



COUNTY ADMINISTRATOR
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TO: Martha Kern, Chair
Ways & Means Committee

FROM: Robert E. Guenzel
County Administrator

DATE: October 2, 2002

SUBJECT: Memorandum of Understanding with Washtenaw Development
Council for the Economic Development Corporation

BOARD ACTION REQUESTED:

It is requested that the Board of Commissioners authorize the Administrator to sign the Memorandum of Understanding between Washtenaw County and the Washtenaw Development Council for the purpose of outlining responsibilities to support service delivery to the Economic Development Corporation.

BACKGROUND:

In 1974, the Michigan Legislature passed the EDCA, which permits certain municipalities, including counties, to create an economic development corporation ("EDC"). The broad purpose of an EDC is to promote economic development within the EDC's governmental entity. To that extent, an EDC is designed with broad powers to provide financial and other assistance and to encourage industrial, commercial, forestry and agricultural ventures to purchase, construct, reconstruct, modernize, improve, maintain, repair, furnish equip and expand projects within the local governmental entity. These actions are designed to maintain or increase employment within the County.

On July 18, 2001 Washtenaw County created a Washtenaw County Economic Development Corporation and confirmed the appointment of representatives for the purpose of developing programs to alleviate and prevent conditions of unemployment, to assist and retain local industries and commercial enterprises to strengthen and revitalize the County's economy.

DISCUSSION:

Washtenaw County and the Washtenaw County Development Council ("WDC") have been coordinating efforts to support the Economic Development Corporation. The WDC is usually the first point of contact with businesses that

have potential EDC projects. The WDC markets and works with the businesses throughout the process, including securing financing. The County is the registered office of the EDC and performed administrative duties on its behalf.

The Economic Development Corporation has reviewed and approved the Memorandum of Understanding between Washtenaw County and the Washtenaw Development Council outlining the partners responsibilities.

IMPACT ON HUMAN RESOURCES:

None.

IMPACT ON BUDGET:

All fees for the EDC shall be deposited into a separate checking account maintained for the exclusive use of the EDC. Once all expenses have been compensated, 10 % shall remain with the EDC, Washtenaw County shall receive 40% of the balance of fees, and Washtenaw Development Council shall receive 50%.

IMPACT ON INDIRECT COSTS:

None.

IMPACT ON OTHER COUNTY DEPARTMENTS OR OUTSIDE AGENCIES:

None.

CONFORMITY TO COUNTY POLICIES:

This matter conforms with County policies & procedures.

ATTACHMENTS/APPENDICES:

Memorandum of Understanding

A RESOLUTION AUTHORIZING THE ADMINISTRATOR TO SIGN THE
MEMORANDUM OF UNDERSTANDING BETWEEN WASHTENAW COUNTY
AND THE ECONOMIC DEVELOPMENT CORPORATION FOR THE PURPOSE
OF PROVIDING SUPPORT TO THE ECONOMIC DEVELOPMENT
CORPORATION

WASHTENAW COUNTY BOARD OF COMMISSIONERS

October 18, 2002

WHEREAS, in 1974, the Michigan Legislature passed the EDCA, which permits certain municipalities, including counties, to create an economic development corporation (“EDC”); and

WHEREAS, the broad purpose of an EDC is to promote economic development within the EDC’s governmental entity; and

WHEREAS, an EDC is designed with broad powers to provide financial and other assistance and to encourage industrial, commercial, forestry and agricultural ventures to purchase, construct, reconstruct, modernize, improve, maintain, repair, furnish equip and expand projects within the local governmental entity; and

WHEREAS, these actions are designed to maintain or increase employment within the County; and

WHEREAS, on July 18, 2001 Washtenaw County created a Washtenaw County Economic Development Corporation and confirmed the appointment of representation; and

WHEREAS, the purpose of the EDC is to develop programs to alleviate and prevent conditions of unemployment, to assist and retain local industries and commercial enterprises to strengthen and revitalize the County’s economy; and

WHEREAS, Washtenaw County and the Washtenaw County Development Council have been coordinating efforts to support the Economic Development Corporation; and

WHEREAS, this matter has been approved by Economic Development Corporation, Corporation Counsel, the County Administrator’s Office and the Ways & Means Committee

NOW THEREFORE BE IT RESOLVED that the Washtenaw County Board of Commissioners hereby authorize the Administrator to sign the Memorandum of Understanding between Washtenaw County and the Washtenaw Development Council for the purpose of supporting the Economic Development Corporation, as on file with the County Clerk