
CHARTER TOWNSHIP OF BEDFORD

115 S. Uldriks Drive, Battle Creek, MI 49037

March 12, 2015, 7:00 PM

MINUTES

1. CALL TO ORDER

Supervisor Sprau called the regularly scheduled Board meeting to order at 7:00pm.

2. PLEDGE OF ALLEGIANCE

The audience and Board members recited the Pledge of Allegiance.

3. ROLL CALL

Tom Sprau, Supervisor; Joyce Feraco, Clerk; Chrisandra Dezotell, Treasurer; Connie Gibson, Trustee; Andy Jones, Trustee - absent; Richard Harvey, Trustee; Sally Shaw, Trustee. 6 present/ 1 absent.

Supervisor Sprau noted that a quorum was present.

RES. 03/12/15/13

Moved by Supervisor Sprau, supported by Trustee Harvey and resolved by The Board of Trustees of the Charter Township of Bedford to accept the resignation of Trustee Andrew Jones; effective immediately.

Roll Call: Feraco –yes; Dezotell-yes; Gibson-yes; Shaw-yes; Harvey –yes, Sprau- yes; 6 yes, 0 no; Motion carried

RES. 03/12/15/14

Moved by Supervisor Sprau, supported by Trustee Harvey and resolved by The Board of Trustees of the Charter Township of Bedford to appoint William Woodward as Trustee; term expiring November 20, 2016 at 12:00 p.m., to fill the vacancy left by Andrew Jones.

Roll Call: Dezotell-yes; Gibson-yes; Shaw-yes; Harvey –yes, Sprau- yes; Feraco –yes; 6 yes, 0 no; Motion carried

The oath of office was given by Clerk Feraco to William Woodard.

4. ROLL CALL

Tom Sprau, Supervisor; Joyce Feraco, Clerk; Chisandra Dezotell, Treasurer; Connie Gibson, Trustee; Bill Woodward, Trustee; Richard Harvey, Trustee; Sally Shaw, Trustee. 7 present/ 0 absent.

Supervisor Sprau noted that a quorum was present.

5. APPROVAL OF THE FEBRUARY 12, 2015 MINUTES

Moved by Clerk Feraco, supported by Trustee Harvey and resolved by The Charter Township of Bedford to approve the February 12, 2015 minutes; as submitted.

Supervisor Sprau asked if there were any questions regarding the minutes. There were none.

Roll Call: Sprau- yes; Feraco –yes; Dezotell-yes; Gibson-yes; Shaw-yes; Woodward-yes; Harvey –yes
7 yes, 0 no; Motion carried

6. SPECIAL ORDER OF BUSINESS

7. COMMUNICATIONS

Jeffrey Wingard from Fleis & Vandenbrink updated us on the progress of the SAW Grant. Work will begin to clean and televise the manholes; all infrastructure has been surveyed. The final stages will be the Asset Management, Capital Improvement and the Rate study.

8. PUBLIC COMMENTS

There were multiple comments expressing satisfaction of the snow removal this year.

9. REPORTS

(A) FINANCE

RES. 03/12/15/15

Moved by Supervisor Sprau, supported by Trustee Shaw and resolved by The Board of Trustees of the Charter Township of Bedford to approve payment of expenses totaling \$44,824.94

Roll Call: Gibson-yes; Shaw-yes; Woodward-yes; Harvey –yes, Sprau- yes; Feraco –yes; Dezotell-yes;
7 yes, 0 no; Motion carried

RES. 03/12/15/16

Moved by Supervisor Sprau, supported by Treasurer Dezotell and resolved by The Board of Trustees of the Charter Township of Bedford to accept the Siegfried Crandall offer of extending our existing current contract for five years; this will lock in the current cost of auditing services.

Roll Call: Shaw-yes; Woodward-yes; Harvey –yes, Sprau- yes; Feraco –yes; Dezotell-yes; Gibson-yes;

7 yes, 0 no; Motion carried

(B) PUBLIC HEALTH AND SAFETY

FIRE

Chief Cochensparger was present from the Fire Department to give the monthly report. A report generated from the Emergency Reporting Program, identifying what type of calls run was shown.

Chief announced that the Pancake Breakfast will be on June 13, 2015 (8am-noon). It will serve as an event to honor retirees of the department as well as display Tower 5. All are welcome.

POLICE

Officer Walters was present from Battle Creek Police Department to give the monthly report. Lt. Walters was also in attendance and explained the reason for moving Officers around the community. Brief discussion on the Town Hall meetings being conducted around the community, attendance was encouraged.

(C) BUILDING AND GROUNDS

RES. 03/12/15/17

Moved by Clerk Feraco, supported by Trustee Shaw and resolved by The Board of Trustees of the Charter Township of Bedford to authorize the Supervisor to sign the Public Safety agreement between the owners of Silver Star Apartments, Silver Star Phase II Apartments, Silver Star Phase III Apartments, and the Charter Township of Bedford.

Roll Call: Woodward-yes; Harvey –yes, Sprau- yes; Feraco –yes; Dezotell-yes; Gibson-yes; Shaw-yes;

7 yes, 0 no; Motion carried

RES. 03/12/15/18

Moved by Clerk Feraco, supported by Trustee Harvey and resolved by The Charter Township of Bedford to adopt an ordinance referencing the Silver Star Project – Phase III – to provide for a service charge in lieu of taxes for a proposed multiple family dwelling project for persons of low income to be financed or assisted pursuant to the provisions of the State Housing Development Authority Act of 1966, as amended.

THE CHARTER TOWNSHIP OF BEDFORD ORDAINS:

SECTION 1. TITLE

This Ordinance shall be known and cited as the "Charter Township of Bedford Tax Exemption Ordinance—Phase III."

SECTION 2. PREAMBLE

It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide housing for its citizens of low income and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with the State Housing Development Authority Act of 1966 (1966 PA 346, as amended, MCLA Section 125.1401 et. seq.) The Charter Township of Bedford is authorized by this Act to establish or change the service charge to be paid in lieu of taxes by any or all classes of housing exempt from taxation under this Act at any amount it chooses not to exceed the taxes that would be paid but for this Act. It is further acknowledged that such housing for persons of low income is a public necessity, and as the Charter Township of Bedford will be benefited and improved by such housing, the encouragement of the same by providing certain real estate tax exemption for such housing is a valid public purpose; further, that the continuation of the provisions of this Ordinance for tax exemption and the service charge in lieu of taxes during the period contemplated in this Ordinance are essential to the determination of economic feasibility of housing developments which are constructed and financed in reliance on such tax exemption.

The Charter Township of Bedford acknowledges that MDV Properties GP LLC, a Michigan limited liability company, in its own behalf and on behalf of Silver Star Phase III Limited Dividend Housing Association Limited Partnership, a Michigan limited partnership to be formed (the "Sponsor"), has offered, subject to receipt of an allocation under the Low Income Housing Tax Credit (LIHTC) and a Mortgage Loan, to erect, own, and operate a housing development identified as the Silver Star Phase III Development on certain property located on the grounds of the Veterans Administration Medical Center – Battle Creek, to serve veterans and other persons of low income, and that the Sponsor has offered to pay the Charter Township of Bedford on account of this housing development an annual service charge for public service in lieu of taxes.

SECTION 3. DEFINITIONS

All terms not herein defined shall have the meanings given them in the State Housing Development Authority Act of 1966, being Public Act 346 of 1966, of the State of Michigan, as amended.

- A. "Act" means the State Housing Development Authority Act, being Michigan Public Act 346 of 1966, as amended.
- B. "Annual Shelter Rent" means the total collections during an agreed annual period from all occupants of a housing development representing rent or occupancy charges, exclusive of charges for gas, electricity, heat, or other utilities furnished to the occupants.
- C. "Authority" means the Michigan State Housing Development Authority.
- D. "Housing Development" means a development which contains a significant element of housing for persons of low income and such elements of other housing, commercial, recreational, industrial, communal, and educational facilities as the Authority determines improve the quality of the development as it relates to housing for persons of low income.

E. "Mortgage Loan" means a loan to be made by the Authority to the Sponsor for the construction and/or permanent financing of the Housing Development.

F. "Utilities" mean fuel, water, sanitary sewer service and/or electrical service which are paid by the Housing Development.

G. "Sponsor" means person(s) or entities which have applied to the Authority for a Mortgage Loan or for an allocation under the Low Income Housing Tax Credit Program to finance a Housing Development.

SECTION 4. CLASS OF HOUSING DEVELOPMENT

It is determined that the class of Housing Developments to which the tax exemption shall apply and for which a service charge shall be paid in lieu of such taxes shall be Housing Developments which are financed or assisted pursuant to the Act. It is further determined that the Silver Star Phase III Development is of this class.

SECTION 5. ESTABLISHMENT OF ANNUAL SERVICE CHARGE

The Housing Development known as the Silver Star Phase III Development and the property on which it shall be constructed shall be exempt from all property taxes from and after the commencement of construction. The Charter Township of Bedford, acknowledging that the Sponsor and the Authority have established the economic feasibility of the Housing Development in reliance upon the enactment and continuing effect of this Ordinance and the qualification of the Housing Development for the exemption from all property taxes and a payment in lieu of taxes as established in this Ordinance, and in consideration of the Sponsor's offer, subject to receipt of a Mortgage Loan and an allocation under the LIHTC program, to construct, own and operate the Housing Development, agrees to accept payment of an annual service charge for public services in lieu of all property taxes. The annual service charge shall be equal to six percent (6%) of the difference between the Annual Shelter Rents actually collected and Utilities.

SECTION 6. LIMITATION ON THE PAYMENT OF THE ANNUAL SERVICE CHARGE

Notwithstanding Section 5, the service charge to be paid each year in lieu of taxes for the part of the Housing Development which is tax exempt and which is occupied by other than low income persons or families shall be equal to the full amount of the taxes which shall be paid on that portion of the Housing Development if the Housing Development were not tax exempt. The term "low income persons or families" as used herein shall be the same meaning found in Section 15(a)(7) of the Act.

SECTION 7. CONTRACTUAL EFFECT OF THIS ORDINANCE

Notwithstanding the provisions of Section 15(a)(5) of the Act to the contrary, a contract between the Charter Township of Bedford and the Sponsor, with the Authority as third party beneficiary under the contract, to provide tax exemption and accept payments in lieu of taxes, as previously described, is effectuated by enactment of this Ordinance.

SECTION 8. PAYMENT OF SERVICE CHARGE

The service charge in lieu of taxes as determined under the Ordinance shall be payable in the same manner as general property taxes are payable to the Charter Township of Bedford except that the annual payment shall be paid on or before December 31st of each year.

SECTION 9. DURATION

This ordinance shall remain in effect and shall not terminate so long as the Authority's Mortgage Loan remains outstanding and unpaid or the Authority has any interest in the property; or the Housing Development remains subject to income and rent restrictions pursuant to Section 42 of the Internal Revenue Code of 1986, as amended, provided that construction of the Housing Development commence within one year from the effective date of this ordinance.

SECTION 10. SEVERABILITY

The various sections and provisions of this Ordinance shall be deemed to be severable, and should any section or provision of this Ordinance be declared by any court of competent jurisdiction to be unconstitutional or invalid the same shall not affect the validity of the Ordinance as a whole or any section or provision of this Ordinance other than the section or provision so declared to be unconstitutional or invalid.

SECTION 11. EFFECTIVE DATE

This Ordinance shall take effect on the date of publication pursuant to MCL 42.22, which publication shall take place within thirty days from the date of adoption and shall be in a local newspaper of general circulation. Publication of a summary of this Ordinance, as part of the published proceedings of the Township Board, shall constitute publication of the Ordinance.

SECTION 12. REPEAL

All ordinances or parts of ordinances in conflict herewith are hereby repealed only to the extent necessary to give this ordinance full force and effect.

This Ordinance is hereby declared to have been passed and adopted by the Charter Township of Bedford, County of Calhoun, State of Michigan, at a regularly scheduled meeting thereof duly called and held on this 12th day of March, 2015.

Tom Sprau, Supervisor

ATTEST:

Joyce Feraco, Clerk

Roll Call: Harvey –yes, Sprau- yes; Feraco –yes; Dezotell-yes; Gibson-yes; Shaw-yes; Woodward-yes;
7 yes, 0 no; Motion carried

(D) LEGISLATIVE AND INTERGOVERNMENTAL RELATIONS

RES. 03/12/15/19

Moved by Trustee Shaw, supported by Trustee Harvey and resolved by The Board of Trustees of the Charter Township of Bedford to appoint Thomas Sprau as a representative of The Charter Township of Bedford to the A.M.S.A. Council.

Roll Call: Sprau- abstention; Feraco –yes; Dezotell-yes; Gibson-yes; Shaw-yes; Woodward-yes; Harvey –yes,
6 yes, 0 no 1-abstention; Motion carried

Commissioner Frisbie was present and touched on roads and the upcoming proposal on the May 5, 2015 ballot. Visit CalhounCountymi.gov to report potholes.

10. UNFINISHED BUSINESS

None

11. PETITIONS AND NEW BUSINESS

RES. 03/12/15/20

Moved by Clerk Feraco, supported by Trustee Harvey and resolved by The Board of Trustees of the Charter Township of Bedford to authorize the Clerk to proceed with purchase of the BS&A software for the General Ledger, Accounts Payable, Cash Receipting and the Cemetery Management applications for the Supervisor’s office and the Clerk’s office. The estimated cost is \$27,990.00.

Roll Call: Feraco –yes; Dezotell-yes; Gibson-yes; Shaw-yes; Woodward-yes; Harvey –yes, Sprau- yes;
7 yes, 0 no; Motion carried

12. TRUSTEES PERSONAL PRIVILEGE

Trustee Shaw reported on roads to be repaired this year. Updates, will be available on our website.

13. CITIZENS TIME

14. ANNOUNCEMENT BY CHAIR, CHAIRPERSON OR ELECTED OFFICIAL

Supervisor Sprau thanked Officer Walters for his years of service in our township and wished him much success in his future career.

A demonstration of the new website was shown. Property tax, election, and road information can all be found on the website. www.BedfordCharterTwp.com

15. ADJOURNMENT

Moved by Supervisor Sprau and supported by Trustee Shaw to adjourn the regularly scheduled Board Meeting. Unanimous voice vote. Motion carried.

Meeting adjourned at 8:18 p.m.

Next Board meeting is April 9, 2015 at 7:00pm.

THOMAS J. SPRAU, SUPERVISOR

JOYCE FERACO, CLERK