ECONOMIC DEVELOPMENT CORPORATION

Kimberly L. Murphy
County Administrator

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MEMBERS
Thomas Boldt, David Maxwell, Michael Jacobitz,
Dawn Bales, Jeff Ehlert, Jessica Sattler, David Stimpson
Heidi Cannon, Kimberly Murphy, Steve Muth, Robert Fox

MEETING LOCATION
Chambers
301 N. Main Street - Adrian, MI

Agenda: Wednesday, September 6, 2023 – 4:00 p.m.

I. **Approval of Minutes –** June 21, 2023

II. **Election of Officers**

III. **Finance Report**

IV. **Summary of Responsibilities**

V. **Bylaws**

VI. **Updates/Other Business**
   a. 1985 Loan Closure
   b. Future meeting dates

VII. **Public comment**

VIII. **Adjournment**

Lenawee County
Economic Development
Project Funding Report
As of July 27, 2023

Project #	Project Description	Project Budget	Prior Project Expenses	Remaining Budget	Current Year Expenses	Project Balance
Open Projects						
Closed Projects						
Total		-	-	-	-	-

Beginning fund balance, January 1, 2023	35,691.29
Revenue from Contigency	
Current year appropriations to date	-
Current year expenses to date	-
Current fund balance	35,691.29
Remaining budgeted appropriations	-
Remaining budgeted project expenses	-
Balance available for future projects	**35,691.29**

Overview of Current and Potential Responsibilities of Directors

Economic Development Corporation of the County of Lenawee (EDC)
Brownfield Redevelopment Authority (BRA)
Hospital Finance Authority (HFA)

The Economic Development Corporation (EDC), Brownfield Redevelopment Authority (BRA), and Hospital Finance Authority (HFA) share many common goals and the ability to use similar (and often interdependent) tools to reduce conditions of unemployment and attract new investment in the private sector. The Lenawee County Board of Commissioners established concurrent board appointments by appointing the same persons who serve as EDC Directors to also serve as BRA and HFA Directors. This allows for maximum communication and cooperation between these important entities.

Historically the EDC/BRA/HFA has met only when it has a project. A bond project usually requires 3-4 meetings over a period of 90-120 days. On average the EDC has one project every 18-24 months and the HFA has issued three hospital bond projects since its inception.

The original intent is that there would be regular meetings of BRA and that EDC (and/or HFA) could convene immediately before or after BRA meetings to conduct their separate business whenever necessary. Further, the Lenawee County Commissioners envisioned a larger, more active role for EDC, particularly as it relates to brownfield redevelopment.

Appointing the same persons to serve the public interest in these separate, but closely related roles will allow an opportunity for basic (and subsequently advanced) training across all (three) Boards to maximize the economic development results for Lenawee.

Below are summaries of the range and scope of powers that each entity can exercise. In each case, the Directors directly **govern** the entity that they serve. Govern means "make all policy and operating decisions, subject only to permissions and limitations contained in the enabling legislation, as amended." Each of these corporations is required:

- To obtain approvals for certain specific actions (like the issuance of a bond or establishment of a brownfield plan) from local unit(s) of government; and
- To ensure the right of the public to receive proper notice and have an opportunity to comment at a public hearing.

Economic Development Corporation of the County of Lenawee (EDC): The EDC was formed in 1977 and is a sub-unit of county government. It has a Board of Directors (12 members) appointed by the Lenawee County Commission, with at least one representative from each of the nine (9) county commission districts and three "at large" appointments.

EDC is empowered under federal enabling legislation and state law to issue revenue bonds for private and public purposes. Private purposes include manufacturing projects (such as the Venchurs Packaging project). Public purposes include healthcare facilities (such as the Lenawee Long-Term Care project) and higher education (such as the bond issue for Siena Heights University).

Some EDC bonds are qualified as tax-exempt, meaning that interest earned by the holder of the bond is not subject to federal (or state) income tax. Tax-exempt issues result in a lower interest cost to the borrower. Some projects do not qualify as exempt from federal taxes, although they may still be exempt from Michigan income taxes. EDC is also empowered to purchase and develop property. In 1988, EDC purchased the former General Motors Corporation "Fisher Body" plant in Raisin Township for $ 3 million and leased it to Orbital Engine Company USA, Inc. EDC engaged in some rehabilitation of the facility, using state grants. Orbital later purchased the property. EDC used non-exempt bonds for the purchase money. (The bonds were pre-sold to Orbital's parent company in Australia.) In 1996, EDC borrowed $650,000 to construct a speculative manufacturing building in Blissfield, which it later sold to Bay Machinery Company, Inc. EDC also assembled approximately 85 acres of land in three parcels in the Blissfield area, which it used to attract L & W Engineering Company to the community. In 2006, EDC borrowed approximately $310,000 from United Bank & Trust to purchase two vacant M & S Manufacturing Corporation buildings in Morenci. EDC subsequently caused environmental tests to be completed, including a Baseline Environmental Assessment (filed with the Michigan Department of Environmental Quality) and a "Due Care" Plan.

It is important to note that if a borrower should ever default on an EDC bond, the County of Lenawee is not responsible for repaying the bonds; technically a default by a borrower could negatively affect the county's bond rating and, therefore, increase its own cost of borrowing money. However, the bond market requires "Letters of Credit" from financial institutions to guarantee repayment of bonds, making the risk to the county virtually nothing. The borrower must supply and pay for the letter of credit. EDC has retained Miller, Canfield, Paddock and Stone, P.C. as "Bond Counsel" to advise EDC Directors on each and every bond project.

Hospital Finance Authority (HFA): The HFA was created in 1998 for the single purpose of issuing bonds periodically for use by Lenawee medical care facilities and other local healthcare facilities. The Michigan Statute under which Hospital Finance Authorities are enabled grants broader powers to HFAs than those powers retained by EDCs. HFA successfully issued $16.58 million in bonds in April 1999, $42.00 million in December 2010, and $177.00 million in December 2017.

The HFA Board is identical to the EDC Board, with the exception that two County Commissioners currently on the EDC act only as “liaison” members of HFA and, therefore, have no vote. This is due to specific conflict of interest stipulations of the HFA Act. HFA has seven (7) voting members. The County of Lenawee is not responsible for the financial obligations of HFA borrowers to repay the bonds. As with EDC, the bond market requires “Letters of Credit” from financial institutions to guarantee the repayment of hospital bonds.

Brownfield Redevelopment Authority (BRA): The Lenawee County Commission passed a “Resolution Establishing a Brownfield Redevelopment Authority” on January 11, 2006. It also approved by-laws that called for seven (7) Directors. The duties of BRA Directors are described below.

The BRA Directors shall be appointed by the Chair of the Lenawee County Board of Commissioners, with the advice and consent of the full commission. The business and affairs of BRA shall be managed by its Board of Directors to the full extent provided under P.A. 381 of 1996 (Act) and the By-laws. The BRA Board shall possess all of the powers and authority provided by the Act and any future amendments to the Act and the By-laws.

A county may operate an authority on behalf of a municipality located within the county only if the municipality concurs with the provisions of the brownfield plan for the eligible property located within the municipality. An authority may develop a brownfield plan that identifies which properties the authority will conduct eligible activities on and from which it will capture taxes. A municipality must hold a public hearing before approval of a brownfield plan.

A county brownfield redevelopment authority can develop and implement brownfield redevelopment financing plans to capture local and school property taxes from a contaminated property to cover the costs associated with conducting environmental response activities on that property. Amendments to the Act in 2000 provided municipalities with additional tools by allowing the capture of local and school property taxes for a wider variety of properties and activities. In qualified local governmental units, eligible properties include those that are blighted or functionally obsolete, and eligible activities include infrastructure improvements, demolition, lead or asbestos abatement, and site preparation. (The City of Adrian is the only “qualified” community in Lenawee that is affected by the amendment.)

<u>Explanation of Tax Increment Financing (TIF) Plans</u>: All additional property taxes, including taxes levied for school operating purposes, that come from the increased value of an eligible property over a base year (the year the property was added to the brownfield plan) can be captured. School taxes are considered the local school operating tax and the state education tax. Taxes already captured as part of an existing tax increment financing plan (under other state laws) and taxes levied to pay off specific obligations are exempt. Approval of a work plan by the Department of Environmental Quality (DEQ) and the Michigan Economic Growth Authority (MEGA) is necessary if school taxes (local school operating tax and state education tax) will be captured to conduct eligible activities. MEGA must approve a work plan for a project whether or not school taxes will be captured along with local taxes if a brownfield plan includes properties that are adjacent or contiguous to an eligible property and taxes will be captured for public infrastructure improvements that directly benefit the eligible property or for demolition, lead or asbestos abatement or site preparation that are not response activities under Part 201, Environmental Remediation, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA).

The percentage of local taxes captured must be equal to or greater than the percentage of school taxes captured - taking into account all tax capture plans in place, either under Act 381 or other state laws.

An authority may issue revenue and tax increment financing bonds and notes in order to finance the eligible activities and then capture taxes from the eligible property to pay off the obligations.

An authority may establish a local site remediation revolving fund and place excess captured taxes from properties at which eligible activities are conducted into the local fund. The authority can use the local fund to conduct eligible activities at other eligible properties. Excess school taxes for eligible activities approved by MEGA cannot be captured for the local site remediation revolving fund. However, the revolving fund may be used to fund MEGA eligible activities on eligible properties.

An authority may capture up to $75,000 per year in local taxes for reasonable and actual administrative and operating expenses of the authority. School taxes may not be used for response activities that benefit a party who is liable under Section 20126 of Part 201 of the NREPA. The state or authority may take appropriate legal action to recover the costs of eligible activities funded through tax capture from person(s) who are liable for the contamination.

Eligible property

An eligible property is property that was used or is currently used for commercial, industrial, or residential purposes and is either in a qualified local governmental unit and is a facility as defined in Part 201 of the NREPA, is functionally obsolete, or blighted OR

is not in a qualified local governmental unit and is a facility. Parcels that are contiguous and adjacent to that property are also considered eligible property if the development of these parcels will increase the captured taxable value of that property.

Eligible activities for a facility requiring DEQ approval:

- Response activities to complete a Baseline Environmental Assessment (BEA).
- Response activities needed for an owner or operator to comply with the due care requirements of Part 201 of the NREPA.
- Additional response activities that are above and beyond BEA or due care activities for a facility.

In a qualified local governmental unit requiring MEGA approval:

- Public infrastructure improvements.
- Demolition that is not a response activity.
- Lead or asbestos abatement.
- Site preparation that is not a response activity.

Relocation of public buildings and operations for economic development is also an eligible activity requiring MEGA approval.

Captured taxes can only be used for the cost of the eligible activities and for the following: the cost of principal and interest of any obligations issued by the authority to finance the eligible activities and the cost of preparing and approving work plans for the eligible activities.

An authority can capture local and school property taxes from an eligible property in excess of the amount needed to pay for the eligible activities approved by DEQ. The excess captured taxes must be placed into a local site remediation revolving fund to be used only for eligible activities at other eligible properties within the brownfield plan area. This excess capture can continue for up to five years after the aforementioned costs are covered. Excess school tax capture is limited to the actual cost of the response activities or up to five years, whichever comes first. Excess school taxes cannot be captured on activities approved by MEGA; however, the revolving fund may be used to fund MEGA eligible activities on eligible properties.

BY-LAWS

OF

THE ECONOMIC DEVELOPMENT CORPORATION OF THE COUNTY OF LENAWEE

(A Michigan Public Corporation formed pursuant to Act 338 of the Public Acts of 1974, as amended)

ARTICLE I

Name and Registered Office

Sec. 1. Name. The name of this corporation is The Economic Development Corporation of the County of Lenawee.

Sec. 2. Registered Office. The initial registered office of the corporation is 216 North Main Street, Adrian, Michigan 49221, and the mailing address of the initial registered office is 216 North Main Street, Adrian, Michigan 49221. The resident agent shall be the person who from time to time is designated by the board of directors.

Sec. 3. Principal Office. The Corporation shall have its principal office at 216 North Main Street, Adrian, Michigan 49221, and it may also maintain offices at such other place or places as the board of directors may from time to time designate.

ARTICLE II

Purpose

The corporation is organized with reference to Act 338 of the Public Acts of 1974, as amended, and its purpose or purposes will be in accordance with the articles of incorporation.

ARTICLE III

Directors

Sec. 1. General Powers. The business and affairs of the corporation shall be managed by its board of directors, except as otherwise provided by statute, by the articles of incorporation or by the by-laws.

Sec. 2. Number, Tenure and Qualifications. The board of directors shall consist of not less than nine persons, not more than three of whom shall be an officer or employee of the County of Lenawee.

The chief executive officer and any member of the governing body of the municipality may serve on the board of directors. These directors shall be appointed for terms of 6 years, except of the directors first appointed, 4 shall be appointed for 6 years, 1 for 5 years, 1 for 4 years, 1 for 3 years, 1 for 2 years, and 1 for 1 year. The corporation shall notify the Chairperson of the County Board of Commissioners in writing of the corporation's intention to commence preparation of a project plan and there shall be appointed promptly after such notice 2 additional directors of the corporation who shall be representative of neighborhood residents likely to be affected by each such project proposed by the corporation and who shall cease to serve when the project for which they are appointed is either abandoned or, if undertaken, is completed in accordance with the project plan. Directors shall serve without salary, but may be reimbursed their actual expenses incurred in the performance of their official duties, and may receive a per diem of not more than $50.00.

Sec. 3. Replacement and Vacancies. Subsequent directors shall be appointed in the same manner as original appointments at the expiration of each director's term of office. A director whose term of office has expired shall continue to hold office until his successor has been appointed with the advice and consent of the Lenawee County Board of Commissioners. A director may be reappointed with the advice and consent of the Lenawee County Board of Commissioners to serve additional terms. If a vacancy is created by death or resignation, a successor shall be appointed with the advice and consent of the Lenawee County Board of Commissioners within thirty (30) days to hold office for the remainder of the term of office so vacated.

Sec. 4. Removal. A director may be removed from office for inefficiency, neglect of duty, or misconduct or malfeasance by a majority vote of the Lenawee County Board of Commissioners.

Sec. 5. Conflict of Interest. A director who has a direct interest in any matter before the corporation shall disclose his interest prior to the corporation taking any action with respect to the matter, which disclosure shall become a part of the record of the corporation's official proceedings.

Sec. 6. Meetings. Meetings of the Board of Directors may be called by or at the request of the president or any two directors. The meetings of the Board of Directors shall be public, and the appropriate notice of such meetings shall be provided to the public.

Sec. 7. Notice. Notice of any meeting shall be given at least two (2) days previously thereto by written notice, delivered personally or mailed to each director at his business address, or by telegram. If mailed, such notice shall be deemed to be delivered when deposited in the United States mails in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Sec. 8. Quorum. A majority of the members of the Board of Directors then in office constitutes a quorum for the transaction of business at any meeting of the Board of Directors, provided, that if less than a majority of the directors are present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice. The vote of the majority of members present at a meeting at which a quorum is present constitutes the action of the Board of Directors, unless the vote of a larger number is required by statutes, the articles of incorporation or these by-laws. Amendment of the by-laws by the Board of Directors requires the vote of not less than a majority of the members of the board then in office.

Sec. 9. Participation by Communication Equipment. A member of the Board of Directors or of a committee designated by the board may participate in a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this provision constitutes presence in person at the meeting.

Sec. 10. Committees. The Board of Directors may, by resolution passed by a majority of the whole board, designate one or more committees, each committee to consist of one or more of the directors of the corporation. The board may designate one or more directors as alternate members of a committee, who may replace an absent or disqualified member at a meeting of the committee. In the absence or disqualification of a member of a committee, the members thereof present at a meeting and not disqualified from voting, whether or not they constitute a quorum, may unanimously appoint another member of the board to act at the meeting in place of such an absent or disqualified member. A committee, and each member thereof, shall serve at the pleasure of the board. A committee so designated by the board, to the extent provided in the resolution by the board, may exercise all administrative and ministerial, but not discretionary, powers and authority of the board in the management of the business and affairs of the corporation, except that such committee shall not have the power or authority to: (a) Amend the articles of incorporation, (b) recommend to members a dissolution of the corporation or a revocation of dissolution, (c) amend the by-laws of the corporation, or (d) fill vacancies in the board.

Sec. 11. Manifestation of Dissent. A director of the corporation who is present at a meeting of the Board of Directors at which action on any corporation matter is taken shall be assumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

ARTICLE IV

Officers

Sec. 1. Officers. The officers of the corporation shall consist of a president, secretary, treasurer, assistant secretary, assistant treasurer, and, if desired, one or more vice presidents, and such other officers as may from time to time be determined by the Board of Directors, each of whom shall be elected by the directors. Two or more offices may be held by the same person but an officer shall not execute, acknowledge or verify an instrument in more than one capacity if the instrument is required by law or the articles or by-laws to be executed, acknowledged or verified by two or more officers.

Sec. 2. Election and Term of Office. The officers of the corporation shall be elected annually by the Board of Directors. If the election of officers shall not be held or made at such meeting, such election shall be held or made as soon thereafter as is convenient. Each officer so elected shall hold office for the term of which he is elected and until his successor is elected and qualified, or until his resignation or removal.

Sec. 3. Removal. Any officer elected by the Board of Directors may be removed by the Board of Directors with or without cause whenever in its judgment the best interests of the corporation would be served thereby.

Sec. 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled at any meeting of the board of directors for the unexpired portion of the term of such office.

Sec. 5. President. The president shall be the chief executive officer of the corporation, but he may from time to time delegate all or any part of his duties to an executive vice president, if one is elected or to any vice president. He shall preside at all meetings of the directors; he shall have general and active management of the business of the corporation, and shall see that all orders and resolutions of the board are carried into effect. He shall execute all bonds, mortgages, conveyances and other instruments entered into pursuant to the powers of the corporation as set forth in the articles of incorporation with the approval and authority of the board of directors. He shall be ex officio a member of all standing committees.

Sec. 6. Vice Presidents. The vice president shall perform such duties as are delegated to him by the president and he and the other vice presidents in order of their seniority shall, in the absence or in the event of the disability of the president, perform the duties and exercise the powers of the president, and shall perform such other duties as the board of directors shall prescribe.

Sec. 7. Secretary. The secretary shall attend all meetings of the board and record all votes and the minutes of all proceedings in a book to be kept for that purpose; and shall perform like duties for the standing committees when required. He shall give, or cause to be given, notice of all meetings of the board of directors, and shall perform such other duties as may be prescribed by the board of directors under whose supervision he shall be. He shall keep in safe custody the seal of the corporation, and when authorized by the board, affix the same to any instrument requiring it, and when so affixed it shall be attested by his signature or by the signature of the treasurer. He shall be sworn to the faithful discharge of his duties. The assistant secretary, if one is elected, shall perform the duties and exercise the power of the secretary in his absence or in the event of his disability.

Sec. 8. Treasurer. The treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation and shall deposit all monies, and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the board of directors. He shall disburse the funds of the corporation as may be ordered by the board, taking proper vouchers for such disbursements, and shall render to the president and director, at the regular meetings of the board, or whenever they may require an account of all his transactions as treasurer and of the financial condition of the corporation. He shall report to the governing body not less frequently than once per year, which report shall fully describe the activities of the corporation including a statement of all revenues and expenditures, and balance sheet since the previous report. He shall give the corporation a bond if required by the board of directors in a sum, and with one or more sureties satisfactory to the board, for the faithful performance of the duties of his office, and for the restoration to the corporation, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the corporation. The assistant treasurer, if one is elected, shall perform the duties and exercise the power of the treasurer in his absence or in the event of his disability.

Sec. 9. Delegation of Duties of Officers. In the absence of any officer of the corporation, or for any other reason that the board may deem sufficient, the board may delegate, from time to time and for such time as it may deem appropriate, the powers or duties, or any of them, of such officer to any other officer, or to any director, provided a majority of the board then in office concurs therein.

Sec. 10. Salaries. The officers of the corporation shall serve without salary; provided, that nothing herein contained shall be construed to preclude any officer from serving the corporation in any other capacity and receiving compensation therefor.

ARTICLE V

Contracts, Loans, Checks and Deposits

Sec. 1. Contracts. The board of directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority shall be confined to specific instances.

Sec. 2. Loans. No loan shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the board of directors. Such authority shall be confined to specific instances.

Sec. 3. Checks, Drafts, etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the board of directors.

Sec. 4. Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositories as the board of directors may select.

ARTICLE VI

Fiscal Year

The fiscal year of the corporation shall begin on the 1st day of January in each year and end on the 31st day of December in each year.

ARTICLE VII

Indemnification

Sec. 1. Indemnification. Whenever any claim is made or any civil action is commenced against any officer, or employee of the corporation for injuries to persons or property caused by the negligence of the officer or employee while in the course of his employment and while acting within the scope of his authority, the corporation may, but is not required, to pay for legal services and also for any judgment or compromise settlement of the claim, pursuant to Act 170 of the Public Acts of 1964, as amended.

Sec. 2. Reimbursement. Any indemnification under Section 1 shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the employee or officer is proper in the circumstances because he has met the applicable standard of conduct set forth in Section 1. Such determination shall be made in either of the following ways:

(1) By the board of directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or preceeding.

(2) If such quorum is not obtainable, or, even if obtainable, a quorum of disinterested directors so directs, supported by the recommendation of independent legal counsel in a written opinion.

Sec. 3. Insurance. The board of directors may, in the exercise of its discretion, from time to time authorized by resolution duly adopted, purchase and maintain insurance on behalf of any person who is or was a director or officer of the corporation, against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the corporation would have power to indemnify him against such liability under Sections 1 and 2 of this article.

By-Laws

LENAWEE COUNTY
BROWNFIELD REDEVELOPMENT AUTHORITY

ARTICLE I: Name and Address

The name of the authority is the Lenawee County Brownfield Redevelopment Authority (hereinafter referred to as the "Authority"). The address of the Authority is 301 N. Main Street, Adrian, Michigan 49221.

ARTICLE II: Directors

Section 1. General Powers: The business and affairs of the Authority shall be managed by its Board to the full extent provided by PA 381of 1996, as amended (hereinafter referred to as the "Act"), or by these Bylaws. The Board shall possess all of the powers and authority provided by the Act, and any future amendments to the Act and these Bylaws.

Section 2. Board of Directors: The Board of Directors (hereinafter referred to as the "Board") of the Authority shall consist of seven (7) persons who shall be appointed by the Chair of the Lenawee County Board of Commissioners (hereinafter referred to as the "LCBOC Chair") with the advice and consent of the Lenawee County Board of Commissioners (hereinafter referred to as the "LCBOC"). Each Director shall be assigned a term of office upon appointment in accordance with the Act.

Section 3. Replacement and Vacancies: Subsequent Directors shall be appointed in the same manner as original appointments at the expiration of each Director's term of office. A Director whose term of office has expired shall continue to hold office until his/her successor has been appointed. A Director may be reappointed to serve additional terms. If a vacancy is created by death or resignation, a successor shall be appointed by the LCBOC Chair with the advice and consent of the LCBOC within thirty (30) days, or as soon thereafter as possible, to hold office for the remainder of the term of office so vacated.

Section 4. Removal: A Director may be removed from office in accordance with the Act for inefficiency, neglect of duty, or misconduct or malfeasance, by a majority vote of the LCBOC.

Section 5. Conflict of Interest: A Director who has a direct interest in any matter before the Authority shall disclose his/her interest prior to any discussion of that matter by the Authority, which disclosure shall become a part of the record of the Authority's official proceedings. The interested Director shall further refrain from participation in the Authority's action relating to the matter. Each Director, upon taking office and annually thereafter, shall acknowledge in writing that they have read and agree to abide by this section.

Section 6. Meetings: Meetings of the Board may be called by or at the request of the Chair of the Board, the Vice Chair of the Board or any two Directors. The meetings of the Board shall be public, and written notice of such meeting shall be provided to the public. The Board shall hold an annual meeting in the first calendar quarter of each year at which time officers of the Board shall be elected as provided in

Section 7. Notice: Notice of any meetings shall be given in accordance with the Open Meetings Act (Act No. 267 of the Public Acts of 1976).

Section 8. Quorum: A majority of the members of the Board appointed and serving constitutes a quorum for the transaction of business at any meeting of the Board, provided, that a majority of the Board present may adjourn the meeting from time to time without further notice. The vote of the majority of the Directors present at a meeting when a quorum is present constitutes the action of the Board, unless the vote of a larger number is required by statute or these Bylaws. No grant or loan shall be contracted on behalf of the Authority and no evidence of indebtedness shall be issued in the name of the Authority unless authorized by a resolution of a majority of the Board then in office and approved by the LCBOC.

Section 9. Local Units of Government: Not less than forty five (45) days prior to the submittal of any proposed Brownfield redevelopment plan to the LCBOC pursuant to Section 14(a) of the Act, by resolution the Board shall appoint a committee for any such proposed plan to allow for input of the city, village or township involved. The committee shall consist of a minimum of one or more of the Directors of the Board, as well as one elected official, or his/her designee from the affected city, village, or township. The committee so appointed shall make recommendations to the Board, which shall include or address any changes to the Brownfield redevelopment plan sought by the city, village or township, as well as any other significant concerns or issues raised by the city, village or township. In the alternative, the Chair of the Board may appoint the committee, subject to ratification by the Board, prior to any other action by the Board regarding the proposed plan.

Section 10. Committees: The Board may, by resolution passed by a majority of the whole Board, designate one or more committees, each committee to consist of one or more of the Directors of the Authority. The Board may designate one or more Directors as alternate members of a committee, who may replace an absent or disqualified member at a meeting of the committee. In the absence or disqualification of a member of a committee, the members thereof present at a meeting and not disqualified from voting, whether or not they constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in place of such an absent or disqualified member. A committee, and each member thereof, shall serve at the pleasure of the Board. Any committee so designated shall periodically prepare a report and recommendations with respect to the matters referred to it by the resolution of the Board. All such reports and recommendations shall be reviewed by the Board, and shall not be binding on the Board or considered Board action, unless and until such reports and/or recommendations are addressed pursuant to Article II, Section 8.

ARTICLE III: Officers

Section 1. Officers: The officers of the Authority shall be elected by the Authority Board and shall consist of a Chair and Vice Chair. No single officer shall execute, acknowledge, or verify an instrument if the instrument is required by law or Bylaws to be executed, acknowledged, or verified by two or more officers.

Section 2. Nomination. Election, and Term of Office: The officers of the Authority shall be elected by the Board at an annual meeting held during the first calendar quarter of each year. Candidates shall be nominated by the Board, and shall be Board members. The term of each office shall be for one (1) year. Each officer shall hold office until his/her successor is appointed.

Section 3. Vacancies: A vacancy in any office because of death, resignation, removal, disqualification or otherwise, maybe filled at any meeting of the Board for the unexpired portion of the terms of such office.

Section 4. Chair and Vice Chair: The Chair shall be the presiding officer of the Authority, and may, from time to time, delegate all or any part of his/her duties to the Vice Chair. In the absence of the Chair, the Vice Chair shall preside at all meetings of the Board and shall perform all the duties of the office as provided by the Act or these Bylaws. The Chair may discuss and vote on all questions before the Authority except as noted in Article II, Section 5, Conflict of Interest. The Chair shall be an ex-officio member of all standing committees.

Section 5. Secretary/Treasurer: The County Clerk or designee shall serve as the Secretary to the Authority. The County Treasurer or designee shall serve as the Treasurer of the Authority. Neither the Clerk nor the Treasurer shall be a member of the Board.

Section 6. Delegation of Duties of Offices: In the absence of any officer of the Authority the Board may delegate, from time to time and for such time as it may deem appropriate, the powers or duties, or any of them, of such officer to any other Director, provided a majority of the Board then in office concurs therein.

ARTICLE IV: Contracts, Loans, Checks and Deposits

Section 1. Contracts: The Authority Board may authorize its Chair or Vice Chair, in the Chair's absence, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Authority, and such authorization may be general or confined to specific instances.

Section 2. Loans/Grants/Indebtedness: No grant or loan shall be contracted on behalf of the Authority and no evidence of indebtedness shall be issued in the name of the Authority unless authorized by a resolution passed by a majority of the Board and approved by the LCBOC. Such authorization may be general or confined to specific instances.

Section 3. Checks, Drafts, etc.: All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Authority, shall be authorized by the Chair, or Vice Chair, in the absence of the Chair.

Section 4. Deposits: All funds of the Authority not otherwise employed shall be invested in accordance with an investment policy to be adopted by the Board consistent with current County policy and the requirements of PA 20 of 1943.

ARTICLE V: Fiscal Year

The fiscal year of the Authority shall correspond at all times to the fiscal year of Lenawee County.

ARTICLE VI: Miscellaneous

Section 1. Seal: The Board, upon finding it necessary, shall provide a corporate seal, which shall be the official seal of the Authority.

Section 2. Waiver of Notice: When the Board or any committee thereof may take action after notice to any person or after lapse of a prescribed period of time, the action may be taken without notice and without lapse of the period of time, if at any time before or after the action is completed the person entitled to notice or to participation in the action to be taken submits a signed waiver of such requirements.

ARTICLE VI: Amendments

These Bylaws may be altered, amended, or repealed by the affirmative vote of a majority of the Board then in office at any regular or special meeting called for that purpose subject to the approval of the LCBOC.

CERTIFICATION:

I HEREBY CERTIFY that the above Bylaws were adopted the 11th day of January, 2006.

Secretary

Lou Ann Bluntschly

ARTICLES OF INCORPORATION
OF
COUNTY OF LENAWEE HOSPITAL FINANCE AUTHORITY

These Articles of Incorporation of the County of Lenawee Hospital Finance Authority are adopted by the County of Lenawee, Michigan, for the purpose of creating a local hospital finance authority (the "Authority") under the provisions of Act 38 of the Public Acts of Michigan of 1969, as amended (the "Enabling Act").

ARTICLE I
NAME

The name of this corporation and authority is the County of Lenawee Hospital Finance Authority.

ARTICLE II
INCORPORATING UNIT

The incorporating unit creating the Authority is the County of Lenawee, Michigan.

ARTICLE III
PURPOSE

This Authority is incorporated for the purpose of lending money to a hospital for the purpose of constructing, acquiring, reconstructing, remodeling, improving, adding to, enlarging, repairing, owning and leasing hospital facilities for the use of any hospital within or without the boundaries of the County of Lenawee; refunding or refunding in advance obligations of a local authority, including the Authority, or the state hospital finance authority; or refinancing the indebtedness of a hospital.

ARTICLE IV
POWERS AND DUTIES

Section 1. The Authority shall be a public body corporate with power to sue and be sued in its own name in any court of the State of Michigan.

Section 2. The Authority may adopt and amend bylaws for the regulation of its affairs and the conduct of its business.

Section 3. The Authority may adopt an official seal and alter its official seal at its discretion.

Section 4. The Authority may maintain offices at such places as its Commission may hereafter designate.

Section 5. The Authority shall have power to construct, acquire by gift, purchase, lease, reconstruct, remodel, improve, add to, enlarge, repair, own and lease hospital facilities and to acquire a site or sites therefor. The Authority shall not have the power of condemnation.

Section 6. The Authority shall have power to issue revenue bonds to finance all or any part of the project costs of any hospital facilities or to refinance any outstanding indebtedness of a hospital.

Section 7. The Authority shall have power to enter into lease or lease-purchase agreements with any hospital for the use of the hospital facilities.

Section 8. The Authority shall have the power to mortgage the hospital facilities in favor of the holders of the bonds issued therefor, and to pledge and create a lien in favor of the bondholders on all or part of the funds which are available for payment of principal and interest on the bonds.

Section 9. The Authority shall have the power to sell and convey the hospital facilities and its site, including, without limitation, the sale and conveyance thereof, subject to a mortgage, for such price and at such time as the Authority may determine. No sale or conveyance shall be made in any manner as to impair the rights or interests of the holders of any bonds.

Section 10. The Authority shall have the power to make loans; participate in the making of loans; undertake commitments; make loans and mortgages; sell loans and mortgages at public or private sale; modify or alter loans and mortgages; discharge loans and mortgages; foreclose on a mortgage or commence an action to protect or enforce a right conferred upon it by law, mortgage, loan, contract, or other agreement; bid for and purchase property which was the subject of a mortgage at a foreclosure or other sales and acquire or take possession of the property and in that event complete, administer, pay the principal and interest on any obligations incurred in connection with the property; and dispose of and otherwise deal with the property in any manner necessary or desirable to protect the interests of the Authority in the property. The loans made by the Authority may be secured by mortgages or not, as the Authority determines.

Section 11. The Authority shall have the power to loan money to hospitals for the purpose of refinancing outstanding indebtedness of the hospital.

Section 12. The Authority shall have the power to lend money to hospitals for the payment of project costs. A hospital loan may be secured by a mortgage of hospital property, including the hospital facility, and may provide for the appointment of a receiver to operate the hospital facilities in case of default.

Section 13. The Authority shall have power to employ consulting engineers, architects, attorneys, accountants, construction and financial experts, superintendents, managers and such other employees and agents as may be necessary in its judgment and fix their compensation.

Section 14. The Authority shall have the power to receive and accept from any public or private agency loans or grants for or in aid of any project undertaken, or any portion thereof, and receive and accept loans, grants, aid or contributions from any source of either money, property, labor, or other things of value, to be held, used and applied only for the purposes for which such loans, grants, aid and contributions are made.

Section 15. The Authority shall have the power to charge, impose and collect fees and charges in connection with its loans, including reimbursement of costs of financing by the Authority, service charges, insurance premiums, and an allocable share of the operating expenses of the Authority. The Authority shall have the power to charge and collect fees and charges from the lessees of the hospital facilities sufficient to meet operation and maintenance expenses of the Authority.

Section 16. The Authority shall have the power to exercise its powers and undertake a project for the benefit of a single hospital or the joint benefit of a group or association of one or more hospitals.

Section 17. The Authority shall have the power to invest funds not required for immediate use or disbursement, at its discretion, in obligations of the State of Michigan or the United States, in obligations the principal and interest of which are guaranteed by the State of Michigan or the United States, or in certificates of deposit of a bank which is a member of the federal reserve system or a savings and loan association which is a member of the federal reserve system or a savings and loan association which is a member of the federal home loan bank system.

Section 18. The Authority shall have the power and authority to borrow money and issue its negotiable bonds for the purpose of defraying the project costs of hospital facilities, making hospital loans, refinancing outstanding indebtedness of a hospital, or refunding or refunding in advance obligations of any authority created or incorporated under the Enabling Act. The principal of and interest on such bonds shall be payable solely from the net revenues derived from the hospital facilities, from the repayment of hospital loans, from gifts or grants, from amounts derived from the disposition of hospital facilities mortgaged or otherwise pledged as security for payment of the bonds or from investment earnings or profits on any of these sources. No bond issued by the Authority shall be a general obligation of nor constitute a debt of the Authority or the County of Lenawee within the meaning of any constitutional, charter or statutory limitation.

Section 19. The Authority shall have all the powers necessary to carry out the purpose of its incorporation and the incidental powers thereto and no enumeration of the powers of the Authority in these Articles of Incorporation shall in any way limit or restrict the power of the Authority.

ARTICLE V
GOVERNING BODY OFFICERS

Section 1. The Authority shall be directed and governed by a Board of Commissioners of twelve (12) members known as the "Commission" each to be appointed by the County Commission of the County of Lenawee.

Section 2. The term of office of a Commissioner shall be for a period of five (5) years, expiring on the first Monday in January, and until his or her successor is duly appointed and qualified. The County Commission of the County of Lenawee shall initially appoint four (4) Commissioners for an initial term expiring the first Monday in January, 2001, four (4) Commissioners for an initial term expiring the first Monday in January, 2002 and four (4) Commissioners for an initial term expiring the first Monday in January, 2003. Except for a non-voting member designated as a "liason", no member of the County Commission of the County of Lenawee shall be eligible for membership or appointment to the Authority.

Section 3. The Commission shall designate one of its members as chairperson, one of its members as secretary, and one of its members as treasurer, each to be designated for such term in office for a period of one year. Members may succeed themselves in office.

Section 4. The Commission shall adopt and may amend bylaws and rules of procedure in accordance with the provisions of the Enabling Act and provide therein for regular meetings of the Commission in accordance with the terms and provisions of the Enabling Act.

Section 5. The chairperson shall preside at meetings of the Commission and shall sign and execute all authorize bonds, notes, contracts, checks and other obligations in the name of the Authority, by manual or facsimile signature, as directed by the Commission. The chairperson shall do and perform such other duties as may be fixed by the bylaws and from time to time assigned to him by the Commission.

Section 6. The secretary shall keep the minutes of all meetings of the Commission, and all committees thereof, in books provided for that purpose. The secretary shall attend to the giving, serving and receiving of all notices or process of or against the Authority. The secretary may sign with the chairperson in the name of the Authority by manual or facsimile signature, all bonds, notes, contracts and checks and other obligations authorized by the Commission, and when so ordered, the secretary shall affix the seal of the Authority, or facsimile thereof, thereto. The secretary shall have charge of all books and records, which shall at all reasonable times be open to inspection and examination by the Commission, or any member thereof, the County of Lenawee and any hospital receiving financial assistance from the Authority, and in general perform all the duties incident to this office. The secretary shall preside at meetings of the Commission in the absence of the chairperson.

Section 7. The treasurer shall have custody of all of the funds and securities of the Authority which may come into the Authority. When necessary or proper, the treasurer shall endorse on behalf of the Authority for collection, checks, notes and other obligations which shall be deposited to the credit of the Authority in a designated bank or depository. The treasurer shall jointly with the chairperson sign all bonds, notes, contracts, checks and other obligations of the Authority when so ordered by the Commission. The treasurer shall enter regularly in the books of the Authority to be kept by the treasurer for this purpose full and accurate accounts of all moneys received and paid by the treasurer on account of the Authority, and shall at all reasonable times exhibit such books and accounts to the Commission or any member thereof, the County of Lenawee or any hospital receiving financial assistance from the Authority, when so required. The treasurer shall perform all acts incidental to the position of treasurer fixed by the bylaws and as assigned to him from time to time by the Commission. The treasurer may be bonded for the faithful discharge of his duties as treasurer, as required by the Commission, the premium to be paid by the Authority. The Commission may provide in connection with any issue of bonds that any, or all, of the functions of the treasurer will be performed by a trustee.

Section 8. The members of the Commission shall be reimbursed for out-of-pocket expenses incidental to their duties as members of the Commission, but otherwise such members shall serve without compensation. Expenses of members of the Commission shall be payable solely from Authority funds and shall not be an obligation or liability of the County of Lenawee.

Section 9. Vacancies occurring in the office of the Commission shall be filled in the same way that the original appointment is made, the appointment to be for the period of the unexpired term.

Section 10. The Commission or any of its members may be removed from office by an affirmative majority vote of the County Commission of the County of Lenawee.

Section 11. The books and records of the Authority and of the Commission, officers and agents thereof, shall be open to inspection and audit by the County of Lenawee at all reasonable times.

ARTICLE VI
PUBLICATION

The County Clerk for the County of Lenawee shall cause a copy of these Articles of Incorporation to be published once in The Adrian Daily Telegram, being a newspaper of general circulation within the County of Lenawee, as provided by the Enabling Act.

ARTICLE VII
AMENDMENTS

Amendments may be made to these Articles of Incorporation as provided in Section 25 of Act 38 of the Michigan Public Acts of 1969, as now existing or hereafter amended.

ARTICLE VIII
REGISTERED OFFICE

The location of the registered office and post office address of this Authority is:

County Clerk
County of Lenawee, Michigan
301 N. Main Street
Lenawee County Courthouse
Adrian, Michigan 49221

ARTICLE IX
EFFECTIVE DATE

These Articles of Incorporation shall become effective and be in full force and effect on their publication and filing as required by the Enabling Act, being Act 38 of the Public Acts of Michigan of 1969, as amended.

ARTICLE X
TERM

The term of the Authority shall be perpetual, or until terminated in accordance with law.

ARTICLE XI
MEANING OF WORDS AND TERMS

Unless their context or use indicates another meaning or intent, the words and terms defined in the Enabling Act and used in these Articles of Incorporation shall have the same meaning ascribed to them in the Enabling Act.

IN WITNESS WHEREOF, The County Commission of the County of Lenawee has adopted and authorized to be executed these Articles of Incorporation on behalf of the County of Lenawee, a public corporation of the State of Michigan, by the County Administrator and County Clerk.

COUNTY OF LENAWEE
a public corporation

By William R. Bacon
County Administrator

By Lou Ann Blanchey
County Clerk

The foregoing Articles of Incorporation were adopted by the County Commission of the County of Lenawee, Michigan, at a meeting duly held on the 18th day of November, 1998.

Lou Ann Blanchey
County Clerk

AALIB:142243.1\060545-00119

Kimberly L. Murphy
County Administrator

301 N. Main St, Adrian, MI 49221
p: 517-264-4508 | **f:** 517-264-4512
lenawee.mi.us

Other Updates:

1. The Admin Office received a request for a full release of a lien on Roberts Investments for a 1985 EDC loan. After further investigations, it was determined that the release should have been completed in 1992. Miller Canfield and Old National Bank were both contacted and the matter was resolved with Old National Bank filing the release in July 2023.

2. The Annual EDC Report to the State is due September 30th and has been completed by the County Administrator's Office.

3. Current Terms:

ECONOMIC DEVELOPMENT CORPORATION (EDC) - 12 members / 5 year term
concurrent appointments with Brownfield Authority and Hospital Finance Authority

County Administrator, 264-4508 ~ Old Courthouse, 301 N. Main St, Adrian ~	*Call of the Chair*
District 6 – Thomas Boldt, Adrian	12/23
District 9 – David Maxwell, Adrian	12/23
District 5 – Michael Jacobitz, Adrian	12/24
District 4 – Dawn Bales, Adrian	12/24
District 7 – Jeff Ehlert, Blissfield	12/25
District 8 – Jessica Sattler	12/25
District 1 – David Stimpson, Tecumseh	12/26
District 2 – Heidi Cannon	12/26
District 3 – * * * VACANT * * *	12/26
Members-at-Large:	
Kimberly Murphy, Adrian	12/23
Steve Muth	12/26
Robert Fox, Tecumseh	12/26

4. For those with terms expiring 12/23: Are you interested and willing to continue serving?