Resolution Establishing a Local Development Finance Authority, Designating the Boundaries of the Authority District, Approving Appointments to Authority Board and Approving the Authority District Rules of Procedures in Accordance with the Provisions of Public Act 281 of 1986, as Amended

WHEREAS, Holland Charter Township and the City of Holland have been working together to establish a Local Development Finance Authority for a SmartZone Satellite;

This Resolution was made and adopted at a meeting of the Holland Charter Township Board of Trustees, Ottawa County, Michigan held at Holland Charter Township Hall, 353 N. 120th Ave., Holland, Michigan, on the 2nd day of October, 2014 at 7:00 p.m.

Present: Nienhuis, Dalman, Bush, Becker, Hossink, Nykamp, and TeSlaa

Absent: None

The following resolution was offered by Mr. Nykamp and supported by Mr. Becker.

RESOLUTION

WHEREAS, the Board of Trustees of the Charter Township of Holland ("Township"), by Resolution adopted on September 4, 2014 (the "Resolution of Intent"), determined it is in the best interest of the public to prevent conditions of unemployment and to promote economic growth within the boundaries of the Charter Township of Holland and local development financing authority district(s) as may be designated by the Township, and declared its intention to create and provide for the operation of a SmartZone Local Development Finance Authority for the Charter Township of Holland and the City of Holland (the "Authority") pursuant to and in accordance with the provisions of the Local Development Financing Act, being Act No. 281 of the Public Acts of 1986, as amended, being Sections 125.2151 to 125.2174 of the Michigan Compiled Laws (the "Act").

WHEREAS, on October 2, 2014, pursuant to and in accordance with the Act and the Resolution of Intent, the Township held a public hearing, notice of which was given as required by Section 4(2) of the Act, on the adoption of a resolution creating the Authority and designating the boundaries of the Authority district within which the Authority will exercise its powers (the "Authority District").

WHEREAS, all citizens, taxpayers and property owners of the Charter Township of Holland and officials of the affected taxing jurisdictions had the right and were given the opportunity to be heard at the public hearing on the establishment of the Authority and the designation of the boundaries of the Authority District.

WHEREAS, the Township desires to proceed with the establishment of the Authority and the designation of the boundaries of the Authority District within which the Authority shall exercise its

powers, and to obtain a designation of the authority district as a certified technology park ("SmartZone") by the Michigan Economic Development Corporation (the "MEDC") all pursuant to and in accordance with the Act.

WHEREAS, The Township has further determined to approve the first Township appointed members to the local development finance authority board in accordance with the Act.

WHEREAS, The Township has further determined to approve the Rules and Procedures of the Board of the local development finance authority in accordance with the Act.

RESOLVED:

1. Authority Created. Pursuant to the authority vested in the Township by the Act, the Authority is hereby established and shall be known as the "Holland SmartZone Local Development Finance Authority". The Authority shall be a public body corporate which may sue and be sued and shall possess all the powers necessary to carry out the purposes of its creation. The enumeration of a power in this resolution or in the Act shall not be construed as a limitation upon the general powers of the Authority.

2. Authority District. The district in which the Authority shall exercise its powers as provided by the Board of Trustees of the Act shall consist of property located within the Holland Charter Township and City of Holland included within the boundaries identified in the attached Exhibit A (the "District").

3. Direction. The Township staff is hereby directed to take such steps as are necessary in accordance with the Act to obtain the designation of the District as a SmartZone by the MEDC.

4. Supervision of the Authority. The Authority shall be under the supervision and control of a board (the "Board") comprised of four (4) members appointed by the City of Holland, three (3) members appointed by the Board of Trustees of the Charter Township of Holland, one (1) member appointed by the Board of Commissioners of the County of Ottawa, two (2) members appointed by the Superintendent of Holland Public Schools, two (2) members appointed by the Superintendent of West Ottawa Schools. Except for the initial appointments (which shall be in accordance with this resolution), appointments to the Board shall be for a term of four years as provided in the Act. Each member of the Board shall serve without compensation and shall hold office until a successor is appointed.

5. Board Appointments: The initial City appointments to the Board shall consist of one (1) member appointed for a term of one (1) year, one (1) member appointed for a term of two (2) years, one (1) member appointed for a term of three (3) years, and one (1) member appointed for a term of four (4) years.

Of the members first appointed by the Charter Township of Holland, one (1) member shall be appointed for a term of one (1) year, one (1) member shall be appointed for a term of two (2) years, and one (1) member shall be appointed for a term of four (4) years.

Of the members first appointed by the Superintendent of Holland Public Schools, one (1) member shall be appointed for a term of two (2) years, and one (1) member shall be appointed for a term of three (3) years.

Of the members first appointed by the Superintendent of the West Ottawa Schools, one (1) member shall be appointed with a term of one (1) year, and one (1) member shall be appointed with a term of four (4) years.

Of the member first appointed by the County of Ottawa, one (1) member shall be appointed for a term of three (3) years.

6. Rules and Procedures. The Township approves the Rules and Procedures of the Board as identified in Exhibit B. The Board shall, pursuant to the provisions of the Act, select a director, elect officers, and retain counsel.

7. Term Expiration. The initial one-year term Board appointments shall end on December 31, 2015; the initial two-year term Board appointments shall end on December 31, 2016; the initial three-year term Board appointments shall end on December 31, 2017; and the initial four-year term Board appointments shall end on December 31, 2018.

8. Township Appointments. The following initial Township Appointments to the Board by the Board of Trustees are approved:

- Four-year term - Paul Hunt
- Two-year term - Peter Beukema
- One-year term - Vince Bush

9. Severability. Should any section, clause, or phrase of the Resolution be declared by the courts to be invalid, the same shall not affect the validity of this Resolution as a whole nor any part thereof other than the part so declared to be invalid.

10. Repeals. All Resolutions or parts of Resolutions in conflict with any of the provisions of this Resolution are repealed.

11. Filing with Michigan Secretary of State and Other Legal Requirements. The Township Clerk is directed to file a true and complete copy of this Resolution with the Secretary of State of the State of Michigan promptly after adoption and to take all other actions incident upon such adoption pursuant to the Township Charter and other provisions of law.

AYES: Nienhuis, Dalman, Bush, Becker, Hossink, Nykamp, and TeSlaa

NAYES: None

ABSTAINED: None

RESOLUTION DECLARED ADOPTED.

STATE OF MICHIGAN)
) ss
COUNTY OF OTTAWA)

I, the undersigned, the duly qualified Clerk of the Charter Township of Holland, County of Ottawa, State of Michigan, certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Trustees of the Charter Township of Holland at a regular meeting held on the 2nd day of October, 2014, the original of which resolution is on file in my office.

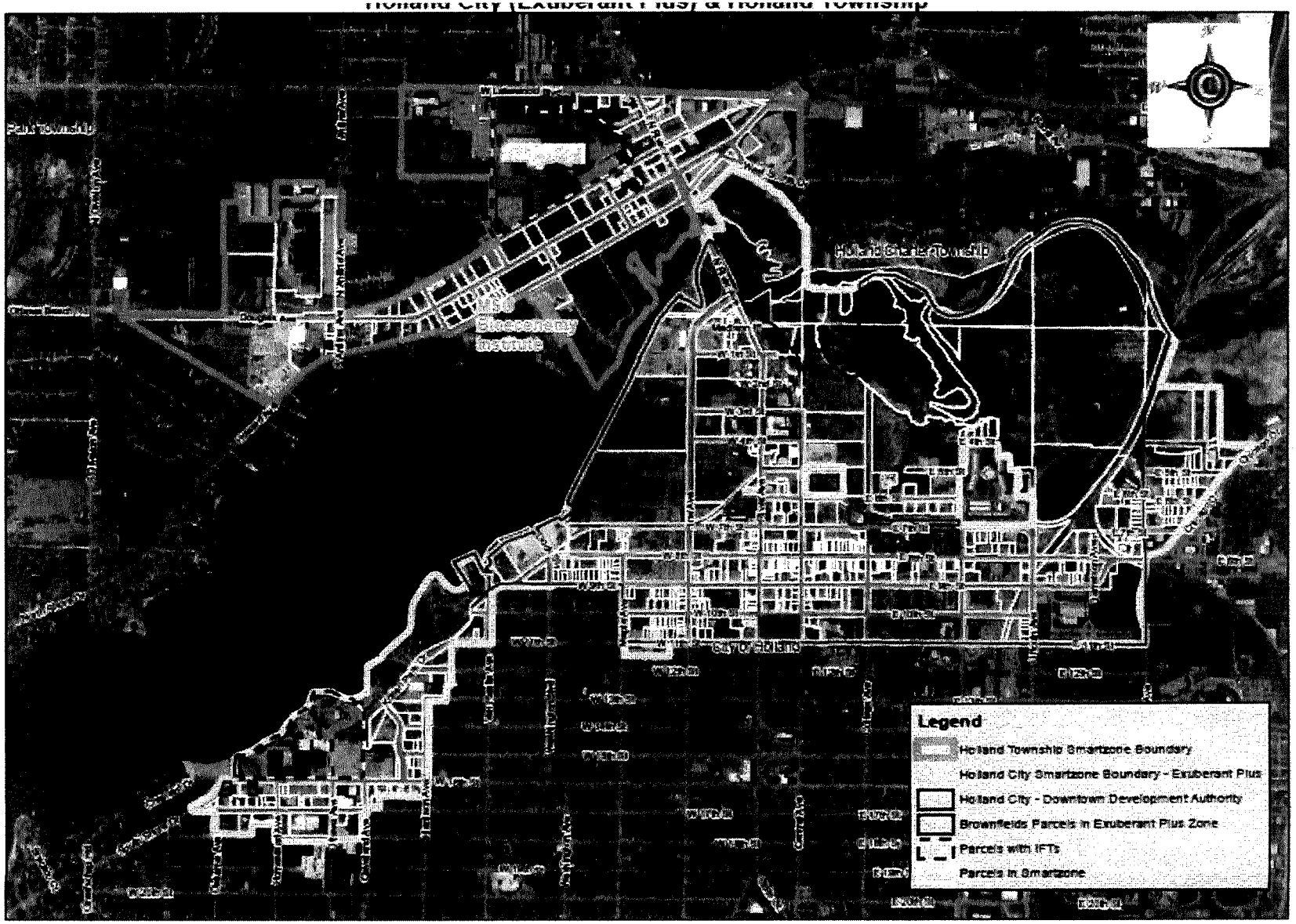
IN WITNESS WHEREOF, I have set my official signature, this 2nd day of October, 2014.

Michael Dalman

MICHAEL DALMAN, CLERK
CHARTER TOWNSHIP OF HOLLAND

Exhibit A - Boundaries

Holland City (Exuberant Plus) & Holland Township



Prepared by the Ottawa County Planning & Performance Improvement Department (09/02/2014)

Exhibit B - Rules of Procedure

[*Insert Rules of Procedure*]

HOLLAND
SMARTZONE LOCAL DEVELOPMENT FINANCE AUTHORITY

RULES OF PROCEDURE

Article I
Governing Body of Authority

Section 1. Governing Body. The authority shall be under the supervision and control of the Board pursuant to the Local Development Financing Act, Act 281 of the Public Acts of Michigan of 1986, as amended specifically by Act 248 of the Public Acts of Michigan of 2000 (the "Act").

Article II
Board

Section 1. Composition of Board. The Board of the authority shall consist of 12 members and six ex-officio members. Four members shall be appointed by the City of Holland Mayor and approved by the Holland City Council. Three members shall be appointed by the Holland Charter Township Supervisor and approved by the Holland Charter Township Board. One member shall be appointed by the Ottawa County Board of Commissioners. Two members each shall be appointed by the Superintendent of Holland Public Schools and Superintendent of West Ottawa Schools. The ex-officio members shall be designated by the City of Holland Manager, Holland Township Supervisor, Ottawa County, Michigan Economic Development Corporation, Holland/Zeeland Community Foundation and Holland Downtown Development Authority, and shall serve so long as the organizations determine, shall not have a vote and shall not count towards a quorum.

Section 2. Term of Office. The members of the Board shall be appointed for a term of four years except the members first appointed. The City of Holland members shall serve a one, two, three and four years term in the first appointments. The Holland Charter Township members will serve a term of one, two and four year term in the first appointments. The initial Ottawa County Commission member should be appointed to a three-year term. The initial Holland Public Schools members should be appointed to a two and three-year term. The initial West Ottawa Schools members should be appointed to a one and four year term. A member whose term has expired shall continue to hold office until the member's successor is appointed. Board members will be limited to a two-term limit.

Section 3. Effective Date of Appointment. The term of office of Board members shall begin on January 1, except for those members first appointed, whose terms shall commence on the effective date of appointment and expire the stated number of years after January 1, 2015.

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Section 4. Filling of Vacancies. If a vacancy is created due to the death, resignation or removal of a Board member, a successor shall be appointed in the same manner as the original appointment to serve for the remainder of the term vacated.

Section 5. Removal of Board Member. (i.) Subject to proper notice and an opportunity to be heard, a Board member may be removed from office before the expiration of his or her term for neglect of duty including nonattendance at meetings, misconduct, malfeasance or for any other good cause by a majority vote of the elected body of the governmental jurisdiction that appointed the member.

Section 6. Compensation of Board Members. Board members shall serve without compensation, but shall be reimbursed for actual and necessary expenses, as approved by the Board.

Section 7. Disclosure of Interest. A Board member who has a direct interest in any matter before the authority shall disclose his or her interest prior to the authority taking any action with respect to the matter. Such disclosure shall become a part of the record of the authority's official proceedings. Any Board member making such disclosure shall refrain from participating in the authority's decision-making process relative to such matter and must leave the meeting while the issue is being discussed. All Board Members are required to sign a conflict of interest form prior to Oath of Office to disclose any conflicts.

Section 8. Oath of Office. Before assuming the duties of office, a Board member shall qualify by taking and subscribing to the constitutional oath of office.

Article III
Power of Board

Section 1. Board Powers. The Board may:

(a) Study and analyze unemployment, underemployment, recruitment, retention and joblessness and the impact of growth upon the authority district;

(b) plan and propose the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation or reconstruction of public facilities in express approval with the city and/or township in which the facility will or might reside;

(c) develop long-range plans to promote growth within the authority district and take the necessary steps to implement the plans to the fullest extent possible including receiving the designation of the Authority District as a certified technology park in order to create jobs and promote economic growth;

(d) implement any plan of development necessary to achieve the purposes of the Act in accordance with the authority granted by said Act;

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(e) make and enter into contracts necessary or incidental to the exercise of the Board's powers and the performance of its duties;

(f) acquire by purchase or otherwise on terms and conditions and in a manner the authority considers proper; own or lease as lessor or lessee; convey, demolish, relocate, rehabilitate or otherwise dispose of real or personal property, or rights or interest in that property, which the authority determines is reasonably necessary to achieve the purposes of the Act, and to grant or acquire licenses, easements and options with respect to the property in express approval with the city and/or township in which the facility will or might reside;

(g) improve land, prepare sites for buildings, including the demolition of existing structures, and construct, reconstruct, rehabilitate, restore and preserve, equip, improve, maintain, repair or operate a building and any necessary or desirable appurtenances to a building as provided in the Act for the use, in whole or in part, of a public or private person or corporation, or a combination thereof in express approval with the city and/or township in which the facility will or might reside;

(h) fix, charge and collect fees, rents and charges for the use of a building or property or a part of a building or property under the authority's control, or a facility in the building or on the property, and pledge the fees, rents and charges for the payment of revenue bonds issued by the authority in express approval with the city and/or township in which the facility will or might reside;

(i) lease a building or property or a part of a building or property under the authority's control in express approval with the city and/or township in which the facility will or might reside;

(j) accept grants and donations of property, labor or other things of value from a public or private source in express approval with the city and/or township;

(k) acquire and construct public facilities in express approval with the city and/or township in which the facility will or might reside;

(l) incur costs in connection with the performance of the Board's authorized functions including, but not limited to, administrative costs, architects, engineers, legal and accounting fees; and

(m) plan, propose and implement an improvement to a public facility on eligible property to comply with the barrier free design requirements of the State of Michigan construction code in express approval with the city and/or township in which the facility will or might reside.

(o) The authority shall not enter into contracts or spend amounts in excess of its budgets without approval of the City of Holland and Holland Charter Township.

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Article IV
Officers of the Board

Section 1. Elected Officers of the Board. The Board shall elect from its members a Chairperson, Vice Chairperson, Secretary and Treasurer.

Section 2. Term of Office. The officers of the Board shall serve two-year terms. An officer whose term has expired shall, however, continue to hold office until a successor is appointed.

Section 3. Effective Date of Appointment. The term of office of an officer of the Board shall begin on February 1, except for those officers first elected, whose term shall commence on the date of election and expire two years thereafter..

Section 4. Filling of Vacancies. If a vacancy is created due to the death, resignation or removal of an officer of the Board, a successor shall be elected by the Board within sixty days to serve for the remainder of the vacated term.

Section 5. Duties of Officers. The following officers shall have the following duties:

(a) Chairperson – the Chairperson shall preside at all meetings of the Board and shall discharge the duties of a presiding officer.

(b) Vice Chairperson – In the absence of the chairperson or in the event of inability to serve as chairperson, the vice chairperson shall perform the duties of the chairperson and when so acting, shall have all the powers and be subject to all the restrictions of the chairperson.

(c) Secretary – the Secretary shall maintain custody of the official seal and the records, books, documents or other papers of the authority not required to be maintained by the Treasurer. The Secretary shall keep or cause to be kept a record of the proceedings of the Board and shall perform other duties as may be delegated by the Board.

(d) Treasurer – The Treasurer shall keep the financial records of the authority and shall, together with approved contracted organization or individual, approve all vouchers for the expenditures of the Authority. The Treasurer shall perform such other duties as may be delegated by the Board and shall furnish a bond in an amount as may be prescribed by the Board. The premium of any required bond shall be paid for by the Authority

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Article V
Appointment and Retention of Other Personnel

Section 1. Appointment of Executive Director. The authority may contract with an organization or individual to serve an executive director subject to review by the governing bodies creating the authority. The executive director shall take and subscribe to constitutional oath of office.

Section 2. Retention of Legal Counsel. The Board may retain legal counsel to advise the Board in the proper performance of its duties. Legal counsel may represent the authority in actions brought by or against the authority.

Article VI
Meetings of the Board

Section 1. Annual Meeting. An annual meeting of the Board shall be held in January of each year at a time and place to be set by the Board. The election of officers shall be held at the annual meeting. If the election of officers shall, for any reason, not be held at the annual meeting, the Board shall elect officers at a regular or special meeting of the Board within ninety days of the annual meeting.

Section 2. Regular Meetings. Regular meetings of the Board shall be held at times and places set by the Board in compliance with the Open Meetings Act, Act 267 of the Public Acts of Michigan of 1976, as amended. At each regular meeting expenses of the authority shall be considered and approved by the Board.

Section 3. Special Meetings. Special meetings of the Board may be called by the Chairperson or any three members of the Board by giving Board members twenty-four hours written or telephonic notice of the special meeting and the purpose of the meeting. Notice of the meeting shall also be posted eighteen hours in advance in compliance with the Open Meetings Act.

Section 4. Meetings to be Public. All meetings of the Board shall be open to the public and provide for public participation in compliance with the Open Meetings Act.

Section 5. Meeting Agendas. The authority shall prepare the agenda for all meetings and whenever possible mail or deliver the agenda for receipt by Board members at least 48 hours prior to the meeting. At the beginning of any regular meeting any Board member may add an item to the meeting's agenda.

Section 6. Quorum and Voting. A majority of Board members (at least seven) in office shall constitute a quorum for the transaction of business of the Board. The concurring vote of a majority of those present and voting shall constitute the action of the Board unless the concurring vote of a larger number is required by law or elsewhere in these rules. In the event that the effective membership of the Board is reduced because of the disclosure of interest

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pursuant to Article II, Section 7 hereof, the concurring vote of a majority of the remaining Board members eligible to vote shall constitute the action of the Board.

Section 7. Rules of Order. Unless otherwise required by law or provided in these rules, the most recent version of Robert's Rules of Order shall govern the conduct of all meetings of the Board.

Article VII
Committees and Advisory Boards

Section 1. Committees. The Board by resolution may designate one or more committees to advise the Board. Committee members shall be members of the Board. The Chairperson of the Board shall appoint the members and shall select the chairperson of each committee. Committees may be dissolved by vote of the Board. At each annual meeting of the Board, all committees will be evaluated and either continued or dissolved. A majority of the members of a committee constitutes a quorum. The concurring vote of a majority of committee members present at a meeting at which a quorum is present shall constitute the action of the committee.

Section 2. Advisory Boards. The Board by resolution may designate one or more advisory boards to advise the Board. Members of advisory boards need not be members of the Board. The Chairperson of the Board shall, with the advice and consent of the Board, select members of each advisory board. The members of each advisory board shall select a chairperson of the advisory board. An advisory board may be dissolved by vote of the Board. At each annual meeting of the Board, all advisory boards will be evaluated and either continued or dissolved. A majority of the members of an advisory board constitutes a quorum. The concurring vote of a majority of committee members present at a meeting at which a quorum is present shall constitute the action of the advisory board.

Article VIII
Contracts, Funds and Gifts

Section 1. Contracts. The Board may authorize the chair or approved contracted organization or individual to enter into any contract or to execute and deliver any instrument on behalf of the authority within the limits authorized by the Act. The authorization of the Board may be general or limited to a specific contract or instrument. All purchase of property or facilities can only occurred with a majority vote of the authority and in express approval with the city and/or township in which the facility will or might reside.

Section 2. Authority Funds. All funds of the authority shall be placed in such banks, trust companies or other depositories as selected by the Board. All checks, drafts or other orders for the payment of money shall be signed by the Treasurer or officer of the board. All notes or other evidence of indebtedness issued in the name of the authority shall be signed by

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any two officers of the Board. All resources must be placed in a FDIC assured banking institution.

Section 3. Gifts and Grants. The Board may accept on behalf of the authority any gift, grant, contribution or bequest for the general purposes or for any special purpose of the authority.

Article IX
Books, Records, Audits and Financial Reports

Section 1. Books and Records. The authority shall keep current and complete records of the books and accounts of the authority and minutes of all meetings of the Board. All records and minutes shall be kept at Holland City Hall. The records of the authority shall include the names and addresses of all board members and advisory board members.

Section 2. Annual Audit. An annual audit of the authority's financial books and records shall be conducted by an independent certified public accounting firm.

Section 3. Annual Report of Tax Increment Financing Plan. The authority shall submit annually to the City of Holland, Holland Charter Township, Michigan Economic Development Corporation and the Michigan State Tax Commission a financial report of the status of any tax increment financing plan of the authority.

Article X
Funding of Authority Activities

Section 1. Sources of Funding. The activities of the authority may be financed from one or more of the following sources:

(a) contributions to the authority for the performance of its functions;

(b) revenue from any property, building or facility owned, leased, licensed or operated by the authority or under its control;

(c) tax increments received pursuant to a tax increment financing plan established pursuant to the Act;

(d) money obtained from any other legal sources approved by the Holland City Council and Holland Charter Township Board.

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Article XI
Miscellaneous

Section 1. District Boundaries. The authority shall exercise its powers within an authority district established or amended from time to time by the Holland City Council and Holland Charter Township Board pursuant to the Act.

Section 2. Fiscal Year. The fiscal year of the authority shall begin on January 1 of a year and end on December 31 of the following year, provided, however, the first fiscal year of the authority shall begin upon final approval from the Michigan Department of Treasury and end December 31, 2015.

Section 3. Annual Budget. The authority shall prepare or cause to be prepared and shall submit for the approval of the Board a budget for the operation of the authority for the ensuing year. The budget shall be prepared in the manner and contain the information required by the municipal departments of the City of Holland and Holland Charter Township. Before the budget may be adopted by the Board, it shall be approved by the Holland City Council and Holland Charter Township Board. The authority shall not enter into contracts or spend amounts in excess of its budgets without approval of the City of Holland and Holland Charter Township.

Section 4. Amendment to Rules. These rules may be altered, amended or repealed and new rules adopted (i) by majority vote of the Board members present at a Board meeting and upon approval of the Holland City Council and Holland Charter Township Board; or (ii) by majority vote of the elected bodies of the Holland City Council and the Holland Charter Township Board

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Approved by the Holland
City Council on
October 1, 2014

Approved by the Holland
Charter Township Board on
October 2, 2014

Approved by the Board on
October 8, 2014