

**City of Tawas City  
Downtown Development Authority (DDA)  
Rules of Procedures  
Adopted: November 12, 2024**

**Establishment**

There is hereby created in and for the City of Tawas City an authority to be known as the City of Tawas City Downtown Development Authority, pursuant to Public Act 197 of the Public Acts of 1975. The boundaries of the district shall be a parcel of land situated in the City of Tawas City, County of Iosco, State of Michigan, as stated in the Amended and Restated Development and Tax Increment Financing Plan of the City of Tawas City Downtown Development Authority approved by Tawas City Council on April 7, 2008.

**Membership**

1. The City of Tawas City Downtown Development Authority (DDA) shall consist of nine (9) members, consisting of the Tawas City Mayor and eight (8) members appointed by the Mayor, subject to the approval of City Council.
2. At least five (5) members shall be people having an interest in property located in the DDA district, and at least one (1) member shall be a resident of the DDA district.
3. Members shall serve a term of four (4) years. An appointment to fill a vacancy may be made by the Mayor for the unexpired term only.
4. Members of the Authority shall serve without compensation but shall be reimbursed for actual and necessary expenses.
5. The Chairperson and Vice-Chairperson of the Authority shall be elected by the Members.

**Regular Meetings**

1. The DDA shall meet regularly on the second Mondays of January, April, July, and October at 7:30 am in the Council Chamber of Tawas City Hall, 550 West Lake Street, Tawas City, Michigan.
2. Regular meetings may be rescheduled if warranted by a majority vote of the DDA.
3. Notice of all regular meetings shall be posted at City Hall and on the City's website in accordance with the requirements of the Open Meetings Act (Act 267 of 1976).
4. All regular meetings are open to the public and shall comply with the Open Meetings Act (Act 267 of 1976).

**Special Meetings**

1. Special meetings may be called by the DDA Chairperson or the City Mayor.
2. Notices of all special meetings, including the business (action items) to be transacted at the special meeting, shall be posted at City Hall and on the City's website at least eighteen (18) hours prior to the meeting in accordance with the Open Meetings Act.
3. No business that was not stated in the notice of the special meeting may be transacted at a special meeting.
4. All special meetings are open to the public and shall comply with the Open Meetings Act (Act 267 of 1976).

## **Informational Meetings**

Pursuant to Michigan PA 57 of 2018, which took effect on January 1, 2019, the DDA will hold at minimum one (1) informational meeting each year for the purpose of informing the public of the goals and direction of the authority, including projects to be undertaken in the coming year. These meetings may be held in conjunction with other public meetings of the authority or municipality. They are not for the purpose of voting on policy, budgets, or other operational matters.

## **Meeting Agendas**

1. The agenda of each DDA meeting shall be prepared by the City Manager and/or City staff at least twenty-four (24) hours prior to each regular meeting and at least eighteen (18) hours prior to each special meeting.
2. Material pertinent to agenda items (meeting packets) shall be assembled by the City Manager and/or City staff and delivered to DDA board members at least twenty-four (24) hours prior to each regular meeting, and at least twelve (12) hours prior to each special meeting. Meeting packets shall be delivered to DDA board members via email unless other arrangements are made with the City Manager and/or City staff.
3. Agenda items with supporting background materials will be submitted to the office of the City Manager by noon on the Wednesday preceding the scheduled meeting of the DDA board. The City Manager or DDA Chairperson will determine the appropriateness of placement of items on the agenda for consideration by the DDA board, except that any request by a member of the DDA board for the DDA board's consideration will be included on the agenda. Requests by the public for placement of items on a DDA meeting agenda must be submitted in writing to the office of the City Manager and are subject to approval of the City Manager or DDA Chairperson. The items must pertain to a topic of interest to the DDA.

## **Order of Business**

The order of business for DDA meetings shall be as follows:

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Approval of Minutes
5. Correspondence
6. Public Hearings (as applicable)
7. Public Comments on Agenda Items (limited to three (3) minutes per person)
8. Public Comments on Non-Agenda Items (limited to three (3) minutes per person)
9. Unfinished Business
10. New Business
11. Staff Reports
12. DDA Board Members' Comments
13. Adjournment

Members will have the right to make changes to the agenda before it is approved.

## **Meeting Attendance**

1. A majority of the full potential membership of the DDA board constitutes a quorum. Once established, a quorum is defeated if less than a majority of board members remain to conduct business.
2. Regular attendance by DDA board members is expected. It is requested as a courtesy that DDA board members provide advance notification minimally to the City Manager and Chairperson if they intend to be absent from a meeting. Absences may be excused by the DDA board for reasonable cause to be stated in the meeting minutes.
3. Three (3) consecutive excused absences, or two (2) consecutive unexcused absences from regular meetings of the DDA by any board member results in the forfeiture of appointment.
4. The City Manager shall attend all DDA board meetings unless excused by the DDA board. The City Manager is invited and encouraged to participate in the DDA board's discussions but may not vote.

## **Removal of a Member**

Pursuant to notice and an opportunity to be heard, a member of the DDA board may be removed for cause by the City Council.

## **Conduct of Meetings Including Voting**

1. The Chairperson is the presiding officer for all meetings of the DDA. The Vice Chairperson shall be the presiding officer in the absence or disability of the Chairperson.
2. The presiding officer will be responsible for enforcing these Rules of Procedures and for enforcing orderly conduct at meetings.
3. The presiding officer may speak and vote at meetings like any other DDA board member.
4. The DDA board has adopted the current edition of Robert's Rules of Order for conducting meetings. However, Robert's Rules are typically only consulted when questions regarding parliamentary procedure arise, and they do not supersede the DDA's Rules of Procedure.
5. Five (5) members of the DDA board shall constitute a quorum for the transaction of business.
6. Motions are passed by the affirmative vote of the majority of the members present.
7. A member who is present shall vote on all questions decided by the board unless excused by the affirmative vote of the majority of the remaining members of the board who are present at the meeting, but no member shall vote on any question upon which they have a private interest by association through employment, kinship, or a financial interest other than as a citizen of the City, unless authorized by statute.
8. Voice votes shall be deemed to have passed unanimously if no member states opposition to the motion.
9. The presiding officer may call for a roll call vote as opposed to a voice vote at any time.
10. The presiding officer shall declare the result of every vote taken.
11. Members must be physically present at a meeting to vote and to contribute to a quorum.

## **Conflicts of Interest**

A conflict of interest is any interest competing with or adverse to a member's primary duty of loyalty to the public interest. Pursuant to Act 196 of 1973, commonly referred to as the "State Ethics Act," DDA board members shall not:

- divulge confidential information;
  - represent their opinions as those of the DDA;
  - use City personnel, property, or funds for personal gain or benefit;
  - solicit or accept gifts/loans/goods/services, etc. which tend to influence their performance of official duties;
  - engage in a business transaction in which they may profit from confidential information;
  - engage in or accept employment or render services for a public or private interest which is incompatible/in conflict with the discharge of official duties, or which may tend to impair their independence of judgment; or
  - participate in the negotiation or execution of contracts, making loans, granting subsidies, fixing rates, issuing permits, certificates, or other, regulation or supervision relating to a business entity in which the member has a financial or personal interest.
1. DDA board members are obligated to disclose any real, potential, or perceived conflicts of interest pertaining to themselves and/or other members as soon as it is known to them. Such real, potential, or perceived conflicts of interest may involve a member, a member of their immediate family or household, their employer or employee, or any entity in which the member or other person identified above has a personal financial interest. Ideally this is done in advance of any meeting for which an agenda item may represent a conflict of interest for one or more members.
  2. If the issue of a real, potential, or perceived conflict of interest is raised and the member who may have a conflict of interest does not recuse themselves from voting, any other DDA board member may make a motion for the member in question to be excused (prohibited) from voting on the agenda item in question. If such a motion is seconded and 2/3 of the members present, not including the member in question, vote affirmatively to excuse the member in question from voting, then the member in question will be recorded as abstaining on that agenda item.
  3. A member who has expressed their intention to abstain from voting or who has been excused from voting by the remainder of the DDA board due to a real, potential, or perceived conflict of interest may not participate in the discussion pertaining to that agenda item.
  4. An interest that a member shares with the general public interest does not constitute a conflict of interest.
  5. No member may vote on a matter in which they have a proprietary or financial interest, or from which they may gain a financial benefit.

Please see MCL 15.342 and the full State Ethics Act for greater detail. Also see Act 317 of 1968 regarding prohibitions for members pursuing certain public contracts, and Act 566 of 1978 regarding incompatible public offices.

### **Public Participation**

1. Members of the public are invited and encouraged to attend all meetings of the DDA board.

2. Members of the public shall have the opportunity to address the DDA board at every meeting during the designated public comment periods. A person addressing the DDA board shall state their name, residential address, and affiliation with the City if applicable. Individual speakers are allotted three (3) minutes.
3. During public hearings, public comments shall be limited to the subject of the public hearing. Individual speakers are allotted three (3) minutes.
4. During special meetings, public comments shall be limited to the subject(s) on the agenda of the special meeting.
5. At times it is desirable to include one or more members of the audience (City staff, commission members, contractors, affected members of the public, etc.) in the DDA board's discussion. The presiding officer may allow a member of the audience to participate in discussion at their discretion. Other members wishing to engage a member of the audience in discussion shall make such a request to the presiding officer.

### **Interaction with City Staff**

1. In their role as members of the DDA board, members shall direct all requests or inquiries regarding City-related activities to the City Manager.
2. The DDA must recognize the supervisory nature of the City Manager's position and respect the authority necessary to perform the functions and duties of that position. The City Manager is accountable only to the City Council as a whole, and not to individual Council members or members of the DDA board. The DDA board shall rely on the City Manager to give orders or directions to any of the subordinates of the City Manager.
3. The DDA board may appoint a fellow board member who may serve as secretary of the DDA board, and such other employees or officers as may be necessary. The DDA board shall prescribe the duties of all its officers and employees and fix their compensation.

### **Public Reporting Requirements**

All minutes of the DDA board meetings are approved by the DDA board and forwarded for review and acceptance by City Council.

Pursuant to Section 910 of PA 57 of 2018, the new Act describes the requirement that an authority create a website or use a municipal website for the posting of the information listed in this section including budgets, audits, adopted plans, and other information. The City of Tawas City DDA uses the municipal website, [tawascity.org](http://tawascity.org).

### **Duties of the Authority**

The Tawas City DDA board shall have all the powers and duties as set forth in MCL 125.4207, PA 57 of 2018, and all amendments thereto.

1. The board may:
  - a. Prepare an analysis of economic changes taking place in the DDA district.
  - b. Study and analyze the impact of metropolitan growth upon the DDA district.
  - c. Plan and propose the construction, the renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a public facility, an existing building, or a multi-family dwelling unit which may be necessary or

appropriate to the execution of a plan which, in the opinion of the board, aids in economic growth of the DDA district.

- d. Plan, propose, and implement an improvement to a public facility within the DDA district to comply with the barrier free design requirements of the State of Michigan Construction Code Act, PA 230 of 1972, MCL 125.1501 to 125.1531.
  - e. Develop long-range plans in cooperation with the agency chiefly responsible for planning in the municipality, designed to halt the deterioration of property values in the DDA district and to promote the economic growth of the DDA district, and take such steps as may be necessary to persuade property owners to fully implement the plans.
  - f. Implement any plan of development in the DDA district necessary to achieve the purposes of the Act in accordance with the powers of the DDA as granted by the Act.
  - g. Make and enter into contracts necessary or incidental to exercise its powers and the performance of its duties.
  - h. Acquire, by purchase or otherwise, on terms and conditions in a manner the DDA board deems proper to own, convey, or otherwise dispose of, or lease as lessor or lessee, land and other property, real or personal, or rights or interests therein, which the DDA board determines is reasonably necessary to achieve the purposes of the Act, and to grant or acquire licenses, easements, and options with respect to that property.
  - i. Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair, or operate any building, including multiple-family dwellings, and any necessary or desirable appurtenances thereto, within the DDA district for the use, in whole or in 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 under 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.
  - n. Create, operate, or fund marketing initiatives that benefit only retail and general marketing of the DDA district.
  - o. Contract for broadband service and wireless technology service in the DDA district.
  - p. Create, operate, and fund a loan program to fund improvements for existing buildings located within the DDA district to make them marketable for sale or lease. The board may make loans with interest at a market rate or may make loans with interest at a below market rate, as determined by the board.
  - q. Create, operate, and fund retail business incubators in the DDA district.
2. If it is the express determination of the board to create, operate, or fund a retail incubator in the DDA district, the board shall give preference to tenants who will provide goods and services that are not available or that are underserved in the DDA district. If the board creates, operates, or funds retail business incubators in the DDA district, the board and

each tenant who leases space in a retail business incubator shall enter into a written contract that includes but is not limited to the following:

- a. The lease or rental rate that may be below the fair market rate as determined by the board.
- b. The requirement that a tenant may lease space in the retail business incubator for a period not to exceed eighteen (18) months.
- c. The terms of the joint operating plan with one or more other businesses located in the DDA district.
- d. A copy of the business plan of the tenant that contains measurable goals and objectives.
- e. The requirement that the tenant participate in basic management classes, business seminars, or other business education offered by the DDA, the Tawas Area Chamber of Commerce, local community colleges, institutions of higher education, or other organizations as determined by the board.

(MCL 125.1657) History: 2018, Act 57, Eff. Jan. 1, 2019.

### **Training**

An annual training of related education of two (2) hours is recommended for all DDA members in accordance with the Redevelopment Ready Communities program. Training programs is available to all members.

### **Controlling Authority**

1. The Downtown Development Authority Rules of Procedure shall be followed unless superseded by the City Charter, City Code of Ordinances, State Law, or other recognized authority.

Masich moved, Botos seconded, CARRIED to adopt the City of Tawas City Downtown Development Authority (DDA) Rules of Procedure as presented on November 12, 2024.

Yes: Bacarella, Botos, Leslie, Masich, Miller, Stevelinck

No: None

Absent: Freel