

## MEMORANDUM

TO: Mayor and Council

FROM: Council member Kunselman

DATE: March 25, 2013

SUBJECT: Chapter 7 of City Code - Amendments to the DDA Ordinance -- Substitute Version

I have asked the City Clerk to substitute the attached version of Ordinance Amendments to Chapter 7 of the City Code for the one originally placed on the Agenda and subsequently tabled prior to first reading.

The substitute version differs from the original in two instances. First, the option of appointing the Mayor to the DDA Board has been reinserted with a requirement that the appointment be done annually and be subject to majority vote of Council. If the Mayor's appointment when presented fails to get a majority vote of Council, the Administrator would automatically serve for that year as the appointee to the Board. This change in the substitute version is accomplished by reinsertion of the words "mayor or" , being the original language of the Section, and inserting between the first and last sentence below the new sentences "The appointment of the Mayor as the designated appointee to the board shall be done annually and subject to approval by a majority vote of Council. If Council does not approve at the first meeting in December by majority vote the appointment of the Mayor, the Administrator shall be the designated appointee for that period." and the insertion of the phrase "Except for the Mayor as provided for above," at the start of subsection 1 and uncapitalizing the word "no" in that same subsection. These changes to Section 1:155 in the substitute version appear indicated in all red caps below. The text of the subsection 2, from the original version, remains unaltered and has been retained in the substitute version as a proposed amendment.

### **1:155. Board.**

The authority shall be under the supervision and control of a board consisting of the mayor or administrator of the city, and 11 members. **THE APPOINTMENT OF THE MAYOR AS THE DESIGNATED APPOINTEE TO THE BOARD SHALL BE DONE ANNUALLY AND SUBJECT TO APPROVAL BY A MAJORITY VOTE OF COUNCIL. IF COUNCIL DOES NOT APPROVE AT THE FIRST MEETING IN DECEMBER BY MAJORITY VOTE THE APPOINTMENT**

OF THE MAYOR, THE ADMINISTRATOR SHALL BE THE DESIGNATED APPOINTEE FOR THAT PERIOD. The members shall be appointed by and terms of office shall be as provided in Act 197, with the following exceptions, which shall be effective following the November 2014 regular election:

- (1) EXCEPT FOR THE MAYOR AS PROVIDED FOR ABOVE OR BY MUTUAL WRITTEN AGREEMENT OF THE TAXING JURISDICTIONS LEVYING TAXES THAT ARE SUBJECT TO CAPTURE BY THE AUTHORITY, ~~No elected~~ public official OF ANY TAXING JURISDICTIONS LEVYING TAXES THAT ARE SUBJECT TO CAPTURE BY THE AUTHORITY shall be eligible for appointment, whether in his or her official capacity or as an individual; and
- (2) No member may serve more than 2 consecutive full terms.

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

Second, the substitute version amends the second paragraph of Section 1:156(2) to apply the “cumulative method” to TIF calculation by deleting the phrases “grows at a rate faster” and inserting immediately thereafter the phrase “is greater” , and to delete the phrase “grows at a rate of over” and inserting immediately thereafter the phrase “is greater than”. The substitute version changes are indicated in the paragraph below by double strike-outs and all red caps. Retained amendments from the original version in the substitute version appear below with deletions as single strike-outs and new language in red.

If the captured ~~assessed taxable~~ valuation derived from new construction, ~~and increase in value of property newly constructed~~ or the increase in value of existing property improved subsequent thereto, ~~grows at a rate faster~~ IS GREATER than that anticipated ~~and adopted~~ 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 taxable~~ valuation derived from new construction ~~grows at a rate of over~~ IS GREATER THAN twice that anticipated ~~and adopted~~ in the plan, all of such ~~excess additional~~ amounts over twice that anticipated shall be divided among the taxing units ~~in relation to their proportion of the current tax levies~~.