

Administrative Policy 148
Tax Capture Policy
Adopted: November 16, 2018

A. General Statements Regarding Policy

The Spring Lake District Library (“Library”) provides access to a broad range of information, services, and resources to the citizens of the Library District. Taxpayers within the Library District have approved a dedicated library millage for the operation and support of the Library (“Library Millage”). As such, the Library Board adopts this policy to ensure that the Library Millage will continue to be used for Library purposes to the extent permitted by law.

B. Opt out of Tax Capture

By law, municipalities located within the Library District may establish authorities, such as downtown development authorities, corridor improvement authorities, and local finance development authorities, that may be funded in whole or in part through tax increment financing plans (“TIF Plans”). These TIF Plans would allow the authority to capture a portion of the Library Millage. It shall be the policy of the Library Board of Trustees that the Library exempt the Library Millage from capture whenever the ability to “opt out” is authorized by law. This includes, but is not limited to, opting out when any new tax capturing entity is formed or when any existing tax capturing entity’s district is expanded.

C. Procedure for Opting Out

The Library understands that it shall take any and all action to exempt the Library millage from tax capture once the Library becomes aware that the Library Millage may be subject to capture. Such action shall include, but not be limited to:

1. Investigating whether the Library Millage will be captured by any new authority or TIF Plan or whether a change to the existing authority will result in new or increased tax capture.
2. If the Library’s Millage will be subject to capture, investigating whether the Library has the authority to opt out.
3. If the Library has authority to opt out, the Library shall take any and all action required by law to exempt the capture of the Library Millage. The Library Board shall follow all procedures required by Michigan law that are applicable to the entity that intends to capture the Library Millage, including,

but not limited to, attending the public hearing and adopting any necessary to opt out of the tax capture or TIF Plan.

D. Exception

The Library Board may determine in a particular instance that permitting the capture of Library Millage is in the best interest of the Library. At such time, for reasons stated on the Library Board record, the Library may choose to allow the capture to occur pursuant to a written agreement as required by law.