



CITY OF ANN ARBOR, MICHIGAN
301 E. Huron, P.O. Box 8647, Ann Arbor, Michigan 48107-8647

Economic Development
Corporation

July 10, 2018

Mayor, City of Ann Arbor
Members, City Council,
City of Ann Arbor
City Hall
301 East Huron
Post Office Box 8647
Ann Arbor, MI 48107-8647

Re: Amendments to Articles of Incorporation of The Economic
Development Corporation of the City of Ann Arbor ("EDC/A2")

Dear Mayor and Members of City Council:

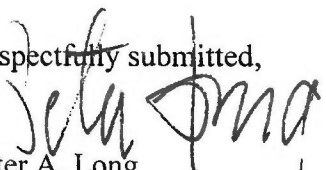
The Board of Directors of the EDC/A2 approved certain proposed amendments to its Articles of Incorporation at its meeting held March 13, 2018. The proposed amendments were then submitted to the City Attorney for review and comment. Attached are the amendments as modified following that review for your consideration and approval.

These changes do not alter or expand the powers of the EDC/A2. They set forth various roles and services that are already capable of being undertaken by the EDC/A2. However, it has been deemed prudent to make express what is otherwise implied. This clarity will facilitate future endeavors that may be taken on by the EDC/A2 in addition to its traditional one of issuing private activity revenue bonds.

The underlying authority for the amendment process is to be found in Section 30 of the EDC Act. This section provides that "...articles of incorporation of the corporation may be amended by resolution of the municipality." If and when amended, the approving resolution and amendment would then be filed with the Secretary of State's Office of the Great Seal and the Washtenaw County Register of Deeds.

If you should have any questions or comments concerning these matters please do not hesitate to contact the undersigned.

Respectfully submitted,


Peter A. Long
Counsel to the EDC/A2

cc: Larry Eiler, President/Director
Stephen Ranzini, Vice President/Director
Dale Leslie, Secretary/Director
Tom Crawford, Treasurer/Director
James Adams, Director
Howard Lazarus, Director
Tim Marshall, Director
Jan McDermott, Director
Henry McQueen, Director

attachments: Memo from Counsel
Resolution of the Board of the EDC/A2 of March 13, 2018
Proposed Second Amendment to the Articles of Incorporation of the EDC/A2

Mitzel Law Group PLC


Attorneys at Law

Dennis M. Mitzel
Teresa V. Fleming
Richard R. Zmijewski
Louise L. Labadie, PLLC (*of counsel*)

900 Victors Way, Suite 300
Ann Arbor, Michigan 48108
(734)-668-4100
Fax (734) 668-4101

Peter Arrington Long (*of counsel*)
Direct (734) 668-4095
Cell (734) 417-2445
Email palong@mitzellaw.com

TO: Mayor and City Council

FM: Peter Long, Counsel, The Economic Development
Corporation of the City of Ann Arbor ("EDC/A2") 

RE: Proposed Amendments to EDC/A2 Articles of Incorporation

DATE: July 10, 2018

The EDC/A2 was established almost forty years ago with its primary purpose being the issuance of private activity revenue bonds. Since its creation it has issued many such bonds but its enabling legislation makes clear that this need not be its only function. The powers in the EDC Act are broadly stated and the Act encourages a liberal construction of its provisions. Accordingly, the Board of the EDC/A2 has studied ways other than bond financing that the EDC/A2 might be helpful in encouraging economic development in the City.

Seven examples are set forth in the proposed Second Amendment to its Articles, attached. It is to be noted that given the broad language of the EDC/A2 Act, the authority for it to embark on one or more of these possibilities already exists. Amending the Articles to specifically recite them makes express what is already stated or implied.

The procedure for amending EDC articles is set forth in Section 30 in the EDC Act (MCL 125.1630) which provides as follows:

"The articles of incorporation of the corporation may be amended by resolution of the municipality which resolution shall be filed with the secretary of state. The effect of an amendment may include the alteration or changing of the structure, organization, programs or activities of the corporation including the power to terminate the existence of the corporation. However, an amendment shall not impair the obligation of a bond or contract."

