

**CHARTER TOWNSHIP OF WATERFORD
ORDINANCE NO. 2021-005**

**STATE HOUSING DEVELOPMENT AUTHORITY TAX EXEMPTION ORDINANCE
AMENDMENT FOR LAKELAND PLACE**

An Ordinance to amend the State Housing Development Authority Tax Exemption in Chapter 15.5 of the Waterford Charter Township Code, to provide terms to govern a new annual service charge in lieu of taxes for Lakeland Place.

THE CHARTER TOWNSHIP OF WATERFORD ORDAINS:

Section 1 of Ordinance

That Section 15.5 of the Waterford Charter Township Code, which specifies Previously adopted tax-exempt eligible housing project, is amended to read as follows:

15.5-013 (a) The housing projects with exemption from property taxes under ordinances that remain in effect that were approved prior to the ordinances that added this division, which are now subject to the requirements of this division to the extent allowed by the Act and ordinances which approved the exemptions are: Whispering Woods Elderly Housing (Parcel No. 13-233-301-032) and the elderly housing portion of the Waterford Meadows housing project (Parcel No. 13-24-451-011) pursuant to Ordinance No. 114, as amended.

(b) and (c) unchanged

Section 2 of Ordinance

That Section 15.5 of the Waterford Charter Township Code, is amended to add a new Article III- entitled Tax Exemption Lakeland Place which shall read as follows:

Article III, Tax Exemption Lakeland Place

Section 15.5-038

(a) **Acknowledgement of Development:** JRC Lakeland Preservation Limited Dividend Housing Association, LLC, a Michigan limited liability company (the "Owner"), whose address is c/o Jonathan Rose Companies, 551 Fifth Avenue, 23rd Floor, New York, New York, 10176, provides housing for low to moderate income elderly individuals and families at the apartment project commonly known as LAKELAND PLACE (MSHDA Development #513), (Parcel No. 123-25-176-003), located at 2700 Elizabeth Lake Road, Waterford, Michigan 48328 ("the Project"). The Project was previously approved as a tax-exempt housing project in 1976 in Ordinance No. 104 adopted on November 22, 1976 and codified in this Chapter in Section 15.5-013. The Owner has requested to extend the period of time of tax exemption and has offered to continue to pay the Township on account of such Project an annual service charge for public services in lieu of all taxes. It is determined that the Project is within a class of development to which this article is applicable.

- (b) **Annual Service Charge:** The Project identified above and the property on which it is on shall be exempt from all property taxes subject to the provisions of this Article. The Township acknowledges that the Owner has established the economic feasibility of the Project in reliance upon the enactment and continuing effect of this article and the continuing exemption from property taxes. Subject to the continuing existence of a federally or state-aided mortgage for the Project, the Township agrees to accept payment of an annual service charge for public services in lieu of all property taxes and as otherwise agreed to between the Owner and the Township.
- (c) **Amount of Annual Service Charge:** Owner, or its successors or assigns shall pay to the Township an annual service charge for public services in lieu of taxes, in an amount equal to four (4%) percent of ninety-five (95%) percent of the Contract Rents collected by owner during the preceding calendar year. "Contract Rents" means the total Contract Rents (as defined by the U.S. Department of Housing and Urban Development in regulations promulgated pursuant to Section 8 of the U.S. Housing Act of 1937, as amended) received in connection with the operation of a housing project during an agreed annual period, exclusive of charges for gas, electric, water, sanitary sewer and other utilities furnished to the occupants that are paid by a housing project and the amount paid to the Township during the preceding calendar year for the Annual service charge.
- (d) **Duration:** The Annual service charge payment in lieu of taxes shall continue for a period of forty (40) years beginning with the first payment in 2022 through the payment due in 2061, unless the federally or state-aided mortgage is no longer outstanding, or the Project no longer qualifies for tax exempt status. The tax-exempt status of the Project shall remain in effect until December 31, 2061, at which time the property shall be returned to the tax rolls and taxes shall be levied and collected in the usual manner.

Section 3 of Ordinance

Should any section, subdivision, sentence, clause or phrase of this ordinance be declared by the Courts to be invalid, the same shall not affect the validity of the Ordinance as a whole or any part thereof other than the part as invalidated.

Section 4 of Ordinance

This Ordinance shall take effect immediately upon publication.

CERTIFICATION

I certify that this Ordinance was adopted by the Board of Trustees of the Charter Township of Waterford at a meeting duly called and held on December 8, 2021.

CHARTER TOWNSHIP OF WATERFORD

Date

By: _____
Kim Markee, Township Clerk