

ORDINANCE NO. _____

AN ORDINANCE TO ADD SECTION 30-33 TO CHAPTER 30, COMMUNITY DEVELOPMENT, ARTICLE II, TAX EXEMPT HOUSING, TO THE CODE OF ORDINANCES OF THE CITY OF ROCHESTER HILLS, OAKLAND COUNTY, MICHIGAN, TO PROVIDE SERVICE CHARGE IN LIEU OF TAXES AND AUTHORIZE PROVISIONS RELATING TO AVON TOWERS PRESERVATION LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP (PARCEL #70-15-15-101-022) ELIGIBLE UNDER THE STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966, AND REPEAL CONFLICTING ORDINANCES.

THE CITY OF ROCHESTER HILLS ORDAINS:

Section 1. Section 30-33 shall be added to Chapter 30, Community Development, Article II. Tax Exempt Housing, of the Code of Ordinances as follows:

Sec. 30-33. Avon Towers Preservation Limited Dividend Housing Association Limited Partnership (a/k/a Avon Towers).

(a) *Generally.* On December 31 of the year ~~in which construction or reconstruction is completed and~~ in which the completed affidavit form certified by the authority has been filed with the city assessor, as provided in Section 15a(1) of the Act (MCL 125.1415a), the housing development known as Avon Towers (parcel #70-15-15-101-022) and the property on which it is located is determined to be a housing development qualifying for tax exemption and shall be exempt from all property taxes.

(b) *Service Charge Imposed.* An annual service charge in lieu of taxes shall be charged, which shall be equal to 6.75% of annual shelter rents as that term is defined in Section 11(m) of the Act. If Avon Towers fails to achieve 100% low-income tenancy for any given tax year, an additional service charge shall be paid each year in lieu of taxes for that portion of the housing development occupied by other than low-income persons or families in an amount equal to the ad valorem taxes that would otherwise apply to the property (Parcel #70-15-15-101-022) in order that the service charge paid for that portion shall be equal to the full amount of taxes that would be paid on that portion of the development if the development was not tax exempt.

(c) *Payment of Service Charge.* Any service charge in lieu of taxes shall be payable in the same manner as general property taxes are payable to the city, except that the annual payment shall be paid on or before December 1 of each year.

(d) *Duration.* Unless modified by an amending ordinance, the provisions for Avon Towers shall remain in effect for as long as the federally aided or authority aided mortgage or advance or grant from the authority remains outstanding, in accordance with the State Housing Development Authority Act of 1966, but not for more than 30 years from the date of this ordinance taking effect.

(e) Contractual Effect of Ordinance. Notwithstanding the provisions of section 15(a)(5) of the Act to the contrary, a contract between the city and Avon Towers 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 2. Severability. This ordinance and each article, section, subsection, paragraph, subparagraph, part, provision, sentence, word and portion thereof are declared to be severable, and if they or any of them are declared to be invalid or unenforceable for any reason by a court of competent jurisdiction, it is provided that the remainder of this ordinance shall not be affected thereby.

Section 3. Penalty. Any person who shall be convicted of violating this ordinance shall be deemed guilty of a misdemeanor and shall be punished by a fine not to exceed \$500.00, or by imprisonment not to exceed 90 days, or both, in the discretion of the court.

Section 4. Repeal, Effective Date, Adoption, and Rescission.

(1) Repeal. All regulatory provisions contained in other City ordinances, which are inconsistent with the provisions of this ordinance, are repealed.

(2) Effective Date. This ordinance shall become effective on _____, following its publication in the *Oakland Press* on _____.

(3) Adoption. This ordinance was adopted by the City Council of the City of Rochester Hills at a meeting thereof held on Monday, _____.

Bryan K. Barnett, Mayor
City of Rochester Hills

CERTIFICATE

I hereby certify that the foregoing ordinance was adopted by the City Council of the City of Rochester Hills at a meeting thereof on Monday, _____.

Leanne Scott, Clerk
City of Rochester Hills