



Legislation Details (With Text)

File #:	11-1184	Version:	1	Name:	9/19/11 Amendment No. 1 to AnnArbor/Ypsi LDFA Agreement
Type:	Resolution	Status:	Passed		
File created:	9/19/2011	In control:	City Council		
On agenda:	9/19/2011	Final action:	9/19/2011		
Enactment date:	9/19/2011	Enactment #:	R-11-392		
Title:	Resolution to Approve Amendment No. 1 to the Agreement between the City of Ann Arbor and City of Ypsilanti Creating the Ann Arbor/Ypsilanti Local Development Finance Authority				
Sponsors:	Marcia Higgins, Stephen Rapundalo				
Indexes:					
Code sections:					
Attachments:					

Date	Ver.	Action By	Action	Result
9/19/2011	1	City Council	Approved	Pass

Resolution to Approve Amendment No. 1 to the Agreement between the City of Ann Arbor and City of Ypsilanti Creating the Ann Arbor/Ypsilanti Local Development Finance Authority
Attached for your review and action is a resolution to approve an amendment to the Ann Arbor/Ypsilanti Local Development Finance Authority (LDFA) Agreement.

In 2002, the Cities of Ann Arbor and Ypsilanti entered into an Agreement to establish a multi-jurisdictional local development finance authority pursuant to Public Act 281 of 1986. (the "Agreement"). The Local Development Finance Authority of the City of Ann Arbor and the City of Ypsilanti was established for the purpose of enabling the implementation of SmartZone designation awarded by the Michigan Economic Development Corporation to each community jointly.

The Agreement included the designation of a governing board for the Authority, their terms and appointment. The City of Ann Arbor was given the power to appoint six member to the governing board; one of which was required to be a Councilmember. All board members were given four year terms consistent with the requirements of the enabling statute. In addition excluding the initial appointees, individuals appointed to the governing board were prohibited from serving more than one complete four year term.

The proposed amendments to the Agreement would remove the prohibition from serving more than one complete four year term and clarify the conditions of appointment of the City of Ann Arbor Councilmember. New language would be added to the Section 1(d) of the Agreement to stipulate that the term of each member, except the City of Ann Arbor Council member appointee's term, shall be four years. The Council member would be appointed to a four year term, as required by State law, with annual confirmation of that appointment by Council consistent with the City's appointment process of Council members to authorities, boards and commissions. The City of Ann Arbor Council member appointee would cease to be a member of the Authority governing board if he/she ceases to be a member of Council. In addition in the case of a hold-over Council member appointee that hold-

over appointment would be unrestricted by the 90-day hold-over appointment provision applicable to other appointees.

To be effective the proposed amendments must be adopted by City Councils of Ann Arbor and Ypsilanti. In addition, changes consistent with the amendments, when adopted, must be made to the by-laws of the Local Development Finance Authority of the City of Ann Arbor and City of Ypsilanti.

The proposed amendments will be presented for consideration by the City Council for the City of Ypsilanti in October.

Prepared by: Mary Joan Fales, Senior Assistant City Attorney

Sponsored by: Councilmembers Higgins and Rapundalo

Whereas, In 2002, an agreement between the cities of Ann Arbor and Ypsilanti created the Local Development Finance Authority of the City of Ann Arbor and the City of Ypsilanti (the "Authority") to enable the implementation of SmartZone designation awarded by the Michigan Economic Development Corporation to each community jointly;

Whereas, The Agreement executed by the Cities established a governing board for the Authority, its terms and appointment with six members of the governing board being appointed to 4-year terms by the City of Ann Arbor of which one must be a City Council member;

Whereas, The Agreement prohibited members from serving more than one complete 4-year term;

Whereas, It is proposed that Section 1(d) be amended to reflect Council member appointment consistent with the manner in which all Council member appointments are made by the City and properly reflect the impact of the election process on Council member appointees to Authorities, Boards and Commissions, and remove the prohibition on members serving more than one complete 4-year term, specifically that the Section be amended to read:

1. Governing Board; Terms and Appointment.

- (d) Except as provided in this Section 1 for the initial appointments to the Board, members of the Board appointed under Section 1(a), (b) and (c), except the City of Ann Arbor Council member, shall serve terms of four (4) years. The City of Ann Arbor Council member shall be appointed to a 4-year term subject to annual confirmation consistent with the process for appointment of Council members to authorities, boards and commissions, which appointment shall cease if he/she ceases to be a member of the City of Ann Arbor Council. Upon expiration of a member's term, the member appointed under Section 1(a) (b) and (c) shall continue serving as a member of the Authority Board until resignation or the appointment of their successor, except that no member, except the City of Ann Arbor Council member, shall continue serving more than ninety (90) days after expiration of his or her term. The City of Ann Arbor Council member shall serve at the pleasure of the City of Ann Arbor Council and shall be appointed or removed consistent with the process for appointment of Council members to authorities, boards and commissions. No member shall serve more than one complete four (4) year term.

RESOLVED, That City Council approves Amendment No. 1 to the Agreement between the City of Ann Arbor and the City of Ypsilanti Creating the Local Development Finance Authority of the City of Ann Arbor and City of Ypsilanti ("Amendment No. 1"), which amendment specifically amends Section 1(d) of the Agreement as stated above;

RESOLVED, That the effective date of Amendment No. 1 shall be the later of approval date of the respective governing bodies.

Sponsored by: Councilmembers Higgins and Rapundalo