

THE CITY OF MUSKEGON
HEIGHTS DOWNTOWN DEVELOPMENT
AUTHORITY

BYLAWS

These bylaws are adopted by the Authority members pursuant to Public Act No. 197 of the Michigan Compiled Laws 1975, effective August 25, 1983 (the “Act”), as amended. These bylaws are consistent with Act No. 267 of the Public Acts of 1976, as required by Section 6(4) of the Act, and are subject to approval by the Muskegon Heights City Council (“City Council”). Certain actions taken by the Authority is also subject to the approval of the City Council, as provided for in the Act.

ARTICLE I.

Name, Purpose and Powers

Section 1. Name. The name of this organization shall be the City of Muskegon Heights Downtown Development Authority (“Authority”).

Section 2. Purposes. The purpose for which the Authority is organized in accordance with Act 1975, as amended, include, but not limited to: to correct and prevent deterioration in the Downtown Development District, to encourage historic preservation, to create and implement development plans, and to promote economic growth. In Furtherance of these purposes, the Authority shall have all of the powers, which now or hereafter may be conferred by law on authorities organized under Act 197, Public Acts of 1975.

Section 3. Powers. The power of authority given under Public Act 197 is as follows:

- (a) Prepare an analysis of economic changes taking place in the downtown district.
- (b) Study and analyze the impact of area-wide growth upon the downtown district.
- (c) Plan and propose construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a public facility, an existing building, or a multiple-family dwelling unit which may be necessary or appropriate to the execution of a plan which, in the opinion of the Authority, aids in the economic growth of the downtown district.
- (d) Plan, propose and implement improvements to public facilities within the development area to comply with the barrier free design requirements of the State construction code.
- (e) Agency which is chiefly responsible for planning in the City of Muskegon Heights, designed to halt the deterioration of property values in the downtown district and to promote the economic growth of the downtown districts, and take such steps as may be necessary to persuade property owners to implement the plans to the fullest extent possible.
- (f) Implement plans for development in the downtown district necessary to achieve the purposes of this act, in accordance with the powers of the Authority as granted by this act.
- (g) Make and enter into contracts necessary or incidental to the exercise of its powers and the performance of its duties.
- (h) Acquire by purchase or otherwise, on terms and conditions and in a manner the Authority deems proper or own, convey, or otherwise dispose of, or lease as lessor or lessee, land and other property, real or personal, or rights of interests therein, which the Authority determines is reasonably necessary to achieve the purposes of this Act, and to grant or acquire licenses, easements, and options with respect thereto.

- (i) Improve land and construction, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, and operate any building, including multiple-family dwellings, and any necessary or desirable appurtenances thereto, within the downtown district for the use, in whole or part, of any public or private person or corporation, or a combination thereof.
- (j) Fix, charge, and collect fees, rents, and charges for the use of any building or property under its control or any part thereof, or facility therein, and pledge the fees, rents and charges for the payment of revenue bonds issued by the Authority.
- (k) Lease any building or property under its control, or any part thereof.
- (l) Accept grants and donations of property, labor, or other things of value from a public or private source.
- (m) Acquire and construct public facilities.

ARTICLE II
Registered Office

The registered office and the principal place of business of this organization shall be the Muskegon Heights City Hall, 2724 Peck St, Muskegon Heights, Michigan 49444 or such other location as may from time to time be designated by the Board of the Authority.

ARTICLE III
Boundaries

Section 1. Area of Authority. The Authority shall exercise its powers within the area designated by ordinance of the City Council pursuant to Section 3 of the Act (“Downtown District”).

Section 2. Change of Boundaries. The boundaries of the Downtown District may be changed by the City Council in accordance with the procedures specified in the act.

ARTICLE IV
Board of Directors

Section 1. General Powers. The Authority shall be under the supervision and control of a Board of Directors (the “Board”).

Section 2. Number, Tenure, and Qualifications. The board of the Authority shall consist of **the Mayor** and Chief Administrative Officer of the City of Muskegon Heights and **Six (6)** members. The members shall be appointed for a term of **Three years** except that of members, first appointed, **one** shall be appointed for 1 year, **two** for 2 years, **three** for 3 years. At least **Three** of the members shall be persons having an interest in property located in the downtown district. Efforts should be made to ensure that at least one of the members be a resident of the downtown district if it has one hundred or more persons residing within it, and if a willing and able person can be identified.

Section 3. Selection of Board Members. The Mayor shall appoint the members of the board. Subsequent board members shall be appointed in the same manner as the original appointments at the expiration of each member’s term of office. Before assuming the duties of office, a member shall qualify by taking and subscribing to the constitutional oath of office.

Section 4. Compensation of Members. Members of the board shall serve without compensation, but shall be reimbursed for actual and necessary expenses.

Section 5. Expiration of Term, Continuance in Office, Resignation, Reappointment, and Filling Vacancies. Members whose terms of office have expired shall continue to hold office until a successor has been appointed. Resignations of members of the Authority shall be made in writing to the Executive Director, which resignation shall be effective upon receipt or upon such later date as indicated in the written notice. If a vacancy is created by the death, resignation, or removal of a member, a successor shall be appointed with the advice and consent of the Mayor within thirty days to hold office for the remainder of the term so vacated.

Section 6. Removal. After proper notice and an opportunity to be heard, a member of the Board may be removed for cause by the City Council. The Board shall notify the City Council of any actions by a member which might constitute cause for removal. The Board shall also provide notice to the member whose removal is being considered, not less than ten days prior to the consideration of the removal by the City Council. Such notice shall be made by registered or certified mail, return receipt requested, and shall state the cause for the requested removal and the date on which the City Council will consider the matter. Conduct constituting cause for removal includes, but is not limited to, misconduct, malfeasance, or failure to attend either three (3) consecutive regularly scheduled meetings during any calendar year, unless such absences shall be excused by the Board. Removal of a member is subject to review by the Circuit Court.

Section 7. Disclosure of Interest. A Board member who has a conflict of interest in any matter before the Authority shall disclose the interest prior to the Authority taking any action with respect to the matter, which disclosure shall become a part of the record of the Authority's official proceedings. Further, any member making such disclosure shall refrain from participating in the Authority's decision-making process relative to such matters.

ARTICLE V Officers

Section 1. Officers. The officers of the Authority shall be a Chairperson, Vice Chairperson, Secretary, and Treasurer. The Secretary shall be a non-voting member of the Board.

Section 2. Removal of Officers. An officer may be removed by the Board whenever in its judgement the best interest of the Authority would be served.

Section 3. Filling of Vacancies. A vacancy may be filled by the Authority for the unexpired portion of the term.

Section 4. Chairperson and Vice Chairperson. The Board may elect a Chairperson and Vice Chairperson by majority vote. The Chairperson (the "Chair") shall preside at all meetings of the Board and shall discharge the duties of a presiding officer. The Chair shall vote on all matters. In the absence of the Chair or in the event of his or her inability or refusal to act, the Vice Chairperson shall perform the duties of the Chair and when so acting shall have all the powers and be subject to all restrictions of the Chair.

Section 5. Secretary and Executive Director. The Board shall employ the City Manager of the City as the Secretary and fix the compensation of the Secretary. The Secretary shall be charged with the duty of Executive Director on behalf of the Board. The Executive Director shall maintain custody of the official seal and shall keep the minutes of Board proceedings, furnish Board members with copies of agendas and minutes for each meeting, be responsible for the care and preservation of the records of the Board, and be responsible for giving notice of meetings as required by the open meetings act, Act No. 267 of the Public Acts of 1976, as amended. The Executive Director shall also attend to the typing and copying of all Board proposals, committee reports, resolutions,

minutes and other documents the Chair orders to be written. The Secretary shall serve at the direction of the Board.

Section 6. Treasurer. The Board may employ and fix the compensation of a Treasurer, who shall keep the financial records of the Authority and who, together with the director, shall approve all vouchers for the expenditures of funds of the Authority. The Treasurer may be a Board member, but if so then no compensation may be paid to that member. The Treasurer shall serve at the pleasure of the Board. The Treasurer shall publicize all expense items of the Authority monthly and shall keep the financial records of the Board open for public inspection during reasonable business hours.

Section 7. Term of Office. With the exception of the Secretary, all officers shall serve for one-year terms, or until their successors are elected and qualified.

ARTICLE VI Meetings

Section 1. Annual and Regular Meetings. An annual meeting shall be held in February of each calendar year. The election of officers shall occur at the annual meeting. If the election of officers should not occur on the day designated, or any adjournment thereof, the Board shall cause the election to be held at a regular or special meeting of the Board within 90 days of the annual meeting. Regular meetings of the Board shall be held at a time and place to be set by the Board. At each regular meeting, all expense items of the authority shall be publicized. The financial records shall always be open to the public.

Section 2. Procedure. Robert's Rules of Order will govern the conduct of all meetings.

Section 3. Special Meetings. Special meetings of the Board may be called by the Chair, by the Vice Chairperson in the absence of the Chair, by the Executive Director, by any three Board members, or by majority action of City Council. The notice shall be sufficiently given and shall be deemed given when delivered to the respective business or residence addresses of the members.

Section 4. Open Meetings. All meetings shall be preceded by public notice posted at least eighteen hours prior to the meeting in accordance with Act 267 of the Public Acts of 1976, as amended.

Section 5. Rights of Public. The public shall have the right to address the Board at the conclusion of its business at any regular or special meeting concerning matters affecting the Authority. Each person shall be permitted to speak for three minutes unless the Board extends the time by affirmative vote.

Section 6. Quorum and Voting. Any four (4) members of the Board shall constitute a quorum for the transaction of business. The vote of a majority of the members present at a meeting at which a quorum is present shall constitute the action of the Board unless the vote of the larger number is required by statute or elsewhere in these rules.

ARTICLE VII
Employment of Personnel

Section 1. Executive Director. The Board may employ and fix the compensation of the Executive Director. The City Council may take action to adjust such compensation, if necessary. The Executive Director shall serve at the direction of the Board. A voting member of the Board is not eligible to hold the position of Executive Director. Before entering upon the duties of the office, the director shall take and subscribe to the constitutional oath, and furnish bond as directed by the terms of Public Act No. 197 of Michigan Compiled Laws 1975, effective August 25, 1983, as amended. The Executive Director shall be the Executive Officer of the Authority, and shall supervise, and be responsible for the preparation of plans and the performance of the functions of the Authority in the manner authorized by the Act. The Executive Director shall attend the meetings of the Board, and shall regularly report to the Board and to the City Council concerning the activities and the financial condition of the Authority. The Executive Director shall furnish the Board with information or reports governing the operation of the Authority as the Board requires. In addition, the Executive Director shall prepare and submit to the Board for its approval a budget for the operation of the Authority for the ensuing fiscal year, in accordance with Section 28 of the Act.

Section 2. Acting Director. If the Executive Director is absent or disabled the Board may designate a qualified person as acting director to perform the duties of the office. Before entering upon the duties of the office, the Acting Director shall take and subscribe to the oath, and furnish bond, as required of the director.

Section 3. Legal Counsel. The Board may retain legal counsel to advise the Board in the proper performance of its duties. The legal counsel shall represent the Authority in actions brought by or against the Authority.

Section 4. Other Personnel. The Board may employ other personnel deemed necessary by the Board.

ARTICLE VIII
Advisory Committees

Section 1. Advisory Committees. The Board, by resolution adopted by a majority of the members present at any meeting, may designate and appoint one or more committees to advise the Board. Except as otherwise provided in such resolution, the members of such committee shall be members of the Authority and the Chairperson shall appoint the members thereof. Any member may be removed by the person or persons authorized to appoint such member whenever in their judgements the best interests of the Authority shall be served by such removal.

Section 2. Term of Office. Each member of the committee shall continue as such until the next annual meeting of the members of the authority and until his or her successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

Section 3. Chairperson. Once member of each committee shall be appointed chairperson by the person or persons authorized to appoint the members thereof.

Section 4. Quorum. Unless otherwise provided in the resolution of the Board designating a committee, a majority of the whole committee shall constitute a quorum and the acts of a majority

of the members present at a meeting at which a quorum is present shall be the acts of the committee.

ARTICLE IX

Finances

Section 1. Budget. The Board shall annually approve a budget to be included in the budget the City Manager submits to City Council. The Board shall not finally adopt a budget for any fiscal year until the budget has been approved by the Council. The Board may, however, temporarily adopt a budget in connection with the operation of any improvements which have been financed by revenue bonds where required to do so by the ordinance authorizing the revenue bonds.

Section 2. Fiscal Year. The fiscal year of the Authority shall begin on January 1 of each year and end on December 31 of the following year, or such other fiscal year as may hereafter be adopted by the City.

Section 3. Financial Reports and Audits. The Authority shall submit financial reports to the Council Finance Committee at the same time on the same basis as departments of the City are required to submit reports. The Authority shall be audited annually by the same independent auditors auditing the City and copies of the audit reports shall be filed with the Council.

Section 4. Source of Funds. The activities of the Authority shall be financed from one or more of the sources which now or hereafter may be provided for under Act 197, Public Acts of 1975.

ARTICLE X

Miscellaneous

Section 1. Offices. The Authority may have such offices as the Board may determine, or the affairs of the Authority may require from time to time.

Section 2. Corporate Seal. The Board shall adopt a Corporate seal.

Section 3. Books and Records. The Authority shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board and committees having any of the powers of the Board, and shall keep at the principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Authority shall be open to the public at all times.

ARTICLE XI
Amendments

Section 1. Approval. These bylaws governing the procedures, meetings, etc., are subject to the approval of the City Council.

Section 2. Amendment. These bylaws may be altered, amended, or repealed by the affirmative vote of a majority of the members of the Board at an annual or special meeting of the Authority, subject to oversight by the City Council. Revisions must be consistent with the provisions and requirements of Act 197 of the Public Act 1975, as amended.

Initial Approval by the Muskegon Heights City Council on March 22, 1982 with a vote of 7 yeas, 0 nays.

I hereby certify that the foregoing constitutes a true and complete document adopted by the Muskegon Heights City Council at a regular meeting held on Monday March 22, 1982, and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267 of the Public acts of Michigan of 1976.

E. A. Cisneros City Clerk

Approved by the City of Muskegon Heights Downtown Development Authority on _____,
with a vote of yeas, nays.