fund as security for payment of the Bonds. To the extent the Reserve Fund is drawn on to make payments on the Bonds, the City is not required to replenish the Reserve Fund. The reserve fund may be used to pay issuance costs, capitalized interest, and/or a capital contribution, at the discretion of the Treasurer, subject to grant requirements as determined by the U.S. Department of Energy.

**Allen, Jane**

---

**From:** Kunselman, Stephen  
**Sent:** Tuesday, February 19, 2013 7:48 PM  
**To:** \*City Council Members (All)  
**Cc:** Fales, Mary Joan; Postema, Stephen; Powers, Steve; Beaudry, Jacqueline; Bowden (King), Anissa; Alexa, Jennifer; Horning, Matthew  
**Subject:** Proposed DDA Ordinance Amemndments  
**Attachments:** DDA Ordinance Amendments 2013.doc

FYI – any questions should be directed to staff.

I look forward to your support.

Stephen Kunselman

Ward 3

Ordinance to Amend Sections 1:155, Section 1:156 and Add a New Section Which New Section Shall Be Designated as Section 1:160 of Chapter 7, Downtown Development Authority, Title I of the Code of the City of Ann Arbor.

The City of Ann Arbor Ordains:

Section 1. That Section 1:155 of Chapter 7 of Title 1 of the Code of the City of Ann Arbor be amended to read as follows:

**1:155. Board.**

The authority shall be under the supervision and control of a board consisting of the ~~mayer or~~ administrator of the city and 11 members. The members shall be appointed by and terms of office shall be as provided in Act 197 with the following exceptions:

- (1) No elected public official shall be eligible for appointment, whether in their official capacity or as an individual.
- (2) No member may serve more than 2 consecutive full terms

All members shall hold office until the member's successor is appointed.

Section 2. That Section 1:156 of Chapter 7 of Title 1 of the Code of the City of Ann Arbor be amended to read as follows:

**1:156. Powers of the authority.**

As provided in Act 197, the authority shall prepare a development plan and financing plan for the downtown district or a development area within the district. The authority must obtain city council approval of all development and financing plans. The authority shall possess all of the powers necessary to carry out the purposes of its incorporation and shall have all powers provided by Act 197 of the Public Acts of 1975 with the following exceptions:

- (1) *Ad valorem taxes:* The authority shall not have the power to levy ad valorem taxes on the real and tangible personal property as finally equalized in the downtown district.
- (2) *Tax increment financing:* If the ~~downtown development~~ authority proposes a tax increment financing plan, it shall only plan the use of that portion of the captured assessed value that is due to new construction and improvements to existing buildings after December 31, 1981 to implement the downtown plan and any amendments thereto.

Effective with the 2013 tax year, taxes captured under an adopted tax increment financing plan shall be calculated and allocated among taxing authorities in accordance with the following

If the captured assessed valuation derived from new construction, and increase in value of property newly constructed or existing property

improved subsequent thereto, grows at a rate faster than that anticipated in the tax increment plan, at least 50% of such additional amounts shall be divided among the taxing units in relation to their proportion of the current tax levies. If the captured assessed valuation derived from new construction grows at a rate of over twice that anticipated in the plan, all of such excess additional amounts over twice that anticipated shall be divided among the taxing units.

The authority shall determine the difference between the actual captured value and the adopted tax increment financing plan capture value using the realistic tax base growth calculation identified in the plan for real and personal property for each tax year. Absent designation of a realistic tax base growth calculation in the plan, the application of this section shall utilize the mean of all values illustrated by year

Only after approval notice to and the opportunity to comment of by the governmental units may these restrictions be removed.

After the then earliest dated bond issue of the ~~downtown development~~ authority is retired, the captured assessed valuation prior to the date of sale for that issue shall be returned to the rolls on the next succeeding tax levy.

Tax funds that are paid to the ~~downtown development~~ authority due to the captured assessed value shall first be used to pay the required amounts into the bond and interest redemption funds and the required reserves thereto. Thereafter, the funds shall be distributed as set forth above or shall be divided among the taxing units in relation to their proportion of the current tax levies.

- (3) *Planning considerations, Development Plan:* In developing a plan within the downtown area, the ~~downtown development~~ authority shall consider the following:
- (a) Tax increment financing shall only be 1 of the financing methods considered and should be coordinated with private and other public investment funds.
  - (b) If possible projects should also benefit properties of other governmental units within the downtown area.
  - (c) If tax increment financing is proposed, all governmental units levying a property tax shall be fully informed of this plan and any future amendments thereto. Such consultations are to be prior to any action by the city council on the proposal. In event of additional projects, the restrictions on recapture in Item 2 would also apply.
  - (d) The plan for the downtown area should show that the property taxes realized for each governmental taxing unit, over the long term, should be greater than if the downtown development district did not exist.

(4) Development Plan Projects: In identifying, approving, and financing possible projects to meet the goals of the plan, the authority shall comply with the following:

(a) If tax increment financing is used as the financing method for an approved authority project, the project must be specifically allowed under Act 196 and directly benefit properties within the downtown development district.

Section 3: That Chapter 7 of Title 1 of the Code of the City of Ann Arbor be amended to add a new Section, designated as Section 1:160, to read as follows:

**1:160. Annual Report**

The authority shall prepare a TIF Annual Report, consistent with the requirements of and in the form specified by the State of Michigan and file it with the City Clerk on or before the first regular session of City Council in January each year. Filing the authority's TIF Annual Report with the City Clerk shall be in addition to and not as a replacement for any statutory or regulatory filing or publication requirements governing the TIF Annual Report.

Section 4: In the event any court of competent jurisdiction shall hold any provision of this Ordinance invalid or unenforceable, such holding shall not invalidate or render unenforceable any other provision thereof.

Section 5: This Ordinance shall take effect ten days after passage and publication.

## Allen, Jane

---

**From:** Bowden (King), Anissa  
**Sent:** Tuesday, February 19, 2013 7:23 PM  
**To:** Briere, Sabra  
**Subject:** RE: Update to 2/19/13 Packet - Final Agenda

Sorry Sabra just got this I'll add you now for the permanent record.

Anissa R. Bowden

Thankfulness finds something good in every circumstance.

-----Original Message-----

**From:** Briere, Sabra  
**Sent:** Tuesday, February 19, 2013 5:45 PM  
**To:** Bowden (King), Anissa  
**Cc:** Higgins, Marcia  
**Subject:** RE: Update to 2/19/13 Packet - Final Agenda

List me as co-sponsor, please, that I may introduce this in Marcia's absence.

Sabra Briere  
First Ward Councilmember  
(734)995-3518 (home)  
(734)277-6578 (cell)

Emails received and sent to me as a Councilmember regarding City matters are generally subject to disclosure under the Freedom of Information Act.

-----Original Message-----

**From:** Bowden (King), Anissa  
**Sent:** Tue 2/19/2013 5:42 PM  
**To:** Alexa, Jennifer; Anglin, Mike; Beaudry, Jacqueline; Briere, Sabra; Crawford, Tom; Hieftje, John; Higgins, Marcia; Higgins, Sara; Kailasapathy, Sumi; Kunselman, Stephen; Lumm, Jane; Petersen, Sally; Postema, Stephen; Powers, Steve; Satterlee, Joanna; Schopieray, Christine; Taylor, Christopher (Council); Teall, Margie; Walker, Nancy; Warpehoski, Chuck; Wondrash, Lisa  
**Subject:** Update to 2/19/13 Packet - Final Agenda

The packet has been updated as follows:

Add: DC-6 Reconvene the Design Guidelines Taskforce