RESOLUTION OF THE CITY OF DETROIT
LOCAL DEVELOPMENT FINANCE AUTHORITY
ADOPTING RULES OF PROCEDURE

The following resolution was offered by _____

and seconded by _____ .

WHEREAS, Act 281, Public Acts of Michigan, 1986 (Act 281) provides that the Board of Directors of the Local Development Finance Authority (LDFA) shall adopt rules governing its procedure and the holding of regular meetings, subject to the approval of the City Council of the City of Detroit (City Council);

NOW, THEREFORE, BE IT RESOLVED:

1. That the Board of Directors hereby adopts Rules of Procedure of the City of Detroit Local Development Finance Authority, attached hereto as Exhibit A and incorporated herein by this reference.

2. The adoption of said Rules of Procedure are subject to the approval of the City Council.

YEAS: Members _____

_____

NAYS: Members _____

_____

ABSENT: Members _____

ABSTAIN: Members _____

RESOLUTION DECLARED ADOPTED.

RULES OF PROCEDURE
OF THE
CITY OF DETROIT LOCAL DEVELOPMENT FINANCE AUTHORITY

WHEREAS, the City Council of the City of Detroit has by resolution adopted on September 14, 1988, established the City of Detroit Local Development Finance Authority (LDFA), pursuant to the provisions of Act 281, Public Acts of Michigan, 1986; and

WHEREAS, Act 281, Section 5(4) provides that the Board of the LDFA shall adopt rules governing its procedures;

NOW, THEREFORE, BE IT RESOLVED THAT:

The following shall be the Rules of Procedure of the LDFA:

1. Regular meetings of the Board of Directors of the LDFA shall be held on the Second Tuesday of each month at 8:45 in the Mayor's Conf. Rm, or at such other time and place as the Board shall designate. Said meetings may be adjourned by action of the Board as needed to a definite fixed place, date and time. The first meeting of the board of Directors of the LDFA shall be held on November 2, 1988.

2. Special meetings of the Board of the LDFA shall be called by the Director or Chairperson of the Board or by any five (5) Board members.

(a) written notice of special Board meetings shall be either:

(1) Served personally on each Board member or left at his or her usual place of employment or residence not less than twenty-four hours prior to the time of the special meeting;

(2) Given personally by telephonic communication to each member of the Board not less than twenty-four (24) hours prior to the time of the special meeting, or; [In the event of notice of a special meeting by telephone, an affidavit shall be filed with the Secretary of the Board by the person giving such notice of said special meeting that such notice was given by such means.]

(3) Given by first class mail to each member of the Board not less than seventy-two (72) hours prior to the special meeting.

3. Public notice of all regular, special, or rescheduled regular or special meetings of the LDFA shall be given pursuant to the applicable provisions of Act 267 of the Public Acts of Michigan, 1976, (the "Open Meetings Act").

4. When a closed session of the Board of the LDFA is held pursuant to the provisions of the Open Meetings Act, a separate set of minutes shall be taken by a clerk or Secretary of the LDFA at the closed session. These minutes shall be retained by the LDFA, and shall not be made available to the public. These minutes shall only be disclosed to the public if required under Sections 10, 11 or 13 of the Open Meetings Act. The LDFA may destroy such minutes of closed meetings one year and one day after approving of the minutes of the regular meeting following the closed session.

5. The minutes of any regular meeting of the Board shall be public records open to public inspection and shall be available at the address designated on posted public notice. Proposed minutes of any regular meeting of the LDFA Board shall be made available for public inspection not more than eight (8) business

days after the meeting to which the minutes refer. Approved minutes shall be available for public inspection not later than five (5) business days after the meeting at which the minutes are approved by the Board. Copies of the minutes shall be available to the public at the reasonable estimated cost for printing and copying.

6. Any meeting at which a quorum of the Board is present shall be a legal meeting for conduct of the LDFA's business, notwithstanding the fact that notice of the meeting was not given in the manner set forth above; provided, however, that notice of such meeting was given in accordance with the provisions of the Open Meetings Act. A majority of the members of the LDFA Board shall constitute a quorum and all proceedings of the Board shall require a vote of the majority of the quorum for favorable action.

7. The Board shall act by resolution or motion approved by a majority of the members constituting a quorum. Each member shall vote upon all motions and resolutions. A member of the Board shall fully disclose the material facts as to his or her relationship or interest in any contract or other transaction to be considered by the Board, prior to any action by the Board on said contract or transaction. The approval of a contract or other transaction where a conflict exists shall be legally valid if the Board ratifies or approves the same by a vote of two-thirds of the directors then serving, without counting the vote of any interested member of the Board.

8. The Board of the LDFA shall, by an affirmative action of

a majority of its members, elect as officers of the LDFA, a Chairperson, and may elect a Vice Chairperson, a Secretary and a Treasurer.

9. The Chairperson shall preside at all meetings of the Directors, and he or she shall have and exercise general charge and supervision of the affairs of the LDFA and shall do and perform such other duties as may be assigned to him or her by the Board. The Chairperson may designate an alternate to act as chairperson in his or her absence or disability.

10. The Vice Chairperson shall do and perform those duties as may be assigned to him or her by the Board and may act as the Acting Treasurer in the absence or disability of the Treasurer.

11. The Board may employ and fix the compensation of a Director, subject to the approval of the Detroit City Council. The Director of the Board shall post a bond in the penal sum of $20,000, payable to the LDFA for the use and benefit of the LDFA. Said bond shall be approved by the Board and filed with the City Clerk. The Director shall supervise and be responsible for the preparation of plans and the performance of the functions of the LDFA in the manner authorized by the Local Development Finance Authority Act.

12. The Director shall attend the meetings of the Board and shall render to the Board and to the Detroit City Council a regular report covering the activities and financial condition of the LDFA. The Director shall also prepare and submit, for Board approval, a LDFA operating budget for the ensuing fiscal year. Prior to the adoption of the budget by the Board, the

budget shall be approved by the Detroit City Council. If the Director is absent or disabled, the Board may designate a qualified person as Acting Director to perform the duties of the Director. The Acting Director shall take and subscribe to the constitutional oath of office and furnish bond as required of the Director before entering upon the duties of the office.

13. The Board may appoint or employ and fix the compensation of a Treasurer who shall keep the records of the LDFA. The Treasurer shall post a bond, in the penal sum of $20,000, payable to the LDFA for the use and benefit of the LDFA. Said bond shall be approved by the Board and filed with the City Clerk.

14. The Treasurer shall be responsible for the annual publication of all expense items and financial records of the LDFA, which shall be open to the public pursuant to Act 442 of the Public Acts of Michigan, 1976, as amended, (the "Freedom of Information Act"). The Treasurer shall also make an annual report of the receipts, expenditures, and disbursements of the funds of the LDFA at the annual regular meeting held on the day of month of each year. The Treasurer shall perform such other duties as may be delegated by the Board.

15. All checks of the LDFA shall be executed by the Director and Treasurer of the LDFA. The Director and the Treasurer shall approve all vouchers for the expenditure of funds for the Authority. All bonds or other obligations of the Authority shall be signed by at least two (2) members of the Board who shall be designated by resolution of said Board.

16. The Board may appoint or employ and fix the compensation of a Secretary, who shall maintain custody of the official seal and of records, books, documents, or other papers not required to be maintained by the Treasurer.

17. The Secretary shall attend and keep minutes of each meeting, showing the date, time, place, members present, members absent, any decisions made at the meeting open to the public, the purpose for which a closed session was held, and all roll call votes taken at the meeting. Said minutes shall be approved by vote of the majority of the quorum present at the next regular meeting of the Board.

18. The Secretary of the LDFA may be authorized and directed to obtain a seal for the LDFA, which seal, if obtained, shall be the official seal of the Authority. The Secretary shall perform such other duties as may be delegated by the Board.

19. In the case of the temporary absence or disability of any officer, the Board may appoint some other member of the Board to act temporarily in his or her stead.

20. All actions of the Board of the Authority shall be governed by Robert's Rules of Order if not inconsistent with these Rules of Procedure.

21. To the extent that these Rules of Procedure, by reason of amendment thereto, become inconsistent with the Open Meetings Act or the Freedom of Information Act, the Open Meetings Act or the Freedom of Information Act shall govern.

22. The Rules of Procedure of the Authority may be amended by an affirmative vote of a majority of the Board members

serving at the first meeting following the meeting at which a motion proposing to do so is made, provided an affidavit that written notice thereof has been given to all members of the Board is filed with the Secretary.

23. These Rules of Procedure are subject to the approval of the Detroit City Council.