

**FRENCHTOWN CHARTER TOWNSHIP  
HOUSING DEVELOPMENT TAX EXEMPTION ORDINANCE  
Ord. No. 101; Date of Adoption: November 1973**

An Ordinance granting property tax exemption as to low and moderate income housing developments financed by an authority mortgage loan.

**THE CHARTER TOWNSHIP OF FRENCHTOWN HEREBY ORDAINS:**

WHEREAS, it is the public purpose of the State of Michigan and its political subdivisions to provide housing for its citizens of low and moderate income, with such purpose and policy being enunciated in Act No. 346 of the Public Acts of 1966 of the State of Michigan, as amended, herein called the "Act"; and

WHEREAS, Section 15a of the Act, being Michigan Comp. Laws '48 Section 125.1415a, provides for exemption from all property taxation of those housing developments for persons of low and moderate income financed with a mortgage loan made by the Michigan State Housing Development Authority, herein called the "Authority"; and

WHEREAS, such property tax exemption will serve to stimulate the development of housing for citizens of low and moderate income; and

WHEREAS, the Township of Frenchtown, herein called the "Township", will be benefited and improved by the development of such housing; and

WHEREAS, FCE-Dillion, Inc., an Ohio Corporation, herein called the "Mortgagor", of the Michigan State Housing Development Authority, proposes to erect, own and operate a housing development, herein called the "Development", on certain property located on North Macomb Street in the Township, herein called the "Property", which Development will be financed with a mortgage loan made by the Authority, herein called the "Mortgage Loan", and which Development is intended to serve persons of low and moderate income; and

WHEREAS, the Mortgagor has agreed to pay to the Township on account of the Development an annual service charge for public services in lieu of all property taxes from and after the commencement of construction of the Development so long as the Mortgage Loan remains outstanding and unpaid or the Authority has any interest in the Property; and

WHEREAS, the Township Board of the Township understands that the Mortgagor and the Authority are relying upon the qualification of the Development for exemption from all property taxes in order to establish the operational feasibility of the Development; and

WHEREAS, pursuant to the authority vested in the Township Board of the Township of Frenchtown by the Act, the Township Board hereby determines that the Development is qualified for exemption from all property taxes as provided in the Act.

NOW THEREFORE, IT IS HEREBY ORDAINED AND ESTABLISHED by the Township Board of the Township of Frenchtown that, acknowledging the reliance of the Mortgagor and the Authority on exemption from all property taxes as described above, the Property and the Development to be constructed on the Property shall be exempt from all property taxes as provided in the Act from and after the commencement of construction of the Development, and, in consideration of the foregoing and on behalf of the Township, the Township Board hereby agrees to accept payment of an annual service charge for public services in lieu of all property taxes, to be paid by the Mortgagor to the Township on or before August 15<sup>th</sup> of each year in an amount equal to ten percent (10%) of ninety-five percent (95%) of the total annual shelter rent collected or to be collected by the Mortgagor as to each of the living units within the Development during the then current calendar year.

IT IS HEREBY FURTHER ORDAINED AND ESTABLISHED that this Ordinance shall remain in effect and shall not terminate so long as the Mortgage Loan remains outstanding and unpaid or the Authority has any interest in the Property.

IT IS HEREBY FURTHER ORDAINED AND ESTABLISHED that the various provisions of this Ordinance shall be deemed to be severable, and should any section or provision of this Ordinance be declared by any court of competent jurisdiction to be unconstitutional or invalid, the same shall not affect the validity of this Ordinance as a whole or any section or provision hereof other than the section or provision so declared to be unconstitutional or invalid.

This Ordinance shall become effective immediately upon publication in the Monroe Evening News, a newspaper having general circulation in Frenchtown Charter Township, Monroe County, Michigan.