

**CHARTER TOWNSHIP OF IRONWOOD**

Adopted Ordinance No. 54

**COUNTY OF GOGEBIC, MICHIGAN**

Minutes of a meeting of the Charter Township of Ironwood, County of Gogebic, Michigan, held in the Township Hall located at N10892 Lake Rd, Ironwood Michigan, on the 26th day of October, 2015, at 5:30 p.m. Local Time.

PRESENT: Members: Baron, DeRosso, Segalin, Lyons, Brunello, Boyd and Maki

ABSENT: Members: None

The following preamble and ordinance were offered by Member Lyons and supported by Member Boyd:

**ADOPTED ORDINANCE NO. 54**

**AN ORDINANCE TO AUTHORIZE THE PAYMENT OF AN ANNUAL SERVICE CHARGE IN LIEU OF TAXES FOR RESIDENTIAL UNITS SERVING LOW INCOME OR MODERATE INCOME PERSONS IN ACCORDANCE WITH THE STATE HOUSING DEVELOPMENT AUTHORITY, ACT 346 OF THE PUBLIC ACTS OF MICHIGAN OF 1966, AS AMENDED, AND MATTERS RELATED THERETO**

**THE CHARTER TOWNSHIP OF IRONWOOD ORDAINS:**

Section 1. Purpose. This Ordinance authorizes and approves an annual service charge in lieu of taxes for residential housing developments that: (a) serve Low Income or Moderate Income Persons (as defined in the State Housing Development Authority Act, Act 346 of the Public Acts of Michigan of 1966, as amended, and this Ordinance); (b) are financed or assisted by USDA-RD or the Authority in accordance with Act 346; (c) are located within the Township; and (d) comply with this Ordinance.

Section 2. Title. This Ordinance shall be known and cited as the "Charter Township of Ironwood Tax Exemption Ordinance."

Section 3. Preamble. It is acknowledged that it is a proper public purpose of the State of Michigan and its political subdivisions to provide housing for low income citizens and to encourage the development of such housing by providing for a service charge in lieu of property taxes in accordance with Act 346. The Township is authorized by Act 346 and this Ordinance to establish or change the annual service charge to be paid in lieu of taxes by any and all classes of housing exempt from taxation under Act 346 at any amount it chooses not to exceed the taxes that

would be paid but for Act 346. It is further acknowledged that housing for low income persons and families is a public necessity, and as the Township will be benefitted and improved by such housing, the encouragement of the same by providing certain real-estate tax exemptions for such housing is a valid public purpose; further, that the continuance of the provisions of this Ordinance for tax exemption 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 Township acknowledges that Milltrace Development LTD PTR, a Michigan Corporation, (the "Sponsor" as defined in Section 4 of this Ordinance) has committed to rehabilitate, own and operate a housing development identified as "Mill Trace Apartments" on certain property located on E5117 MacDonald Lane within the Charter Township of Ironwood, Michigan, which is legally described in Section 4.G. of this Ordinance, to serve Low Income or Moderate Income Persons and that the sponsor has offered to pay and will pay to the Township, on accounts of the housing apartments, a \$2,500.00 annual service charge for public service in lieu of taxes

Section 4. Definitions. The terms used within this Ordinance shall have the following meanings:

A. "Act" means the State Housing Development Authority Act, being Act 346 of the Public Acts of Michigan of 1966, as amended.

B. "Annual Shelter Rents" means the total actual collections during each calendar year from all occupants of a housing development representing rents or occupancy charges, which rental amounts shall be exclusive of charges for gas, electricity, heat, or other utilities furnished to the occupants.

C. "Authority" means the Michigan State Housing Development Authority.

D. "Class" means the Housing Development known as Mill Trace Apartments for Low Income or Moderate Income Persons.

E. "Contract Rents" are as defined by the U. S. Department of Housing and Urban Development in regulations promulgated pursuant to the U. S. Housing Act of 1937, as amended.

F. "Federally-Aided Mortgage" means any of the following:

- (i) A mortgage insured, purchased, or held by the Secretary of the Department of Housing and Urban Development ("HUD") or United States Department of Agriculture – Rural Development ("USDA-RD");
- (ii) A mortgage receiving interest credit reduction payments provided by the HUD or USDA – RD;
- (iii) A Housing Development to which the Authority allocates low income housing tax credits under Section 22b of the Act; or

- (iv) A mortgage receiving special benefits under other federal law designated specifically to develop low and moderate-income housing, consistent with the Act.

G. "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 to improve the quality of the development as it relates to housing for persons of low income. For the purposes of this Ordinance, "Housing Development" means Mill Trace Apartments located on the property legally described as:

Sec. 11 T47N R47W MAP NO. 202B BEG 572.50 FT SOUTH AND 40 FT EAST OF SECTION COR COM TO 2,3,10,11; THENCE SOUTH 89 DEG 03'00" EAST 507.91 FT; THENCE SOUTH 28 DEG 10'22" EAST 153.9 FT; THENCE SOUTH 89 DEG 03'00" EAST. 40 FT; THENCE SOUTH 00 DEG 57'00" WEST 306.38 FT; THENCE NORTH 89 DEG 3'00" WEST 620.26 FT; THENCE NORTH 00 DEG 39'00" EAST 440.38 FT TO P.O.B. 5.99 ACRES 217/755

H. "Low Income or Moderate Income Persons" shall be as defined in the Act, as amended.

I. "Sponsor" means person(s) or entities which have applied to the Authority for the Tax Credits to finance a Housing Development. For the purposes of this Ordinance, the Sponsor is Mill Trace Development Limited Partnership, Partnership consisting of 51% ownership by UPCAP Services Inc. and 49% ownership by Bridgewood Non Profit Housing Corporation, of which both entities are tax exempt under IRS code section 501c3.

J. "Tax Credits" means the low income housing tax credits made available by the Authority to the Sponsor for rehabilitation of the Housing Development by the Sponsor in accordance with the Low Income Housing Tax Credit Program administered by the Authority under Section 42 of the Internal Revenue Code of 1986, as amended.

K. "USDA-RD" means the United States Department of Agriculture, Rural Services Division.

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

Section 5. Class of Housing Development. This Ordinance shall apply only to the Housing Development to the extent that the Housing Development provides housing for Low Income and Moderate Income Persons and is financed or assisted by USDA-RD or the Authority pursuant to the Act.

Section 6. Establishment of Annual Service Charge.

A. The Township acknowledges that the Sponsor and USDA-RD and/or 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 exemption from all property taxes and payment of a annual service charge in lieu of taxes in an amount established in accordance with this Section. In consideration of the Sponsor's offer to rehabilitate, own and operate the Housing Development, the Township agrees accept \$2,500.00 annual service charge, for municipal service i.e. ; emergency fire services as set forth in the attached Municipal Services Agreement in lieu of all ad valorem property taxes that would otherwise be assessed to the Housing Development under Michigan law. The Housing Development is required to pay all public utilities, including but not limited to water, sanitary service and/or electrical related to said Housing Development.

(1) Effective upon the adoption of this ordinance and subject to the receipt by the Township of the "Notification of Exemption" (or such other similar notification) by the Sponsor and/or the Authority, the annual service charge shall be \$2,500.00.

B. The Housing Development, and the property on which it shall be constructed, shall be exempt from all property taxes from and after the commencement of rehabilitation of the Housing Development by the Sponsor under the terms of this Ordinance.

Section 7. Limitation on the Payment of Annual Service Charge. Notwithstanding Section 6, if any portion of the Housing Development is occupied by other than Low Income and Moderate Income Persons, the full amount of the taxes that would be paid on those units of the Housing Development if the Housing Development were not tax exempt shall be added to the service charge in lieu of taxes.

Section 8. Contractual Effect of Ordinance. Notwithstanding the provisions of Section 15(a)(5) of the Act to the contrary, and subject to the terms of this Ordinance including, but not limited to Section 11 herein, this Ordinance constitutes a contract between the Township and the Sponsor to provide an exemption from ad valorem property taxes and to accept the payment of a Zero (0%) annual service charge in lieu of such taxes, as previously described in this Ordinance. It is expressly recognized that the Authority and USDA-RD are third party beneficiaries to this Ordinance.

Section 9. Payment of Service Charge. The service charge in lieu of taxes shall be payable to the Township in the same manner as ad valorem property taxes are payable, except the annual payment shall be paid on or before February 14<sup>th</sup> of each year for the previous calendar year.

Section 10. Duration. This Ordinance shall remain in effect for a term of Five (5) years and so long as the Housing Development remains subject to a Federally Aided Mortgage and so long as the housing development submits the required annual notification of exemption pursuant to M.C.L. 125.1415a(1), as amended. The Ordinance shall automatically terminate if rehabilitation of the Housing Development does not commence within two (2) years from the effective date of this Ordinance. The sponsor shall file semi-annual reports with the Township with an update of all improvements/rehabilitations to the Housing Development.



## MUNICIPAL SERVICES AGREEMENT

THIS MUNICIPAL SERVICES AGREEMENT entered into this 12<sup>th</sup> day of October, 2015 between Mill Trace Development LTD PTR, a Michigan Corporation, main office located at 2501 14<sup>th</sup> Avenue South, Escanaba, Michigan, (hereinafter referred to as the "OWNER") and the Charter Township of Ironwood, a Michigan municipal corporation, located at N10892 Lake Road, Ironwood, Michigan (hereinafter referred to as the "Township").

### RECITALS

A. The OWNER provides housing for low to moderate income individuals and families. The apartment complex known as Mill Trace Apartments was financed in part by the United States Department of Agriculture (USDA), on land legally described in Exhibit "A", (hereinafter referred to as the "PROJECT").

B. The OWNER desires to guarantee that certain municipal services will be provided to The PROJECT during the term that the Payment in Lieu of Tax (hereinafter referred to as the "PILOT") Ordinance for this PROJECT is in place, such municipal services to include:

1. Emergency fire service;
2. Said municipal services shall be provided in the customary way, in a competent and workmanlike manner, and in accordance with all laws, rules and regulations of the United States of America, State of Michigan, County of Gogebic, and Township of Ironwood or other applicable jurisdictions or bodies.

(All of the above collectively referred to as "Municipal Services")

### AGREEMENT

The parties agree as follows:

1. The TOWNSHIP will provide the Municipal Services.
2. The payment for Municipal Services shall be paid annually by the OWNER to the TOWNSHIP in the amount of \$2,500.00
3. Payment for Municipal Services shall commence on January 1, 2016 and will remain in place until which time the PIOT Ordinance between the OWNER and the TOWNSHIP terminates. Payments shall be made on or before February 14<sup>th</sup> in the year such payment is due.

IN WITNESS WHEREOF, this Municipal Services Agreement is executed as of the day and year first written above.

Mill Trace Development LTD PTN  
2501 14<sup>th</sup> Avenue South  
Escanaba, MI 49829

BY:

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Jonathan Mead, President

BY:

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Richard Aird, Chief Financial Officer

Charter Township of Ironwood  
N10892 Lake Road  
Ironwood, MI 49938

BY:

  

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Alan Baron, Township Supervisor

BY:

  

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Mary Segalin, Township Clerk

# Charter Township of Ironwood Nuisance and Blight Ordinance Ordinance NO. XX

The Charter Township of Ironwood, Gogebic County,  
Michigan, Ordains:

Title.

This Ordinance shall be known and cited as the Charter Township of Ironwood Nuisance and Blight Ordinance.

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**DEFINED AND PROHIBITED**

A. Whatever annoys, injures or endangers the safety, health, comfort or repose of the public; offends public decency; interferes with, obstructs or renders dangerous any street, highway, navigable lake or stream or in any way renders the public insecure, but not be limited to, whatever is forbidden by any provision of this Ordinance

B. No person shall commit, create or maintain any nuisance.

**ENUMERATED**

The following acts, services, apparatus and structures are hereby declared to be public nuisances:

1. The throwing, placing, depositing or leaving in any street, highway, land, alley, public place, square or sidewalk or in any private place or premises where such throwing, placing, depositing or leaving is in the opinion of the Township Supervisor and/or Zoning Supervisor dangerous or detrimental to public health or likely to cause sickness or attract flies, insects, rodents or vermin;
2. The pollution of any stream, lake or body of water by any refuse, any foul or nauseous liquid or water or any industrial waste; the depositing into or upon any highway, street, lane, alley, public street or square or into any adjacent lot or grounds of any refuse, any foul or nauseous liquid or water or any industrial waste; or the depositing or permitting to be deposited any refuse, foul or nauseous liquid or water of any industrial waste; or forcing or discharging any stream, vapor or gas into any public or private sewer or drain;

**DANGEROUS STRUCTURES**

As used in this article, the term "dangerous structures" or "deteriorated structures" means any structure, residential or otherwise, which has any of the following defects or is in any of the following conditions:

1. Whenever any door, aisle, passageway, stairway or other means of ingress or egress does not conform to the approved fire code of the Township;
2. Whenever any portion has been damaged by fire, wind, flood or by any other cause in such a manner that the strength or stability is appreciably less than it was before such catastrophe or is less than the minimum requirements of the building code of the Township for a new building or similar structure, purpose or location.
3. Whenever any portion or member of appurtenance is likely to fall or to become detached or dislodged or to collapse and thereby injure persons or damage property;
4. Whenever there is evidence of damage or deterioration of the supports or damage or deterioration of the nonsupporting enclosing or outside walls or covering;
5. Whenever any portion, because of dilapidation, deterioration, decay, faulty construction or because of the removal or movement of some portion of the ground necessary for the purpose of supporting any portion thereof or for some other reason, is likely to partially or completely collapse or some portion of the foundation or underpinning is likely to fall or give way;
6. Whenever any portion has been so damaged by fire, wind or flood or has become so dilapidated or deteriorated as to become an attractive nuisance to children who might play therein to their danger or as to afford a harbor for vagrants, criminals or as to enable persons to resort thereto for the purpose of committing a nuisance or unlawful acts;
7. Whenever any portion, because of dilapidation, decay, damage of faulty construction, arrangement or otherwise, is unsanitary or unfit for human habitation or is in a condition that is likely to cause sickness or disease when so determined by the Township Supervisor and/or Zoning Supervisor or is likely to cause injury to the health, safety or general welfare of those living or working within;
8. Whenever any structure becomes vacant, dilapidated open at door or window, leaving the interior exposed to the elements or accessible to entrance by trespassers.

## UNLAWFUL TO MAINTAIN

It shall be unlawful for any owner or agent thereof to keep or maintain any structure or part thereof that is dangerous or defective.

## BLIGHT PREVENTION

### PURPOSE

Consistent with the letter and spirit of Public Act 344 of 1945, as amended, it is the purpose of this Ordinance to prevent, reduce or eliminate potential blight in the Township by the prevention or elimination of certain environmental causes of blight or blighting factors which exist or may in the future exist in the Township.

### CAUSES OF BLIGHT

It is hereby determined that the uses, structures and activities described in this Ordinance are causes of blight or blighting factors which, if allowed to exist, will tend to result in blighted and undesirable neighborhoods. No person shall maintain or permit to be maintained any of the following causes of blight or blighting factors upon any property in the Township owned, leased, rented or occupied by such person:

1. In any area, except where specifically permitted, the storage upon any property of junk automobiles, junk motor-driven vehicles, trailers in disrepair, contractors' equipment in disrepair or boat hulls in disrepair, except in a completely enclosed building is prohibited. For the purpose of this subOrdinance, the term "junk automobiles, junk motor-driven vehicles trailers in disrepair, contractors' equipment in disrepair or boat hulls in disrepair," shall include any such article which is not licensed for use upon the highways of the state or lakes and waterways for a period in excess of forty-five (45) days and shall also include whether so licensed or not, any of the articles enumerated in this subOrdinance which are inoperative for any reason for a period in excess of forty-five (45) days.
2. In any area zoned R-1 or R-2, except where specifically permitted, the storage upon any property of building materials is prohibited unless there is in force a valid building permit issued by the Building Inspector for construction upon the property and the materials are intended for use in connection with such construction, except the temporary storage of building materials which, in the Building Inspector's opinion, are not of a nature to be unsightly or a cause of blight. Building materials shall include, but shall not be limited to, lumber, bricks, concrete or cinder blocks, plumbing materials, electrical wiring or equipment, heating ducts or equipment, shingles, mortar, concrete or cement, nails, screws or any other material used in the construction of any structure.
3. In any area, except where specifically permitted, the storage or accumulation of junk, trash, rubbish, or refuse of any kind is prohibited, except domestic refuse stored in a rodent-proof receptacle in such a manner as not to create a nuisance for a period of not to exceed thirty (30) days. The term "junk" shall include parts of machinery or motor vehicles, unused stoves or other unused appliances stored in the open, remnants of wood, metal or other material or other cast-off material of any kind, whether or not the material could be put to any reasonable use.
4. In any area, the existence of any structure or part of any structure which, because of fire, wind or other natural disaster or physical deterioration, is no longer habitable, if a dwelling, or useful for any other purpose for which it may have been intended is prohibited.
5. In any area zoned for residential purposes, the existence of any vacant dwelling, garage or other outbuilding is prohibited unless such building is kept securely locked and the windows are kept glazed or boarded up and otherwise protected to prevent entrance thereto.
6. In any area, the existence of any partially completed structure is prohibited, unless such structure is in the course of completion in accordance with a valid and current building permit issued by the Building Inspector and unless such construction is completed within a reasonable time.
7. In any area, the owner or occupant of any premises on which is located any tree or other growth, if infected by disease or by injurious insects or if in dangerous condition shall destroy the tree or other growth when such destruction is necessary for the protection of other trees and growth and for the public health, safety and welfare.
8. Whenever any portion or member of appurtenance is likely to fall or to become detached or dislodged or to collapse and thereby injure persons or damage property;
9. Whenever any structure shows damage or deterioration of the supports or damage or deterioration of the nonsupporting enclosing or outside walls or covering;
10. Whenever any structure or any part, because of dilapidation, deterioration, decay, faulty construction or because of the removal or movement of some portion of the ground necessary for the purpose of supporting such building or portion thereof or for some other reason, is likely to partially or completely collapse or some portion of the foundation or underpinning is likely to fall or give way;
11. Whenever, for any reason whatsoever, any structure or portion is manifestly unsafe for the purpose for which it is used;
12. Whenever any structure becomes vacant, dilapidated and open at door or window, leaving the interior of the structure exposed to the elements or accessible to entrance by others;
13. Whenever any structure is maintained in such a manner that due to peeling or chipping

paint or other exterior finish defect creates a nuisance or blighting influence on the neighborhood.

14. In any area zoned R-1, TR-1 or R-2, wood piles shall not be permitted in any front yard, shall be setback at least two (2) feet from all side and rear property lines and shall be stacked no higher than six (6) feet in height. Woodpiles shall be maintained in a safe and orderly manner so that they do not become a danger to the public or a nuisance in any way.

**ENFORCEMENT**

This Ordinance shall be enforced by any law enforcement agency designated by the Township Supervisor and/or Zoning Supervisor upon written and signed complaint.

**NOTICE TO REMOVE OR ELIMINATE CAUSES**

A. The owner and the occupant of any property upon which the causes of blight or blighting factors set forth in this article are found to exist shall be notified in writing to remove or eliminate the cause of blight or blighting factors from the property within ten (10) days after service of the notice upon the owner and occupant. Such notice shall be served in person or by first-class mail. Additional time may be granted by the Township Supervisor and/or Zoning Supervisor where bona fide efforts to remove or eliminate such causes of blight or blighting factors are in progress.

B. Failure to comply with the notice within the time allowed by the owner or occupant shall constitute a violation of this Ordinance.

**PENALTIES**

(a) Any violation of any provision of this Ordinance is hereby declared a nuisance and proceedings may be instituted in any court of competent jurisdiction for injunctive or other relief to abate such nuisance.

(b) Any person who shall violate the provisions of this Ordinance or who shall fail to do what is required by the terms of this Ordinance, is responsible for a municipal civil infraction as set forth in Charter Township of Ironwood Ordinance 48. If a person admits responsibility at the Township Municipal Civil Infraction Bureau, or is found responsible for a municipal civil infraction citation under this Ordinance, a civil fine shall be assessed as follows:

- 1<sup>st</sup> offense - \$100 plus all costs including attorney fees and court cost incurred by the Township
- 2<sup>nd</sup> offense- \$300 plus all costs including attorney fees and court cost incurred by the Township
- 3<sup>rd</sup> or subsequent offense- \$500 plus all costs including attorney fees and court cost incurred by the Township

For the purpose of this Ordinance, 2<sup>nd</sup>, 3<sup>rd</sup> or subsequent offense means subsequent violations of the same requirement or provision of this Ordinance. Nothing in this Ordinance shall be interpreted as abrogating the Township's right to proceed with an appropriate equitable action in Gogebic County Circuit Court to enjoin and/or abate any violation of the terms of this Ordinance. Each day that a violation is permitted to continue shall constitute a separate offense. The imposition of a sanction for violation of this Ordinance shall not exempt the offender from compliance with the requirements of the Ordinance so violated.