

RESOLUTION OF COOPERATION

654 WHEREAS, the City of Ferndale,

(hereinafter called the "Municipality"), acting by and through the Ferndale Housing Commission

(hereinafter called the "Commission"), has requested from the United States of America, Housing Assistance Administration (hereinafter called "HAA") a Program Reservation for 175 units

of low-rent housing to be developed and located within the corporate limits of the Municipality and may hereafter apply for additional Program Reservations;

WHEREAS, the Municipality, acting by and through the Commission, shall endeavor to secure one or more contracts with the HAA for loans and annual contributions in connection with the development and administration of such low-rent housing projects, all pursuant to the United States Housing Act of 1937, as amended (hereinafter called the "Act"); and

WHEREAS, all such low-rent housing projects are for a public purpose and exempt from all real and personal property taxes under the Constitution and Statutes of the State of Michigan; and

WHEREAS, the Municipality is desirous of assisting and cooperating in such undertakings and of complying with the provisions of Sections 10(a), 10(h), and 15(7)(b) of the Act, as well as all other applicable provisions thereof;

NOW, THEREFORE, BE IT RESOLVED, That:

Section II. Whenever used in this resolution, the following terms shall have the following meaning:

- (a) The term "Project" shall mean any low-rent housing hereafter developed as one operation by the Commission with financial assistance of the HAA and included within any Program Reservations issued to the Municipality, acting by and through the Commission, by the HAA which in the aggregate may not exceed 175

units of low-rent housing. A Project will generally be located on a single site but may be on scattered sites.

(b) The term "Taxing Body" shall mean the State or any political subdivision or taxing unit thereof (including the Municipality) in which a Project is situated and which would have authority to assess or levy real or personal property taxes or to certify such taxes to a taxing body or public officer to be levied for its use and benefit with respect to a Project if it were not exempt from taxation.

(c) The term "Shelter Rent" shall mean the total of all charges to all tenants of a Project for dwelling rents and non-dwelling rents (excluding all other income of such Project), less the cost of all dwelling and non-dwelling utilities.

(d) The term "Slum" means any area where dwellings predominate which, by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light or sanitation facilities, or any combination of these factors, are detrimental to safety, health or morals.

Section 2. The Municipality agrees that with respect to any Project, so long as either (a) such Project is used for low-rent housing purposes, or (b) any contracts between the Municipality, acting by and through the Commission, and the HAA for loans or annual contributions, or both, in connection with such Project shall remain in force and effect, or (c) any bonds issued in connection with such Project shall remain outstanding, whichever period is the longest, the Municipality will not levy or impose any real or personal property taxes upon such Project or upon the Commission with respect thereto.

During such period, the Commission shall make annual payments to the Municipality (hereinafter called "Payments in Lieu of Taxes") in lieu of such taxes and in payment for public services and facilities furnished for or with respect to such Project. Each such annual Payment in Lieu of Taxes shall be made after the end of the fiscal year established for such Project and shall be in an amount equal to either (a) ten per cent (10%) of the aggregate Shelter Rent charged by the Commission in respect to such Project during such fiscal year or (b) the amount permitted to be paid by applicable state law in effect on the effective date of this resolution, whichever amount is the lower; provided, however, that upon failure of the Commission to make any such Payment in Lieu of Taxes, no lien against any Project or assets of the Commission shall attach.

The Municipality shall distribute the Payments in Lieu of Taxes among the Taxing Bodies in accordance with applicable state law; provided, however, that no payment for any year shall be made to any Taxing Body (including the Municipality) in excess of the amount of the real property taxes which would have been paid to such Taxing Body for such year if the Project were not exempt from taxation.

the Municipality agrees that, subsequent to the date of initiation (as defined in the Act) of each Project and within five years after the completion thereof, or such further period as may be approved by the HAA there has been or will be elimination (as approved by the HAA) by demolition, condemnation, effective closing, or compulsory repair or improvement, of unsafe or insanitary dwelling units situated in the locality or metropolitan area of the Municipality substantially equal in number to the number of newly constructed dwelling units provided by such Project; Provided, That, where more than one family is living in an unsafe or insanitary dwelling unit, the elimination of such unit shall count as the elimination of units equal to the number of families accommodated therein; and Provided, Further, That this Section 3 shall not apply in the case of (a) any Project developed on the site of a Slum cleared subsequent to July 15, 1949, and that the dwelling units eliminated by the clearance of the site of such Project shall not be counted as elimination for any other low-rent housing Project, or (b) any Project located in a rural non-farm area.

Section 4. During the period commencing with the date of the acquisition of any part of the site or sites of any Project and continuing so long as either (a) such Project is used for low-rent housing purposes, or (b) any contract between the Municipality, acting by and through the Commission, and the HAA for loans or annual contributions, or both, with respect to such Project shall remain in force and effect, or (c) any bonds issued in connection with such Project shall remain outstanding, whichever period is the longest; the Municipality, without cost or charge to the Commission or the tenants of such Project (other than the payments in lieu of Taxes) shall:

- (a) Furnish or cause to be furnished to the Commission and the tenants of such Project public services and facilities of the same character and to the same extent as are furnished from time to time without cost or charge to other dwellings and inhabitants in the Municipality;
- (b) Vacate such streets, roads, and alleys within the area of such Project as may be necessary in the development thereof, and without charge, transfer to the Commission jurisdiction of any interest the Municipality may have in such vacated area; and insofar as it is lawfully able to do so without cost or expense to the Commission and/or to the Municipality, cause to be removed from such vacated areas, insofar as it may be necessary, all public or private utility lines and equipment;
- (c) Insofar as the Municipality may lawfully do so, grant such waivers of the building code of the Municipality as are reasonable and necessary to promote economy and efficiency in the development and administration of such Project; and make such changes in any zoning of the site and surrounding territory of such Project as are reasonable and necessary for the development and protection thereof;
- (d) Accept grants of easements necessary for the development of such Project; and

- (e) Cooperate with the Commission by such other lawful action or ways as the Municipality and Commission may find necessary in connection with the development and administration of such Project.

Section 5. In respect to any Project, the Municipality further agrees that within a reasonable time after receipt of a written request therefor from the Commission:

- (a) It will accept the dedication of all interior streets, roads, alleys, and adjacent sidewalks within the area of such Project after the Commission, out of Project development funds, has completed the grading, improvement, and paving thereof in accordance with specifications acceptable to the Municipality; and
- (b) It will accept necessary dedications of land for, and will grade, improve, pave, and provide sidewalks for, all streets bounding such Project or necessary to provide adequate access thereto (in consideration whereof the Commission shall pay to the Municipality as Project development costs such amount as would be assessed against the Project site for work if it were privately owned); and
- (c) It will provide, or cause to be provided, water mains, and storm and sanitary sewer mains, leading to such Project and serving the bounding streets thereof (in consideration whereof the Commission shall pay to the Municipality as Project development costs such amount as would be assessed against the Project site if it were privately owned):

Section 6. If the Municipality shall, within a reasonable time after written notice from the Commission, fail or refuse to furnish or cause to be furnished any of the services or facilities which it is obligated hereunder to furnish or cause to be furnished to the Commission or to any Project, then the Commission upon obtaining such services or facilities elsewhere shall deduct the cost therefor from any Payments in Lieu of Taxes due or to become due to the Municipality in respect to any Project or any other low-rent housing Projects assisted or owned by the HAA.

Section 7. The Municipality agrees that so long as any contract between the Municipality, acting by and through the Commission, and the HAA for loans (including preliminary loans) or annual contributions, or both, with respect to any Project shall remain in force and effect, or so long as any bonds issued in connection with such Project shall remain outstanding, this resolution shall be regarded as a contract and shall not be abrogated, changed, or modified without the consent of the HAA. The privileges and obligations of the Municipality hereunder shall remain in full force and effect with respect to each Project so long as the beneficial title to such Project is held by the Municipality or some other public body or governmental agency, including the HAA, authorized by law to engage in the development or administration of low-rent housing Projects. If at any time the beneficial title to, or possession of, any Project is held by such other public body or governmental agency, including the HAA, the provisions hereof shall inure to the benefit of and may be enforced by, such other public body or governmental agency, including the HAA.

Section 8. No Cooperation Resolution heretofore entered into between the Municipality and the Commission shall be construed to apply to any Project covered by this Resolution.

Section 9. In the event any provision hereof is held invalid, the remainder shall not be affected thereby, it being the intent of this resolution to cooperate in the development and administration of the Project or Projects to the fullest extent permitted by law.

"Attached is a proposed resolution authorizing the sale of Urban Renewal Project Notes in the amount of \$390,000. The notes are to repay our outstanding loan from HUD and to cover project expenses during the next six (6) months. The successful bidder on these notes was The Detroit Bank and Trust Company at an interest rate of 5.97%.

The adoption of this resolution will conform to HUD requirements and consummate the sale of the project notes."

Motion by Commissioner Eldridge, supported by Commissioner Luxon, that the attached resolution be adopted.

The resolution being put to vote on roll call, the Commission voted thereon as follows:

AYES: Commissioners Eldridge, Luxon, Paczkowski, Schiffer; Mayor Garbutt.

NAYS: None.

The Mayor thereupon declared such resolution adopted.

654. Motion by Commissioner Schiffer, supported by Commissioner Luxon, that the attached resolution of cooperation be adopted;

The resolution being put to vote on roll call, the Commission voted thereon as follows:

AYES: Commissioners Eldridge, Luxon, Paczkowski, Schiffer; Mayor Garbutt.

NAYS: None

The Mayor thereupon declared such resolution adopted.

655. Motion by Commissioner Luxon, supported by Commissioner Schiffer, that the following resolution be adopted:

RESOLUTION APPROVING APPLICATION FOR PRELIMINARY LOAN FOR LOW-RENT PUBLIC HOUSING -

WHEREAS, it is the policy of this locality to eliminate substandard and other inadequate housing, to prevent the spread of slums and blight, and to realize as soon as feasible the goal of a decent home in a suitable living environment for all of its citizens; and

WHEREAS, under the provisions of the United States Housing Act of 1937, as amended, the United States of America, Housing Assistance Administration (hereinafter called the "Government") is authorized to provide financial assistance to local public housing agencies for undertaking and carrying out preliminary planning of low-rent housing projects that will assist in meeting this goal; and

WHEREAS, the Act provides that there shall be local determination of need for low-rent housing to meet needs not being adequately met by private enterprise and that the Government shall not make any contract with a public housing agency for preliminary loans for surveys and planning in respect to any low-rent housing projects unless the governing body of the locality involved has by resolution approved the application of the public housing agency for such preliminary loan; and

WHEREAS, the Ferndale Housing Commission (herein called the "Local Authority") is a public housing agency and is applying to the Government for a preliminary loan to cover the costs of surveys and planning in connection with the development of low-rent housing;

NOW, THEREFORE, be it resolved by the Commission of the City of Ferndale as follows:

1. There exists in the City of Ferndale a need for such low-rent housing at rents within the means of low-income families;

2. The application of the Local Authority to the Government for a preliminary loan in an amount not to exceed \$70,000 for surveys and planning in connection with low-rent housing projects of not to exceed approximately 175 dwelling units is hereby approved.

The resolution being put to vote on roll call, the Commission voted thereon as follows:

AYES: Commissioners Eldridge, Luxon, Paczkowski, Schiffer; Mayor Garbutt.

NAYS: None.

The Mayor thereupon declared such resolution adopted.

656. The report of the Police Department for the month of August was ordered filed.

657. Motion by Commissioner Eldridge, supported by Commissioner Paczkowski, that the Bills and Payrolls be approved as submitted and paid, subject to examination of the Finance Committee.

AYES: Commissioners Eldridge, Luxon, Paczkowski, Schiffer; Mayor Garbutt.

NAYS: None.

657. Communication from the Ferndale Chamber of Commerce requesting permission to conduct a Harvest Sale on October 16, 17 and 18, 1969 and further to have cornstalks tied around telephone poles in the area on West Nine Mile to the A & P store and north and south on Woodward for two blocks.

Motion by Commissioner Eldridge, supported by Commissioner Luxon, that permission be granted as requested.

AYES: Commissioners Eldridge, Luxon, Paczkowski, Schiffer; Mayor Garbutt.

NAYS: None.

658. Motion by Commissioner Schiffer, supported unanimously by all members of the Commission, that a resolution of condolence be passed upon the death of Owen Upward, a City of Ferndale park and crossing guard.

AYES: Commissioners Eldridge, Luxon, Paczkowski, Schiffer; Mayor Garbutt.

NAYS: None.

659. Motion by Commissioner Schiffer, supported unanimously by all members of the Commission, that a resolution of congratulations be passed upon the 60th Wedding Anniversary of Mr. and Mrs. Edward Stockoski, Port Austin, Grandparents of Ernest Fisher, Purchasing Agent and Administrative Assistant.

AYES: Commissioners Eldridge, Luxon, Paczkowski, Schiffer; Mayor Garbutt.

NAYS: None.

660. Motion by Commissioner Schiffer, supported by Commissioner Eldridge, that this Commission decline the invitation of the State Legislature Committee on Public Utilities and not have a representative present at their September 29, 1969 meeting for the reasons that it is felt Detroit has treated Ferndale fairly in the past with regard to water and sewer rates and that the State of Michigan should concern itself with helping Detroit solve the water pollution problem, enabling it to maintain its water rate; further that the Committee on Public Utilities be so advised, a copy of which is to be sent to the Water Resources Board and the City of Detroit.

AYES: Commissioners Eldridge, Luxon, Paczkowski, Schiffer; Mayor Garbutt.

NAYS: None.

661. Motion by Commissioner Eldridge, supported by Commissioner Schiffer, that this Commission reluctantly go on record as in favor of lifting the ceiling on Municipal Bonds, this being necessitated because of the present Municipal Bond market, and that the Governor, State Senator and Representative be so advised.