

**MADISON HEIGHTS SOUTHEND DOWNTOWN DEVELOPMENT
AUTHORITY
MADISON HEIGHTS, MICHIGAN
BY-LAWS**

Adopted by the Madison Heights Southend DDA: April 14, 2021

Adopted by the City of Madison Heights: April 26, 2021

Article I: Purposes & Powers

Section 1 – Purposes:

The Madison Heights Southend Downtown Development Authority (the “DDA”) is organized pursuant to the City of Madison Heights Ordinance No. 948 of 1997 (the “Ordinance”) and the State of Michigan PA 57 of 2018 Recodified Tax Increment Refinancing Act (the “Act”). The Authority shall operate to halt property value deterioration, eliminate the causes of the deterioration, increase property tax valuation where possible in the business district of the City, and promote economic growth as described in the Ordinance.

Section 1 – Powers:

The Authority hold all of the powers granted by the Ordinance and the Act now or hereafter conferred by law on Authorities organized under the Act.

Article II: Offices

Section I – Offices:

The DDA may have such offices as the DDA Board of Directors may determine or the affairs of the DDA may require from time to time.

Article III: Board of Directors

Section I – General Powers:

The affairs of the DDA shall be managed by its Board of Directors who may exercise all of the powers provided under the Ordinance and the Act.

Section II – Number, Tenure, and Qualifications:

The DDA shall be under the supervision and control of a board consisting of the chief executive officer of the municipality, or their designee from the governing body of the municipality, and not less than 8 or more than 12 members, and not more than 3 Ex-Officio non-voting members as determined by the governing body of the municipality. The voting members shall be appointed for a term of four years. At least a majority of the members shall be persons having an interest in property located in Downtown Madison Heights. At least one of the members shall be a resident of Downtown Madison Heights, if the district has one hundred or more persons residing within it. A member shall hold office until the member’s successor is appointed and assumes the office. Thereafter, each member shall serve for a term of four years, and no more than two full terms. The City Manager shall be appointed to the board as a voting member in their

capacity as a public official and their term shall expire upon expiration of their service as a public official.

Section III – Selection of Board Members:

The Chief Executive Officer of the City of Madison Heights, with the consent of the City Council, shall appoint the voting members of the Board. Prior to appointment, the DDA Board shall be given the opportunity to review the application of potential appointees, invite potential appointees to a Regular or Special DDA meeting to introduce themselves, and to make a recommendation of appointment to the Chief Executive Officer of the City of Madison Heights. Subsequent voting Board members shall be appointed in the same manner as the original appointments at the expiration of each member's term of office.

Section IV – Expiration of Term; Continuation in Offices; Reappointment; Filling Vacancies:

Board Members whose term of office has expired shall continue to hold office until their successor has been appointed. If a vacancy is created by the death, resignation, or removal of a member, a successor shall be appointed by the Chief Executive Officer of the Municipality.

Section V – Removal:

Pursuant to notice and after having been given an opportunity to be heard, a member of the board may be removed for cause by a majority vote of the City Council. Sufficient cause for removal includes, but is not limited to, neglect of duty, nonattendance at meetings, or loss of status conferred by an interest in the downtown district. The DDA Board of Directors may make a recommendation to City Council for cause by a majority vote.

Section VI – Disclosure of Interests:

A Board Member who has a direct interest in any matter before the DDA Board of Directors shall disclose their interest prior to the DDA Board of Directors taking any action with respect to the matter, which disclosure shall become a part of the record of the DDA Board of Directors' official proceedings.

Section VIII – Regular Meetings:

Regular meetings of the DDA Board of Directors shall be held at such time and place, as the board shall from time to time determine. Regular meetings shall be held, at a minimum, four times per calendar year, unless the DDA Board of Directors determines otherwise. The Chairperson shall determine the specific time and day of each month that regular meetings shall be held based on the availability of Board members.

Section IX – Special Meetings:

Special meetings of the DDA Board of Directors may be called by or at the request of City Council, the Board Chairperson or any Board Member. The person or persons authorized to call special meetings of the DDA Board of Directors may fix any place within the City of Madison Heights as the place for holding any special meeting of the DDA Board of Directors called by them in accordance with Public Act 267 of the Public Acts of 1976, as amended.

Section X – Notice of Meetings:

Except as otherwise provided by law, all meetings shall be preceded by public notice in accordance with Public Act 267 of the Public Acts of 1976, as amended.

Section XI – Quorum and Voting:

A majority of the members of the DDA Board of Directors then in office shall constitute a quorum for the transaction of business. In the event that effective membership is reduced because of Disclosure of Interest (Article III, Section 6), a majority of the remaining members of the DDA Board of Directors eligible to vote shall constitute a quorum for the transaction of business.

The vote of majority members present at a meeting at which a quorum is present shall constitute the action of the DDA Board of Directors unless the vote of the larger number is required by statute or elsewhere in these rules.

Section XII – Public Meetings:

The meetings of the Board shall be public.

Section XIII – Compensation of Members:

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

Section XIV – Minutes of all Meetings:

The minutes of any meeting of the Madison Heights DDA Board of Directors will be emailed to all members of the Madison Heights DDA Board of Directors for their review prior to the next regularly scheduled meeting. Minutes of the proceedings of regular or special meetings shall be prepared at the request of and provided to any member of the Madison Heights DDA Board of Directors or the City Council. Minutes of closed meetings shall be maintained in conformity with and shall be subject to the provisions of the Open Meetings Act, Act 267 of the Public Acts of 1976, as amended.

Article IV: Officers and the Executive Board

Section I – Officers:

The officers of the Madison Heights DDA Board of Directors shall be a Chairperson, Vice-Chairperson, Secretary and Treasurer.

Section II – Election and Term of Office:

Officers of the Madison Heights DDA Board of Directors shall be elected bi-annually by the Board at the first regular meeting of the Madison Heights DDA Board of Directors of the calendar year. If the election of officers shall not be held at such meeting, such election shall be held within 120 days of such meeting. Each officer shall hold office until their successor shall have been duly elected and shall have qualified. The same person in the same office may serve a maximum of two consecutive terms. A term of office is two years. No member shall hold more than one office at a time. An officer must be a current Board member.

Section III – Removal:

Pursuant to proper notice and an opportunity to be heard, a member may be removed from office for cause by a majority vote of the City Council. Sufficient cause for removal includes, but is not limited to, neglect of duty, nonattendance at meetings, or loss of status conferred by an interest in the downtown district.

Section IV – Vacancies:

A vacancy in office because of death, resignation, removal, disqualification or otherwise, may be filled by the Madison Heights DDA Board of Directors for the unexpired portion of the term.

Section V – Chairperson:

The Chairperson shall preside at all meetings of the Madison Heights DDA Board of Directors and shall discharge the duties of the presiding officer. To qualify as a candidate for Chairperson in an election, the Board member must have served one full year on the Madison Heights DDA Board of Directors to be eligible.

Section VI – Vice-Chairperson:

In the absence of the Chairperson or in the event of their inability or refusal to act, the Vice-Chairperson shall perform the duties of the Chairperson, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chairperson. Any Vice-Chairperson shall perform such other duties as from time to time may be assigned to him by the Chairperson or by the Madison Heights DDA Board of Directors. To qualify as a candidate for Vice-Chairperson in an election, the Board member must have served one full year on the Madison Heights DDA Board of Directors to be eligible.

Section VII – Secretary

The City Clerk or designee shall serve as Secretary and shall record, review and present to the Madison Heights DDA Board of Directors for approval all Madison Heights DDA Board of Directors meeting minutes and correspondence.

Section VIII – Treasurer

The Treasurer shall review and present to the Madison Heights DDA Board of Directors for approval all Madison Heights DDA fund and expense reports created by the Executive Director of the Madison Heights DDA. In the absence of the Executive Director of the Madison Heights DDA, the Treasurer will be responsible for all tracking of all funds, expenses and revenues.

Section IX – Executive Board Members:

The Executive Board shall be made up of the Chairperson, Vice-Chairperson, Treasurer and Executive Director.

Section X—Executive Board Powers:

The responsibilities of the Executive Board shall be to advise the Executive Director on the finances, personnel and administration of the Madison Heights DDA. The Executive

Board shall finalize the annual budget to be approved by the Madison Heights DDA Board of Directors and then presented to City Council for approval.

Article V: Employment of Personnel:

The Madison Heights DDA Board of Directors may employ personnel as deemed necessary. Such personnel may include, but not limited to an Executive Director, treasurer, secretary, legal counsel, ambassador, maintenance staff, and other staff as necessary to achieve the goals and objectives of the Madison Heights DDA.

Section I—The Executive Director Role:

The Economic Development Supervisor will serve as the Executive Director and shall report directly to Community & Economic Development Director. The Executive Director shall supervise all other staff, contractors, and consultants of the Madison Heights DDA.

The Executive Director shall have the authority to spend DDA funds within the approved budget line items. In the event that funds need to be reallocated to accommodate a new or different goal or objective of the DDA the Executive Director shall have the authority to do so up to \$1,000 item without prior consent from the DDA Board of Directors. The Executive Director shall notify the DDA Board of Directors of this action at their next regular meeting.

Section II—Employment Contract & Hiring

The Executive Director shall conduct business in accordance with all rules and policies as established by the City of Madison Heights.

Article VI: Standing Committees

Section I – Standing Committees:

Standing committees of the Madison Heights DDA Board of Directors shall be the Design Committee, Economic Vitality Committee, Promotions Committee and the Organizational committee. These committees may be restructured or ceased by the DDA Board of Directors at any time. Additional committees may be formed if necessary to accomplish goals and objectives as outlined in the Strategic Plan.

Section II – Standing Committee Structure:

No fewer than three committee members and no more than eight committee members shall serve on each committee. No more than four Madison Heights DDA Board of Directors shall serve on one committee. The DDA Executive Director shall act as a permanent consultant to each committee without needing to be in attendance at all meetings. The committees shall include outside consultants, residents of the city and business people of the DDA.

Section III – Term of Office:

Each member of the standing committee shall continue as such until their successor is appointed, unless such member resigns, or 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 IV – Chairperson:

One member of each committee shall be appointed Chairperson by the Madison Heights DDA Board of Directors and does not have to be a DDA Board Member.

Section V – Quorum:

Unless otherwise provided in the resolution of the Madison Heights DDA Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum, and the acts of the majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section VI – Power of Committees:

Standing committees shall determine and schedule their meeting times, dates and locations; consult with outside sources; interface with other city-appointed Boards and Commissions for an exchange of ideas that would then be presented to the Madison Heights DDA Board of Directors prior to any action of the Madison Heights DDA Board of Directors.

The committees could interface by inviting member(s) of such boards and commissions to a committee meeting, members(s) of the committee attending said Board's meeting, telephone consultation, and written correspondence; make recommendations to the DDA Board of Directors for approval; act on decisions made by the DDA Board of Directors as delegated by said Board of Directors that are within the authority and means of Board of Directors. Standing committees do not have the authority to take action without the approval of the DDA Board of Directors; make decisions without the approval of the DDA Board of Directors; act on proposed plans without approval of the DDA Board of Directors; make recommendations between committees without DDA Board of Directors approval; and enter into contracts or purchase agreements.

Section VII – Duties:

The duties of the committees are to notify the DDA Executive Director and Chairperson of all meeting times, dates and locations; keep written summaries of each meeting to be filed with the Madison Heights DDA; keep the DDA Executive Director informed of the events of each meeting by means of the Chairperson if unable to attend; fulfill charges of and answer to the Madison Heights DDA Board of Directors; present committee reports at Madison Heights DDA Board of Directors meetings as necessary; act in the best interest of the Madison Heights DDA at all times.

Article VII: Advisory Committees

Section I - Committees of Members:

The Madison Heights DDA Board of Directors, by resolution adopted by a majority of the members present at any meeting, may designate and appoint one or more committees to advise the Madison Heights DDA Board of Directors, except as otherwise provided in such resolution. The members of such committee may be Board Members, outside consultants or community leaders as authorized by the Madison Heights DDA Board of Directors and appointed whenever it is deemed in the best interest of the Madison Heights DDA. The Madison Heights DDA Board of Directors if deemed in the best interest of the Madison Heights DDA may remove any member of an advisory committee.

Section II – Term of Office:

Each member of a committee shall continue as such until their successor is appointed, unless such member resigns, or 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 III – Chairperson:

The Madison Heights DDA Board of Directors shall appoint one member of each committee the chairperson of the advisory committee.

Section IV – Quorum:

Unless otherwise provided in the resolution of the Madison Heights DDA Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum, and the acts of the majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Article VIII: Contracts, Checks, Deposits and Funds

Section I – Contracts:

The Board may authorize the chairperson, executive director, agents or agents of the Madison Heights DDA, to enter into any contract or execute and deliver any instrument in the name of and on the behalf of the authority, and such authorization may be general or confined to specific instances.

The Executive Director shall enter in to contracts without further consideration by the DDA Board of Directors for those items that are included in an approved budget.

Section II – Checks, Drafts, etc.:

All orders for the payment of money, notes or other evidences of indebtedness shall be signed by the Executive Director and forwarded on to the Finance Department of the City of Madison Heights for the issuance of payment. If for any reason the Madison Heights DDA establishes a bank account outside of the City of Madison Heights's bank account, then all checks, drafts, and orders for payment of money, notes or other evidences of indebtedness shall be co-signed by two persons of the Executive Board.

Section III – Deposits:

All funds of the Madison Heights DDA shall immediately be deposited into the appropriate fund or account to the credit of the Madison Heights DDA in such banks, trust companies or other depositories as the Madison Heights DDA Board of Directors may select.

Section IV – Gifts:

The Board of Directors may accept on behalf of the Madison Heights DDA any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Madison Heights DDA. The Executive Director shall inform the City of Madison Heights of the receipt of such gifts. The identity of the donor need not be reported should the donor wish to remain anonymous.

Section V – Budget:

The committees of the Madison Heights DDA shall submit proposed objectives and goals to the Madison Heights DDA Board of Directors in December for the development of an annual budget. The Madison Heights DDA Board of Directors shall set goals and objectives annually in January to develop and approve a budget for the fiscal year beginning the first day of July. The Madison Heights DDA Board of Directors shall submit an annual budget to the City of Madison Heights Finance Department by the end of February for inclusion in the annual budget presentation to City Council held prior to April 30 of each year for City approval.

Article IX: Books and Records

The Madison Heights DDA shall keep correct and complete books and records of account, and shall also keep minutes of the proceedings of its members, Madison Heights DDA Board of Directors, and committees having any of the powers of the Madison Heights DDA Board of Directors, 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.

The Executive Director shall provide the Treasurer, Madison Heights DDA Board of Directors and City of Madison Heights with regular financial reports of the activities of the revenues received and expenditures made by the Madison Heights DDA.

Article X: Calendar Year

The calendar year of the corporation shall begin on the first day of January and end the last day of December each year.

Article XI: Fiscal Year

The fiscal year of the corporation shall begin on the first day of July and end the last day of June each year.

Article XII: Amendments to Rules

These rules may be altered, amended, or repealed and new rules may be adopted by a majority of the members appointed and serving if written notice is given of intention to

alter, amend, or repeal or to adopt new rules at such meeting. The full nature of the rule change shall be included in the notice. Adoption of rule changes shall require affirmative votes by five members of the Madison Heights DDA Board of Directors. Changes in these rules are subject to approval by the City Council.

Article XIII: Political Campaign Activity

The Madison Heights DDA shall not expend funds of the Madison Heights DDA or otherwise contribute to the advocacy of any political candidate or ballot question.

Article IX: Parliamentary Authority

The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern the Madison Heights DDA Board of Directors in all cases to which they are applicable and in which they are not inconsistent with these bylaws and any special rules of order the DDA Board of Directors may adopt.