

Rules of Procedure Review

Background Summary

The Hillsdale Tax Increment Finance Authority's current Rules of Procedure were adopted in 2008 and have remained substantially unchanged since that time.

The Rules were written to establish the Authority's internal structure, define officer responsibilities, ensure compliance with applicable law, and provide basic procedures for meetings, financial administration, and committee operation.

At the time the Rules were adopted, the Authority operated in a comparatively limited capacity, with fewer long-term assets, fewer standing committees, and a narrower operational scope than exists today.

Since that time, the Authority's role has evolved significantly through:

- ownership and redevelopment of major properties,
- expanded infrastructure involvement,
- additional standing committees and advisory bodies,
- larger financial commitments,
- and increased coordination with external organizations and governmental entities.

The current Rules continue to function adequately for purposes of basic legal compliance and routine operations. However, a preliminary review suggests that portions of the document provide only minimal procedural guidance regarding:

- committee structure and authority,
- major financial or property decisions,
- long-term project oversight,
- and internal governance processes for increasingly complex projects and relationships.

This review is not intended to criticize prior Boards or prior versions of the Rules. Rather, it reflects the Authority's interest in periodically evaluating its governing documents to ensure they remain clear, functional, and appropriate to the Authority's present operational responsibilities.

Areas Currently Addressed by the Rules

The current Rules generally address the following:

Organizational Structure

- Board membership and officer positions
- Terms of office
- Appointment procedures
- Quorum requirements

Meetings and Compliance

- Open Meetings Act compliance
- Meeting scheduling and notices
- Parliamentary procedure
- Recordkeeping requirements

Financial Administration

- Deposits and disbursements
- Budgeting and expenditures
- Signatory authority

Committees

- Authority to establish committees
- Appointment of committee members
- Reporting relationship to the Board

Amendments

- Procedures for amendment of the Rules

Areas Receiving Limited Procedural Guidance

The current Rules provide comparatively limited guidance regarding:

Committee Governance

- Scope of committee authority
- Advisory versus decision-making functions
- Appointment and removal procedures for non-board committee members
- Independent committee action

Major Actions and Long-Term Commitments

- Review procedures for major property acquisitions
- Long-term financial obligations
- Major contractual commitments
- Large-scale redevelopment initiatives

Project Oversight and Strategic Coordination

- Evaluation standards for major projects
- Coordination between committees and the full Board
- Oversight expectations for Authority-owned assets

Intergovernmental and External Coordination

- Relationships with outside organizations
- Coordination with City departments
- External funding and partnership procedures

Purpose of the Review

The purpose of this review is to determine whether updates to the Rules of Procedure would:

- improve organizational clarity,
- strengthen consistency in decision-making,
- better define committee structure and authority,
- improve oversight of major projects and financial commitments,
- and ensure the Rules remain aligned with the Authority's present responsibilities and long-term objectives.

The review is also intended to ensure that the Rules continue to function in a manner consistent with:

- the Recodified Tax Increment Financing Act (RTIFA),
- the Authority's Development Plan,
- and the operational realities of the Authority as it exists today.

Suggested Discussion Framework

The Review Committee may wish to evaluate the Rules in the following general sequence:

1. Overall organizational structure
2. Officers and Board responsibilities
3. Committees and subcommittee authority
4. Financial procedures and oversight
5. Major project and acquisition procedures
6. External coordination and partnerships
7. Amendment procedures and long-term governance