

ORDINANCE NO. \_\_\_\_\_

An ordinance to amend the Code of the City of Flint by amending Chapter 18, Taxation; Funds; Purchasing, Article I, In General, Section 18-4.1, Service Charge in Lieu of Taxes for Housing Facilities for Certain Persons.

IT IS HEREBY ORDAINED BY THE PEOPLE OF THE CITY OF FLINT:

Sec. 1. That the Code of the City of Flint shall be amended by amending Chapter 18, Taxation; Funds; Purchasing, Article I, In General, Section 18-4.1, Service Charge in Lieu of Taxes for Housing Facilities for Certain Persons, by the addition of subsection (p), which shall read in its entirety as follows:

*ARTICLE I. IN GENERAL*

**§18-4.1 SERVICE CHARGE IN LIEU OF TAXES FOR HOUSING FACILITIES FOR CERTAIN PERSONS.**

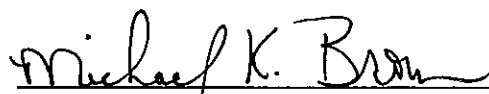
(P) THE CITY ACKNOWLEDGES THAT FRONTIER DEVELOPMENT GROUP, LLC, A MICHIGAN LIMITED LIABILITY COMPANY ON BEHALF OF A MICHIGAN LIMITED DIVIDEND HOUSING ASSOCIATION LIMITED PARTNERSHIP TO BE FORMED (THE "SPONSOR") HAS OFFERED, SUBJECT TO RECEIPT OF A MORTGAGE LOAN AND/OR ALLOCATION OF LOW INCOME HOUSING TAX CREDITS FROM THE MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY ("MSHDA"), TO ERECT, REHABILITATE, OWN AND OPERATE A 76-UNIT HOUSING DEVELOPMENT IDENTIFIED AS PHOENIX APARTMENTS ON CERTAIN PROPERTY LOCATED IN THE CITY TO SERVE PERSONS OF LOW INCOME, WITH A PARTICULAR TARGET POPULATION OF HOMELESS VETERANS, AND THAT THE SPONSOR

HAS OFFERED TO PAY THE CITY ON ACCOUNT OF THIS HOUSING DEVELOPMENT AN ANNUAL SERVICE CHARGE FOR PUBLIC SERVICES IN LIEU OF ALL TAXES.

THE CITY ACKNOWLEDGES THAT THE PHOENIX APARTMENTS SHALL BE AFFORDED TAX BENEFITS OF PAYING A SERVICE CHARGE IN LIEU OF TAXES. THE CITY FURTHER ACKNOWLEDGES THAT PHOENIX APARTMENTS FITS WITHIN THE CLASS AS DESCRIBED IN §18-4.3 BELOW. THE ANNUAL SERVICE CHARGE FOR THE CLASS OF PERSONS OF LOW INCOME SHALL BE EQUAL TO SIX PERCENT (6%) OF THE DIFFERENCE BETWEEN THE CONTRACT RENTS ACTUALLY COLLECTED AND UTILITIES; HOWEVER, THE SERVICE CHARGE SHALL NOT EXCEED TAXES WHICH WOULD BE PAID ABSENT THIS TAX EXEMPTION.

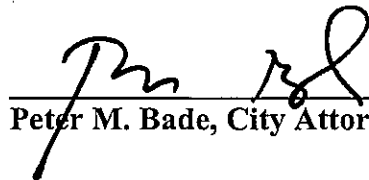
Sec. 2. This ordinance shall become immediately effective upon publication.

Adopted this 2<sup>nd</sup> day of August, 2013 A.D.



Michael K. Brown, Emergency Manager

APPROVED AS TO FORM:



Peter M. Bade, City Attorney

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EM SUBMISSION NO.: EM0442013

PRESENTED: 8-2-13

ADOPTED: 8-2-13

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