



**CITY OF MADISON HEIGHTS**  
**CITY HALL - COUNCIL CHAMBERS, 300 W. 13 MILE RD.**  
**CITY COUNCIL REGULAR MEETING AGENDA**  
**MAY 23, 2022 AT 7:30 PM**

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**CALL TO ORDER**

**ROLL CALL**

**INVOCATION and PLEDGE OF ALLEGIANCE - MAYOR GRAFSTEIN**

**APPROVAL OF AGENDA:**

1. Additions/Deletions

**PRESENTATIONS:**

2. 2022 Police Commendation Awards
3. Proclamation Recognizing the Madison Heights Women's Club
4. Juneteenth Day Proclamation

**PUBLIC HEARINGS:**

5. Special Approval PSP 22-04, Precision Laser & Manufacturing- 31330 Stephenson Hwy - Painting, Varnishing and Undercoating Shop

**ITEMS ON AGENDA OF INTEREST TO PARTIES IN THE AUDIENCE**

**MEETING OPEN TO THE PUBLIC:**

**COMMUNICATIONS:**

**REPORTS:**

6. Finance Director - Resolution to Establish Michigan Class (MI Class) as an Approved Depository for Investment Funds.
7. City Manager - Pride Flag Resolution
8. City Manager - Juneteenth Flag Resolution

**ITEMS FOR FUTURE PUBLIC HEARINGS:**

**BID AWARDS/PURCHASES:**

**ORDINANCES:**

9. CED Director - Ordinance No. 2182, Zoning Text Amendment 22-01 - Mobile Food Vendor, Second Reading

**UNFINISHED BUSINESS:**

**MINUTES:**

10. Special City Council Meeting Minutes of 04-11-22
11. Special City Council Meeting Minutes of 05-09-22
12. Regular City Council Meeting Minutes of 05-09-22

**EXECUTIVE SESSION:**

## **ADJOURNMENT**

NOTICE: Persons with disabilities needing accommodations for effective participation through electronic means in this meeting should contact the City Clerk at (248) 583-0826 or by email: clerks@madison-heights.org at least two working days in advance of the meeting. An attempt will be made to make reasonable accommodations.

DATE: May 18, 2022  
TO: City Council  
FROM: Melissa R. Marsh, City Manager  
SUBJECT: Agenda Comments for the Regular Council Meeting of Monday, May 23<sup>rd</sup>, 2022

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The following are my comments for items appearing on the agenda of the Regular Council Meeting of Monday, May 23rd, 2022.

## **PRESENTATIONS**

### **2022 POLICE COMMENDATION AWARDS**

Police Chief Haines has requested time on Monday's agenda to present the annual departmental Commendations and awards.

### **PROCLAMATION RECOGNIZING THE MADISON HEIGHTS WOMEN'S CLUB**

The Mayor and City Council are being asked to recognize the Madison Heights Women's Club (MHWC) for being awarded the GFWC Club of the Year for Category 3, to commend them for their continued efforts on behalf of the citizens of Madison Heights, and extend the best wishes on their 45th anniversary.

### **JUNETEENTH DAY PROCLAMATION**

The Human Relations and Equity Commission requests City Council to proclaim June 19<sup>th</sup> as Juneteenth and temporarily rename Civic Center Park as Emancipation Park the day of the Juneteenth Celebration, The Park name will go back to Civic Center Park on June 20<sup>th</sup>.

## **PUBLIC HEARINGS:**

### **SPECIAL USE PSP 22-04, PRECISION LASER & MANUFACTURING – 31330 STEPHENSON HWY - PAINTING, VARNISHING AND UNDERCOATING SHOP**

The applicant, Jesse R. Schmidt d/b/a Precision Laser & Manufacturing LLC, requests special use approval to install an industrial paint booth inside the existing industrial building at 31330 Stephenson Highway which is zoned M-2, Heavy Industrial. The property is improved with an existing 22,000 square foot metal industrial building. The applicant does not propose modifications to the site or building footprint as part of this special approval request.

Per the project narrative, the items that are manufactured by the applicant's business need to be painted in order to prevent rusting. The applicant proposes to use environmentally-friendly water-based paint. The building plan provided by the applicant denotes a 20 ft. by 30 ft. paint booth area inside of the existing building.

Per Section 10.322A, painting, varnishing and undercoating shops are permitted within the M-2 zoning district as a special use. These shops must be set back at least 75 feet from any adjacent residential districts and shall be conducted within a completely enclosed building. Note that the subject site is located within the Stephenson Highway industrial corridor and does not abut any residential zoning districts.

The Site Plan Review Committee (SPRC) reviewed the special use application at their April 27th, 2022 meeting. The SPRC did not cite any concerns with the proposed use.

### **REPORTS:**

#### **RESOLUTION ESTABLISHING MICHIGAN CLASS AS AN APPROVED DEPOSITORY FOR INVESTMENT FUNDS**

City Council is being requested to approve a resolution to establish Michigan Class as an approved depository for investing the proceeds from the \$6.5 million bond for the Civic Center Project. Earnings from this investment are estimated to be \$48,730, which will be spent on bond projects.

#### **PRIDE FLAG RESOLUTION**

City Council is being requested to display the Pride flag outside the City of Madison Heights City Hall Building for the month of June.

#### **JUNETEENTH FLAG RESOLUTION**

City Council is requested to display the Juneteenth flag outside the City of Madison Heights City Hall Building from June 17 to June 20, 2022.

### **ORDINANCES:**

#### **ORDINANCE NO. 2182 – MOBILE FOOD VENDORS – ZONING ORDINANCE AMENDMENT, SECOND READING**

The proposed ordinance applies to mobile food vending on private property within the city (excluding food vending that operates under a special event permit) and creates three distinct approval processes: Mobile Food Site Approval, Mobile Food Court Approval, or Mobile Food Vendor Certificate of Occupancy.

In accordance with this ordinance, before a property could allow a mobile food truck vendor to operate on their property, the owner would need to submit a site plan approval for each mobile food site they intend to operate. In addition, when a mobile food truck vendor wishes to locate to this site as an accessory use, the mobile vendor would need to submit for a certificate of occupancy.

This ordinance also allows for Mobile Food Truck Courts as a principal use. This would require special use approval through City Council and a site plan approval. Food Trucks located in the court would require a mobile food truck certificate of occupancies.

The Planning Commission held a public hearing on the proposed text amendments at their April 19, 2022 meeting, and after the public hearing, the Planning Commission recommended approval of the proposed amendments with minor modifications. These modifications have been incorporated into the draft for City Council review.

Staff recommends that City Council approve the second and final reading.

**CITY OF MADISON HEIGHTS**  
**ELECTRONIC COUNCIL AGENDA REQUEST FORM**

SUBMITTED TO: Melissa Marsh, City Manager

SUBMITTED BY: Corey K. Haines, Chief of Police DATE: 5/13/22

FOR CONSIDERATION AT THE COUNCIL MEETING OF: 5/23/22

**ACTION REQUESTED**

PRESENTATION	<input checked="" type="checkbox"/>	FUTURE PUBLIC HEARING
PUBLIC HEARING – SPECIAL APPROVAL	<input type="checkbox"/>	BID AWARDS / PURCHASES
PUBLIC HEARING – OTHER	<input type="checkbox"/>	ORDINANCE - FIRST
COMMUNICATION	<input type="checkbox"/>	ORDINANCE - SECOND
REPORT	<input type="checkbox"/>	OLD BUSINESS

**DESCRIPTION OF ITEM**

Police Commendation Awards

**IF ORDINANCE, CITE TITLE/CHAPTER SECTIONS**

**POLICY CONSIDERATION**

Corey Haines will be in attendance to present the 2022 Police Commendation Awards.

**FINANCIAL IMPACT**

No Impact	<input checked="" type="checkbox"/>	Fee Waiver Proposed
Budgeted Fund Name(s)	<input type="checkbox"/>	Department Name
Appropriated in Acct. No.	<input type="checkbox"/>	Budget Amount
Amount Available in Acct.	<input type="checkbox"/>	
Second Account Number	<input type="checkbox"/>	Budget Amount
Amount Available in 2 <sup>nd</sup> Acct.	<input type="checkbox"/>	Revenue Generated
Other Comments		

**REVIEW CHECKLIST**

DEPARTMENT Corey K. Haines, DCM Chief of Police DATE 05/17/22

DEPARTMENT \_\_\_\_\_ DATE \_\_\_\_\_

CITY MANAGER Melissa R. Marsh, City Manager DATE 05/17/22

## **Madison Heights Police Department Commendation Awards 2021**

Command Officer of the Year-Sgt. Shawn Scofield

Police Officer of the Year-Ofc. Jordan Rieck

Police Service Aide of the Year-PSA Edward Bicego (posthumously)

Reserve Officer of the Year-David Reidy

Departmental Commendations-Sgt. Holdreith, Det. Strongarone, Ofc. Miranda, Ofc. Brieger

Life Saving Awards-Ofc. Wing, PSA Smither

**CITY OF MADISON HEIGHTS**  
**ELECTRONIC COUNCIL AGENDA REQUEST FORM**

SUBMITTED TO: Honorable Mayor and City Council

SUBMITTED BY: Melissa R. Marsh, City Manager DATE: 05/17/22

FOR CONSIDERATION AT THE COUNCIL MEETING OF: 05/17/22

**ACTION REQUESTED**

PRESENTATION	<input checked="" type="checkbox"/>	FUTURE PUBLIC HEARING
PUBLIC HEARING – SPECIAL APPROVAL	<input type="checkbox"/>	BID AWARDS / PURCHASES
PUBLIC HEARING – OTHER	<input type="checkbox"/>	ORDINANCE - FIRST
COMMUNICATION	<input type="checkbox"/>	ORDINANCE - SECOND
REPORT	<input type="checkbox"/>	OLD BUSINESS

**DESCRIPTION OF ITEM**

City Council is being requested to recognize the Madison Heights Women's Club for being awarded Club of the Year.

**IF ORDINANCE, CITE TITLE/CHAPTER SECTIONS**

**POLICY CONSIDERATION**

In 2021, the Madison Heights Women's Club (MHWC) completed 101 projects, 4,102 volunteer hrs, raised \$835, \$6,543 donated/spent, \$5,378 in-kind contributions and their work continues to be an invaluable asset to the community of Madison Heights. The Mayor and City Council of the City of Madison Heights are being asked to recognize the MHWC for being awarded the GFWC Club of the Year for Category 3, commend them for their continued efforts on behalf of the citizens of Madison Heights, and extend best wishes on their 45th anniversary.

**FINANCIAL IMPACT**

No Impact	<input checked="" type="checkbox"/>	Fee Waiver Proposed
Budgeted Fund Name(s)	<input type="checkbox"/>	Department Name
Appropriated in Acct. No.	<input type="checkbox"/>	Budget Amount
Amount Available in Acct.	0	
Second Account Number	<input type="checkbox"/>	Budget Amount
Amount Available in 2 <sup>nd</sup> Acct.	<input type="checkbox"/>	Revenue Generated
Other Comments		

**REVIEW CHECKLIST**

DEPARTMENT Cheryl Rottmann, City Clerk DATE 05/17/22

DEPARTMENT \_\_\_\_\_ DATE \_\_\_\_\_

CITY MANAGER Melissa R. Marsh, City Manager DATE 04/19/22

## MADISON HEIGHTS WOMEN'S CLUB

**WHEREAS**, The Madison Heights Women's Club is an active supporter of community activities and of the General Federation of Women's Clubs (GFWC) initiatives, which unites Michigan women's clubs to perform service projects that enhance lives and meet community needs, and

**WHEREAS**, The Madison Heights Women's Club was established in 1977 and currently has 72 members and will be celebrating their 45<sup>th</sup> Anniversary this year; and

**WHEREAS**, The Madison Heights Women's Club theme is "Be generous with your time, talent, words, and deeds" and is a thriving organization in our community; and

**WHEREAS**, Along with many other notable awards, the Madison Heights Women's Club earned the top honor as GFWC Club of the Year for Category 3 (41-99 members) for their work in the community in 2021; and

**WHEREAS**, Some notable projects of the Madison Heights Women's Club in 2021 include: collecting items for Common Ground human trafficking survivors and the Michigan State Police Women's ERG project "Purses with a Purpose" to be donated to HAVEN and Turning Point; collection of over 2600 diapers with a "No Child Wet Behind" diaper drive benefiting the Madison Heights Food Pantry; Partnering with Madison Heights Community Coalition for "You are the Heart of the Community" signs; creating a military honor tree with photo ornaments of City veterans and active military for Veteran's Day; collecting hand and toe warmers to benefit Welcome Inn Day Center for MLK Jr. Day of Service; and collecting pet food, litter and supplies for the Madison Heights Animal Shelter; and

**WHEREAS**, For 2021, the Madison Heights Women's Club reported 101 projects, 4,102 volunteer hours, \$835 raised, \$6,543 donated/spent, \$5,378 in-kind contributions and their work continues to be an invaluable asset to the community of Madison Heights.

**NOW, THEREFORE BE IT RESOLVED**, that the Mayor and City Council of the City of Madison Heights do hereby recognize the

### **MADISON HEIGHTS WOMEN'S CLUB**

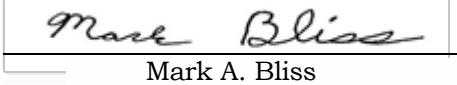
For being awarded the GFWC Club of the Year for Category 3, commend them for their continued efforts on behalf of the citizens of Madison Heights, and extend best wishes on their 45<sup>th</sup> anniversary.



Roslyn Grafstein  
Mayor



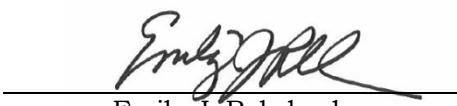
Toya D. Aaron  
Councilwoman



Mark A. Bliss  
Mayor Pro Tem



Sean D. Fleming  
Councilman



Emily J. Rohrbach  
Councilor



David M. Soltis  
Councilor



Quinn J. Wright  
Councilor

**CITY OF MADISON HEIGHTS**  
**ELECTRONIC COUNCIL AGENDA REQUEST FORM**

SUBMITTED TO: Honorable Mayor and City Council

SUBMITTED BY: Melissa Marsh, City Manager DATE: 05/17/22

FOR CONSIDERATION AT THE COUNCIL MEETING OF: 05/23/22

**ACTION REQUESTED**

PRESENTATION	<input checked="" type="checkbox"/>	FUTURE PUBLIC HEARING
PUBLIC HEARING – SPECIAL APPROVAL	<input type="checkbox"/>	BID AWARDS / PURCHASES
PUBLIC HEARING – OTHER	<input type="checkbox"/>	ORDINANCE - FIRST
COMMUNICATION	<input type="checkbox"/>	ORDINANCE - SECOND
REPORT	<input type="checkbox"/>	OLD BUSINESS

**DESCRIPTION OF ITEM**

At the request of the HREC, City Council is being asked to consider Juneteenth Day Proclamation

**IF ORDINANCE, CITE TITLE/CHAPTER SECTIONS**

**POLICY CONSIDERATION**

See attached proclamation.

**FINANCIAL IMPACT**

No Impact	<input checked="" type="checkbox"/>	Fee Waiver Proposed
Budgeted Fund Name(s)	<input type="checkbox"/>	Department Name
Appropriated in Acct. No.	<input type="checkbox"/>	Budget Amount
Amount Available in Acct.	<input type="checkbox"/>	
Second Account Number	<input type="checkbox"/>	Budget Amount
Amount Available in 2 <sup>nd</sup> Acct.	<input type="checkbox"/>	Revenue Generated
Other Comments		

**REVIEW CHECKLIST**

DEPARTMENT \_\_\_\_\_ DATE \_\_\_\_\_

DEPARTMENT \_\_\_\_\_ DATE \_\_\_\_\_

CITY MANAGER \_\_\_\_\_ Melissa Marsh, City Manager DATE 05/17/22

## 2022 PROCLAMATION

### Juneteenth

**WHEREAS**, Juneteenth commemorates the traditional observance of the end of slavery in the United States and is observed annually on June 19;

**WHEREAS**, President Abraham Lincoln signed the Emancipation Proclamation on January 1, 1863, declaring the slaves in Confederate territory free, paving the way for the passing of the 13th Amendment, which formally abolished slavery in the United States of America; and

**WHEREAS**, word about the signing of the Emancipation Proclamation was delayed more than two years in reaching African-Americans in the South and the Southwestern United States; when on June 19, 1865, Union Major General Granger announced in Galveston, Texas that slavery had been abolished; and

**WHEREAS**, the following year, the first official Juneteenth celebration took place in Texas and have continued across the United States throughout the years; and

**WHEREAS**, Emancipation Day observations are held on different days in different states and other parts of the nation; and

**WHEREAS**, June 19 has a special meaning to African-Americans, and is called "JUNETEENTH" combining the words June and Nineteenth, and has been celebrated by the African-American community for over 150 years; and

**WHEREAS**, the annual Juneteenth celebration in the City of Madison Heights will take place at Civic City Park on June 18, 2022 and temporarily rename the Civic Center park as Emancipation Park for the day; as

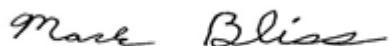
**NOW, THEREFORE**, the Mayor and City Council hereby declare June 19, as **JUNETEENTH** in the City of Madison Heights, and urge all citizens to become more aware of the significance of this celebration in African-American History and in the heritage of our nation and City.



Roslyn Grafstein  
Mayor



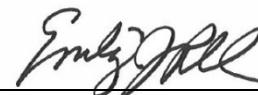
Toya D. Aaron  
Councilwoman



Mark A. Bliss  
Mayor Pro Tem



Sean D. Fleming  
Councilman



Emily J. Rohrbach  
Councilor



David M. Soltis  
Councilor



Quinn J. Wright  
Councilor

**CITY OF MADISON HEIGHTS**  
**ELECTRONIC COUNCIL AGENDA REQUEST FORM**

SUBMITTED TO: Melissa Marsh, City Manager

SUBMITTED BY: Giles Tucker, CED Director DATE: 05/12/2022

FOR CONSIDERATION AT THE COUNCIL MEETING OF: 05/23/22

**ACTION REQUESTED**

PRESENTATION	<input type="checkbox"/>	FUTURE PUBLIC HEARING
PUBLIC HEARING – SPECIAL APPROVAL	<input checked="" type="checkbox"/>	BID AWARDS / PURCHASES
PUBLIC HEARING – OTHER	<input type="checkbox"/>	ORDINANCE - FIRST
COMMUNICATION	<input type="checkbox"/>	ORDINANCE - SECOND
REPORT	<input type="checkbox"/>	UNFINISHED BUSINESS

**DESCRIPTION OF ITEM**

Special approval request PSP 22-04 - Jesse R. Schmidt d/b/a Precision Laser & Manufacturing- 31330 Stephenson Hwy - Painting, varnishing and undercoating shop. M-2, Heavy Industrial District.

**IF ORDINANCE, CITE TITLE/CHAPTER SECTIONS**

**POLICY CONSIDERATION**

The applicant, Jesse R. Schmidt d/b/a Precision Laser & Manufacturing LLC, requests special use approval to install a paint booth within an existing industrial building. The subject property is located at 31330 Stephenson Highway (PIN 44-25-02-378-023) and is zoned M-2, Heavy Industrial. The property is improved with an existing 22,000 square foot metal industrial building. The applicant does not propose modifications to the site or building footprint as part of this special approval request.

**FINANCIAL IMPACT**

No Impact	<input checked="" type="checkbox"/>	Fee Waiver Proposed
Budgeted Fund Name(s)	<input type="checkbox"/>	Department Name
Appropriated in Acct. No.	<input type="checkbox"/>	Budget Amount
Amount Available in Acct.	<input type="checkbox"/>	
Second Account Number	<input type="checkbox"/>	Budget Amount
Amount Available in 2 <sup>nd</sup> Acct.	<input type="checkbox"/>	Revenue Generated
Other Comments		

**REVIEW CHECKLIST**

DEPARTMENT Giles Tucker, CED Director DATE

DEPARTMENT  DATE

CITY MANAGER Melissa R. Marsh, City Manager DATE



# MEMORANDUM

Date: May 12<sup>th</sup>, 2022  
 To: City of Madison Heights City Council  
 From: Matt Lonnerstater, AICP – City Planner  
 Subject: Special Approval Request PSP 22-04 – 31330 Stephenson Hwy. – Paint Shop

## Introduction

The applicant, Jesse R. Schmidt d/b/a Precision Laser & Manufacturing LLC, requests special use approval to install a paint booth within an existing industrial building. The subject property is located at 31330 Stephenson Highway (PIN 44-25-02-378-023) and is zoned M-2, Heavy Industrial. The property is improved with an existing 22,000 square foot metal industrial building. The applicant does not propose modifications to the site or building footprint as part of this special approval request.

## Background and Analysis

The applicant proposes to set up an industrial paint booth inside of the existing industrial building at 31330 Stephenson Highway. The applicant represents Precision Laser & Manufacturing, which is a light industrial manufacturing company that produces material handling racks and containers for the automotive industry. Precision Laser & Manufacturing has applied for a Certificate of Occupancy to operate from the building.

Per the project narrative, the items that are manufactured by the applicant's business need to be painted in order to prevent rusting. The applicant proposes to use an environmentally-friendly water-based paint. The building plan provided by the applicant denotes a 20 ft. by 30 ft. paint booth area inside of the existing building.

Per Section **10.322A**, *painting, varnishing and undercoating shops* are permitted within the M-2 zoning district as a special use. These shops must be set back at least 75 feet from any adjacent residential districts and shall be conducted within a completely enclosed building. Note that the subject site is located within the Stephenson Highway industrial corridor and does not abut any residential zoning districts.

Requests for special approval are subject to the following criteria, as outlined in Section **10.201(4)**:

*The use shall be designed and located so that it is compatible with the surrounding properties, neighborhood and vicinity. At a minimum, this shall include:*

1. *Location of use(s) on site;*
2. *Height of all improvements and structures;*
3. *Adjacent conforming land uses;*
4. *Need for proposed use in specified areas of the city;*
5. *Conformance with future land use plans for the area as adopted by the planning commission;*
6. *Compatibility with the permitted principal uses allowed in the zoning district where the special approval use is requested.*

Additional criteria for reviewing special uses are contained at the end of this report.

#### Existing Zoning and Land Use

The table below denotes existing adjacent land uses and zoning designations.

Site	Existing Land Use	Existing Zoning
<b>Site</b>	Industrial	M-2, Heavy Industrial
<b>North</b>	Industrial	M-2, Heavy Industrial
<b>South</b>	Industrial	M-2, Heavy Industrial
<b>East</b>	Industrial	M-2, Heavy Industrial
<b>West (across Stephenson Hwy)</b>	Industrial	M-1, Light Industrial

The subject site is located along the Stephenson Highway industrial corridor and is surrounded by existing light and heavy industrial uses. The property is sandwiched between four existing industrial buildings to the north, east, south and west, and is in close proximity to I-75.

The subject site is zoned M-2, Heavy Industrial, which, per the Zoning Ordinance, is, *“designed primarily for manufacturing, assembling, and fabrication activities including large scale or specialized industrial operations whose external, physical effects will be felt to some degree by surrounding districts.”*

#### Future Land Use and Master Plan

The table below denotes adjacent future land use designations as contained within the 2021 Madison Heights Master Plan.

Site	Future Land Use
<b>Site</b>	Industrial
<b>North</b>	Industrial
<b>South</b>	Industrial
<b>East</b>	Industrial
<b>West (across Stephenson Hwy.)</b>	Industrial

The future land use designation of the subject site and all surrounding properties is *‘Industrial.’* Per the Master Plan, the Industrial future land use designation is intended to, *“accommodate manufacturing, processing, warehousing, storage of raw materials and intermediate and finished products, industrial service providers, industrial parks, and industrial research activities. These more intense uses are intended for existing industrial areas along Stephenson, I-75, and 14 Mile Road.”*

#### **Site Plan Review Committee**

The Site Plan Review Committee (SPRC) reviewed the special use application at their April 27<sup>th</sup>, 2022 meeting. The SPRC did not cite any concerns with the proposed use.

## Findings and Recommendation

Staff offers the following findings for City Council consideration:

1. The applicant requests special use approval for a paint booth associated with an existing industrial manufacturing business, Precision Laser & Manufacturing, at 31330 Stephenson Highway.
2. The subject property is zoned M-2, Heavy Industrial, and is located within the Stephenson Highway industrial corridor.
3. The proposed use satisfies the use-specific criteria for *painting, varnishing and undercoating shops* in the M-2 district, as the paint booth is located within a completely enclosed building and is not within 75 feet of a residentially-zoned property.
4. The proposed use is consistent and compatible with adjacent industrial uses and industrially-zoned parcels and is consistent with the Industrial future land use designation.
5. The proposed use generally satisfies the special use approval review standards and criteria listed in Section 10.201(4).

Based on these findings, staff recommends that the City Council approve the requested special use application for a *painting, varnishing and undercoating shop* at 31330 Stephenson Highway.

## Next Step

After the public hearing and discussion, the City Council may take action on the requested special use. **Any motion shall include concise findings based upon the special approval review standards and criteria, Section 10.201(4).**

## Pertinent Zoning Ordinance Sections

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### Section 10.201 – *Special Approval Use Review Procedures and Requirements*

(4) *Review standards and criteria.* The city council shall consider the following standards and criteria in their review of all special approval use requests:

- (a) Site plans submitted for special approval uses shall be prepared in conformance with and contain all information as outlined in Section 10.514. Site Plan Review.
- (b) All design standards or criteria imposed on specific special approval uses elsewhere in this Ordinance shall be met.
- (c) The use shall be designed and located so that it is compatible with the surrounding properties, neighborhood and vicinity. At a minimum, this shall include:
  1. Location of use(s) on site;
  2. Height of all improvements and structures;
  3. Adjacent conforming land uses;
  4. Need for proposed use in specified areas of the city;
  5. Conformance with future land use plans for the area as adopted by the planning commission; and

6. Compatibility with the permitted principal uses allowed in the zoning district where the special approval use is requested.
- (d) Ingress/egress to the use shall be controlled to assure maximum vehicular and pedestrian safety, convenience and minimum traffic impact on adjacent roads, drives and uses including, but not limited to:
  1. Reduction in the number of ingress/egress points through elimination, minimization and/or consolidation of drives and/or curb cuts;
  2. Proximity and relation to intersections, specifically with regard to distance from drive(s) to intersection(s);
  3. Reduction/elimination of pedestrian/vehicular traffic conflicts;
  4. Adequacy of sight distances;
  5. Location and access of off-street parking;
  6. Location and/or potential use of service drives to access multiple parcels, reducing the number of access points necessary to serve the parcels.
- (e) Screening shall be provided along all property lines, where council determines such screening is necessary to minimize impact of the use on adjacent properties or uses.
- (f) The use shall be properly served by utilities.
- (g) The use shall not have an adverse effect on the environment beyond the normal affects of permitted principal uses in the same zoning district and shall not result in an impairment, pollution, and/or destruction of the air, water, and natural resources.
- (h) The use shall be specifically scrutinized for conformance with the performance standards outlined in section 10.509 of this Ordinance.
- (i) The proposed use shall be designed as to location, size, intensity, site layout, and periods of operation to eliminate any possible nuisances which might be noxious to the occupants of any other nearby properties. The use shall not involve uses, activities, processes, materials, equipment and conditions of operation that will be detrimental to any persons, property, or the general welfare by reason of excessive smoke, fumes, glare, noise, vibration, odors, and adverse environmental impacts.
- (j) The proposed use does not impose an unreasonable burden upon public services and utilities in relation to the burden imposed by permitted principal uses in the same zoning district.
- (k) The city council may impose conditions in granting special approval that it deems necessary to fulfill the spirit and purpose of this Ordinance. The conditions may include those necessary to ensure that public services and facilities affected by a proposed land use or activity will be capable of accommodating increased service and facility loads caused by the land use or activity, to protect the natural environment and conserve natural resources and energy, to ensure compatibility with adjacent uses of land, and to promote the use of land in a socially and economically desirable manner. Conditions imposed shall:
  1. Be designed to protect natural resources, the health, safety and welfare, as well as the social and economic well-being of those who will use the land use or activity under consideration, residents and landowners immediately adjacent to the proposed land use or activity, and the community as a whole.
  2. Be related to the valid exercise of the police power and purposes that are affected by the proposed use or activity.
  3. Be necessary to meet the intent and purpose of the zoning regulations; be related to the standards established in this Ordinance for the land use or activity under consideration (if applicable); and be necessary to ensure compliance with those standards.

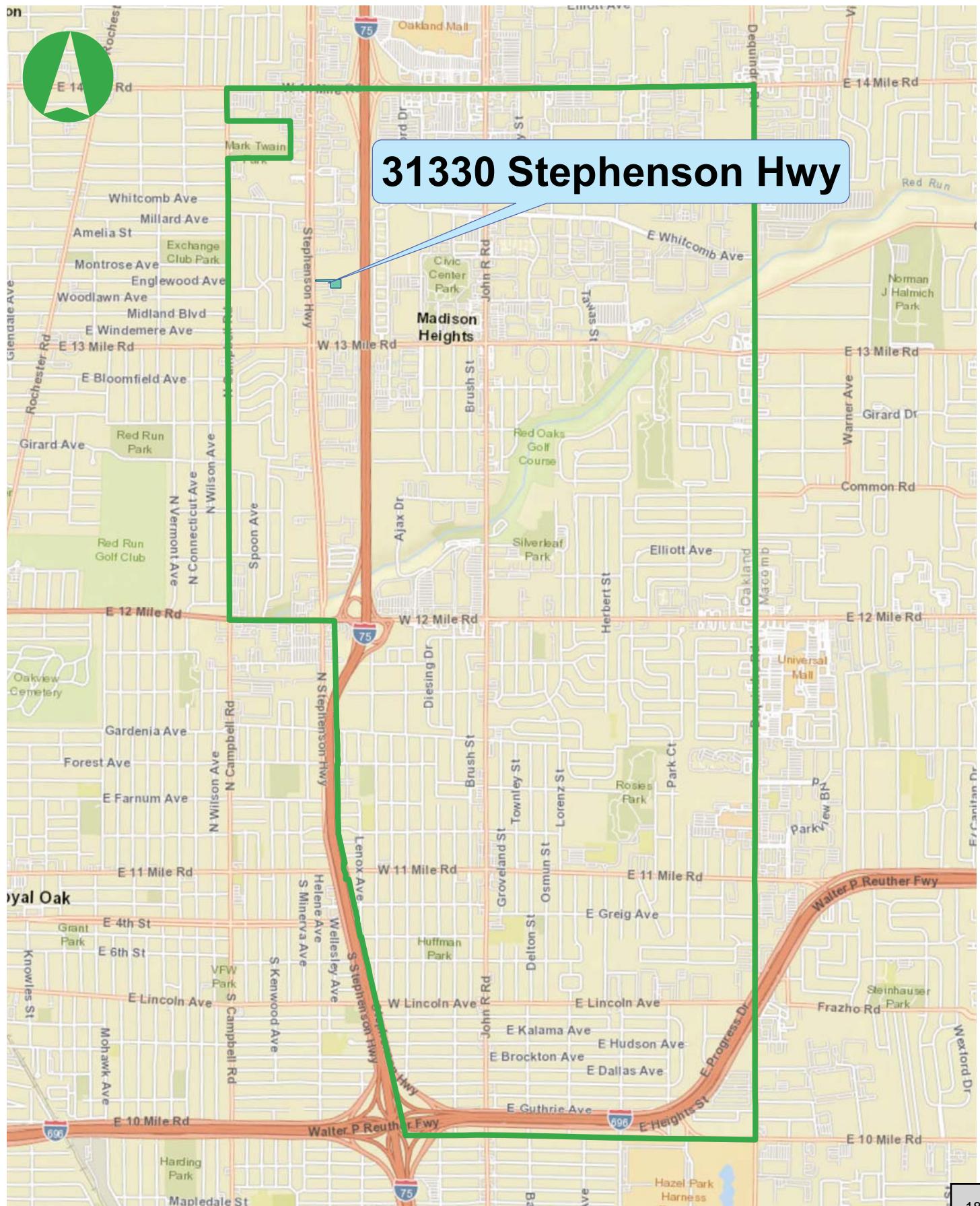
4. Provide adequate safeguards as deemed necessary for the protection of the general welfare and individual property rights, and for ensuring that the intent and objectives of this Ordinance will be observed. The breach of any condition, safeguard or requirement, and the failure to correct such breach within 30 days after an order to correct is issued by the city shall be reason for immediate revocation of the special approval. Conditions and requirements stated as a part of special use permit authorizations shall be continuing obligations of the holders of such permits and are binding upon their heirs and assigns and upon any persons taking title to the affected property while such special use permit is in effect.
- (I) The discontinuance of a special use after a specified time may be a condition to the issuance of the permit. Renewal of a special use permit may be granted after a review and determination by the city council that continuing private need and public benefit will be served by such renewal. Renewal applications shall be in accord with standards and requirements in effect at the time that the renewal is requested.

**Sec. 10.322A – M-2 – *Uses permissible on special approval***

- (2) Painting, varnishing and undercoating shops when set back at least 75 feet from any adjacent residential districts and provided further that such operation be conducted within a completely enclosed building.

# SA CASE: 22 - 04

Item 5.

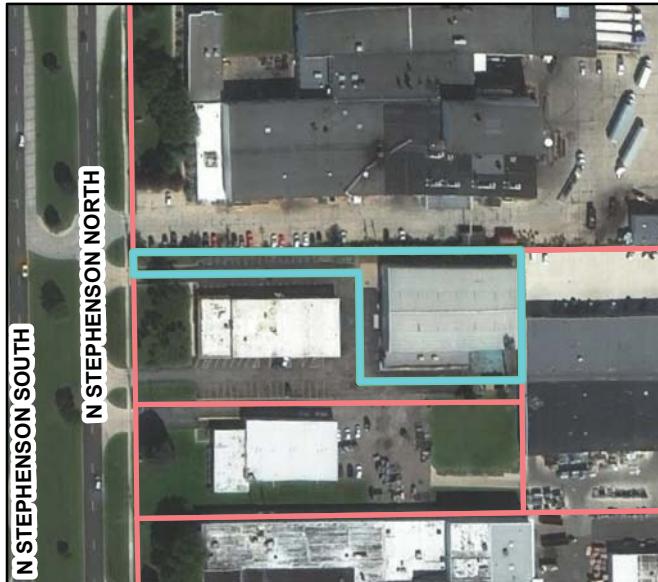


# Site Address: 31330 Stephenson Hwy

[click for maps](#)



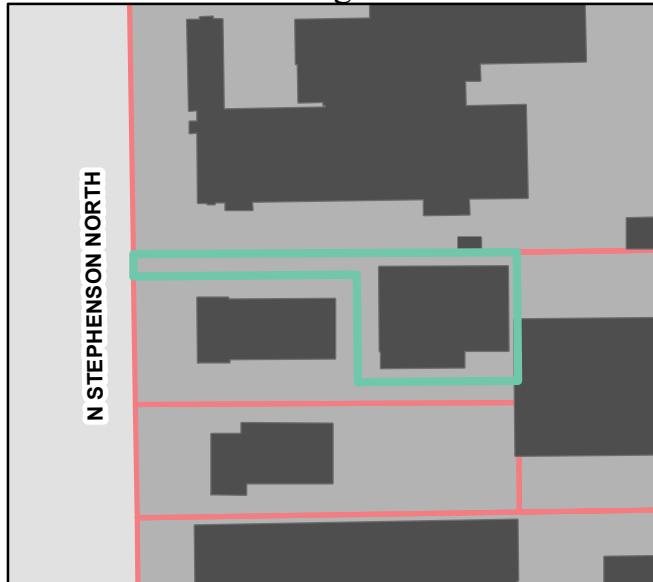
Aerial



31330 Stephenson Hwy

Parcels

Existing Land Use

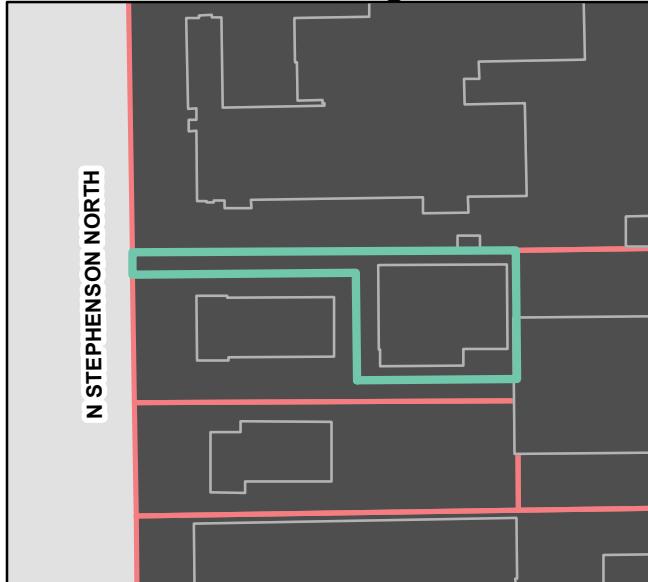


31330 Stephenson Hwy

Single And Two Family  
Office  
Commercial  
Industrial  
Public

Buildings  
Parcels  
Vacant

Zoning



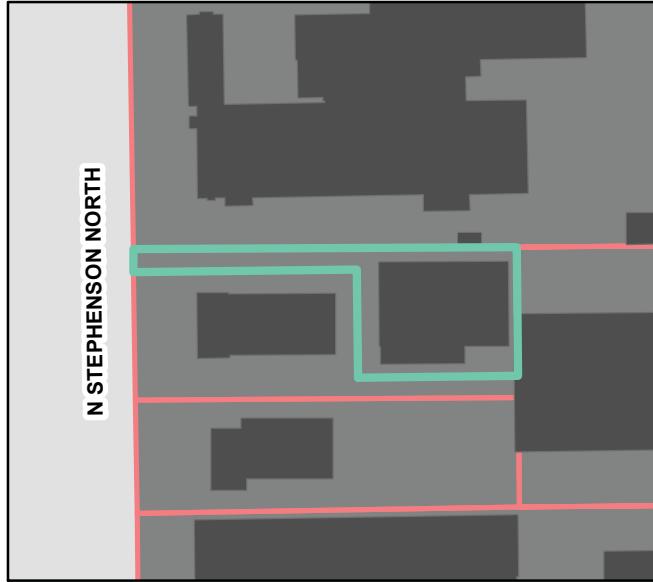
31330 Stephenson Hwy

Buildings

Parcels

Industrial

Future Land Use



31330 Stephenson Hwy

Single Family

Multiple Family

Office

Commercial

Industrial

Public and Schools

Recreation

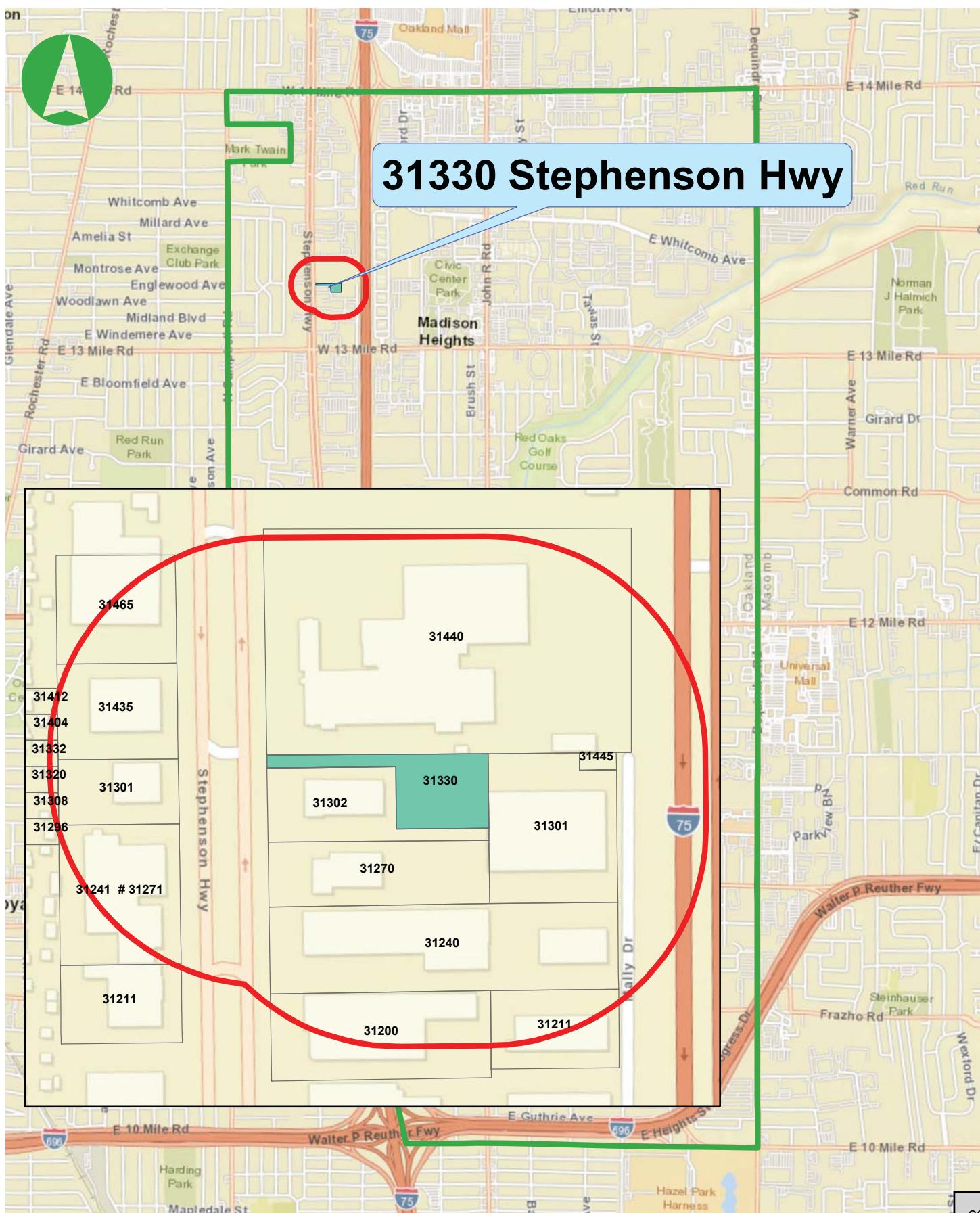
Conservation

Mixed Use Innovation

# SA CASE: 22 - 04

## BUFFER 500 FT

Item 5.





# Legal Ad Prod

Item 5.

*If you wish to email changes please reply or use the email below*  
**legals@candgnews.com**  
*(NOTE: After 3:00pm on press day you must call for corrections)*

**Date Proof Sent: 4/21/2022 9:49 AM**

## AD INFORMATION

**Ad Number: 0328-2218**

**Ad Title: CITY OF MADISON HEIGHTS-Newspaper and Mailer Public Hearing Notice - PSP 22-04 - 31330**  
Stephens...

**Week Of Publication: 4/27/2022**

**Publication(s) ad will appear: Madison-Park News**

**For corrections call 586-498-1097**

**email corrections: [legals@candgnews.com](mailto:legals@candgnews.com) (NOTE: After 3:00pm on press day you must call for corrections)**

**Please scroll to the next page to view the ad.**

## NOTICE OF PUBLIC HEARING

Notice is hereby given that the City Council for the City of Madison Heights will hold a public hearing on **May 23rd, 2022 at 7:30 p.m.** in the **City Council Chambers of the Municipal Building at 300 W. 13 Mile Road, Madison Heights, Michigan 48071** to consider the following special approval request:

Case # PSP 22-04

The applicant, Jesse R. Schmidt, requests Special Approval from City Council under Section 10.332A of the Madison Heights Zoning Ordinance to allow for a painting, varnishing and undercoating shop at 31330 Stephenson Highway, PIN 44-25-02-378-023. The property is zoned M-2, Heavy Industrial.

The application and any supporting documents can be viewed during regular business hours at the Community and Economic Development Department. In addition, the agenda item can be viewed after 4:00 p.m. on Friday, May 20th, 2022 online at [www.madison-heights.org](http://www.madison-heights.org) in the Agenda Center.

For further information, please contact the Community and Economic Development Department at (248) 583-0831.

Cheryl Rottmann, CMC  
City Clerk  
(248) 583-0826

Published: Madison-Park News 04/27/2022

0328-2218



**CITY OF MADISON HEIGHTS  
COMMUNITY DEVELOPMENT DEPARTMENT  
PETITION FOR USE PERMITTED BY  
SPECIAL APPROVAL**

FOR OFFICE

Item 5.

Request PSP 22-004

No:

Date 4/18/22

Filed:

Approved by

CDD:

Approved for Hearing:

I (we) the under signed, do hereby apply and petition the City of Madison Heights for a Special Approval Use Permit and provide the following information.

(Application must be typed) *31330 Stephenson Hwy*

Building Address: *31330 Stephenson Hwy* Tax ID No.: *44-25-02-378-023*

**APPLICANT INFORMATION**

Name: Jesse R. Schmidt *Jesse R. Schmidt*

Phone No.: 248-736-3751 Fax No.: 519-712-9430

Mailing Address: 31330 Stephenson Hwy City, State, Zip: Madison Heights,  
(Notices will be mailed to this address)

Driver's License No.: S 530 403 730 328 Date of Birth: 4/29/1973

Interest in Property: Rental for Manufacturing

**BUILDING & BUSINESS INFORMATION**

Zoning District: M2 Use Requested Pursuant to Section 10.201 of the Zoning Ordinance

Explain Requested Use in Detail: The addition of a paint booth

The above referenced parcel is known as: (Lots(s) Acreage Parcel (s)) \_\_\_\_\_ of \_\_\_\_\_

Subdivision (if platted lot(s)) and is located on the N S E W (Circle One) side of Stephenson Street/Road between  
13 mile Street/Road and Whitcomb Street / Road.

Hours of Operation: 6:00 AM to 3:00PM

Property Frontage: \_\_\_\_\_ Width/Depth: 125 x 1 *125 x 169* No. of Parking Spaces: 28 Private Lot \_\_\_\_\_ Shared Lot

No. of Floors: 1 Max. No. of Employees: 20 Male \_\_\_\_\_ Female \_\_\_\_\_ No. on Largest Single Shift: 20

No. of Seats for Restaurant or Assembly Uses: N/A Capacity of Waiting Area: N/A

Building: New \_\_\_\_\_ or Existing  Will Additions or Alterations to the Building be Required? Yes

Explain: Hole in the roof for ventilation

Describe Any Other Site Improvements to be Made: \_\_\_\_\_

*248-935-0100*

Building Owner Name: Atlas Building LLC Phone No.: 248-935-011 Fax No.: \_\_\_\_\_

Mailing Address: 1447 Club Dr City: Bloomfield Hills Zip: 48302

(Notices will be mailed to this address)

**Note: All blanks and boxes above must be completed. Use N/A where appropriate.**

**CONTINUED ON REVERSE SIDE**



**PETITION FOR USE PERMITTED BY  
SPECIAL APPROVAL (Continued)**

Include one (1) copies of a site plan, no larger than 11 x 17 inches, which meets the requirements of Section 10.514 of the Zoning Ordinance of Madison Heights and the required seven hundred and fifty dollar fee (\$750.00) plus a site plan application.

This petition / application must be signed by both the Owner in Fee of the property and the Applicant prior to submittal. Applicant(s) and property owner(s) hereby consent to city staff, board and commission members, and contractors to access the property for purposes of evaluating the site for the requested action(s).

**FOR THE OWNER:**

Signature Peter Friesen  
Printed Peter Friesen Name  
Date 4/14/2022

**FOR THE APPLICANT IF NOT THE OWNER:**

Signature Jesse R. Schmidt  
Printed Jesse R. Schmidt Name  
Date 4/14/2022

**NOTARY:**

On this 14th day of April  
Before me personally appeared  
Peter Friesen to me known to be the person who executed the forgoing instrument, and acknowledged that he executed the same as his free act and deed.

Notary's  
Signature Nicole Bardwell

Notary's  
Printed Name NICOLE BARDWELL  
Notary public, State of Michigan,  
County of OAKLAND.

My commission expires 6/4/28  
Acting in the County of OAKLAND.

**NOTARY:**

On this 14th day of April  
Before me personally appeared  
Jesse Schmidt to me known to be the person who executed the forgoing instrument, and acknowledged that he executed the same as his free act and deed.

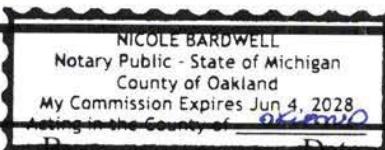
Notary's  
Signature Nicole Bardwell

Notary's  
Printed Name NICOLE BARDWELL  
Notary public, State of Michigan,  
County of OAKLAND.

My commission expires 6/4/28  
Acting in the County of OAKLAND.

**OFFICE USE ONLY**

\$750.00 Fee Paid ✓ Receipt Number \_\_\_\_\_



One Site Plan Attached no larger than 11 x 17 inches

Yes  No

Site Plan Application: PSP 22-004

Date: 4/18/22

Copies to C.D.D. \_\_\_\_\_

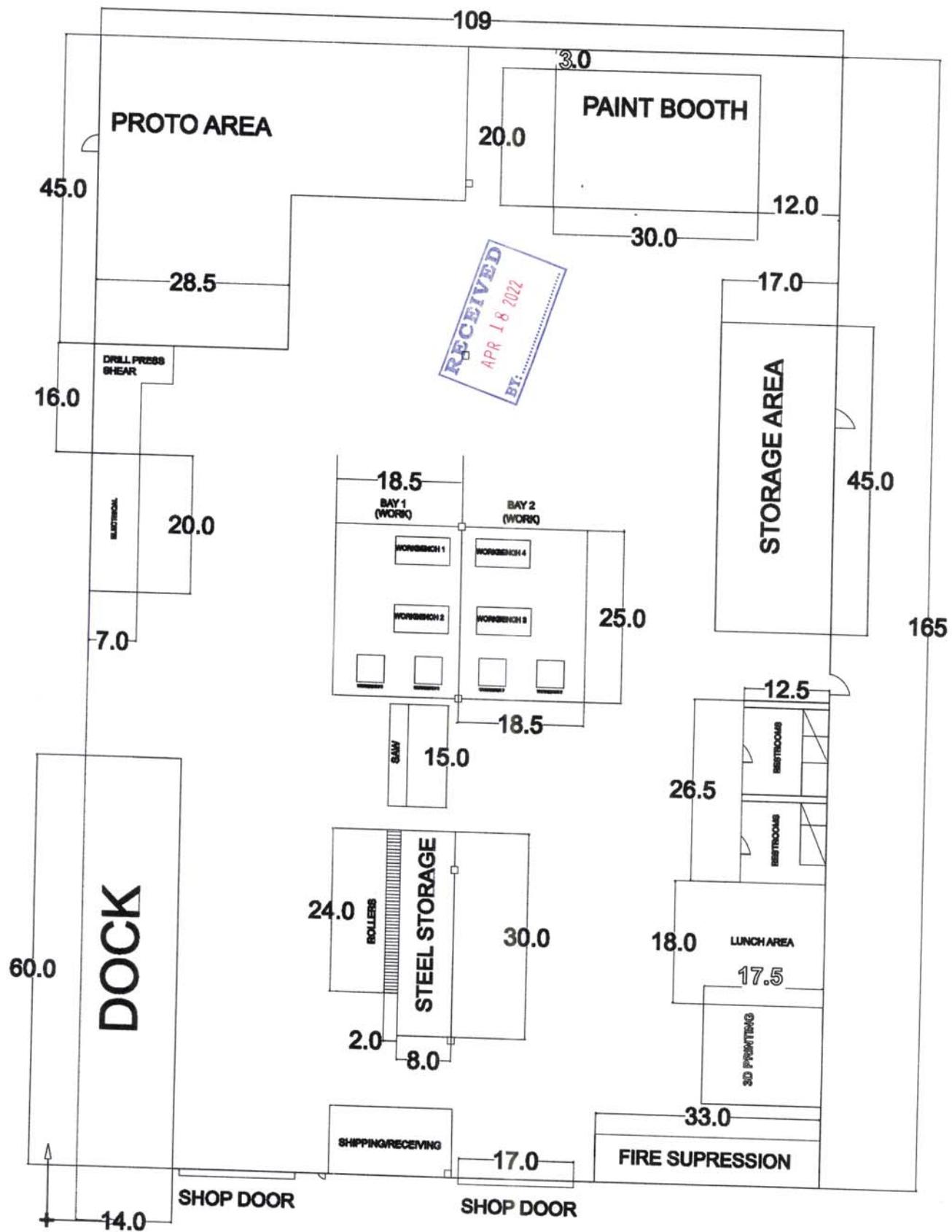
Notices Mailed to Properties Within 500 Feet \_\_\_\_\_

Council Action \_\_\_\_\_

Meeting Date \_\_\_\_\_

Per our paperwork and our conversation we are requesting the permit to set up a paint booth for our business. We are a light industrial manufacturer of material handling racks and containers for the automotive industry. These items are welded together out of raw steel and will need to be painted to prevent rusting during their useful life. Our intentions are to use an environmentally friendly water based paint commonly utilized industry wide for this application. Please find the attached picture to be an average size bin. 45 x 48 x 34".





## Exhibit A

Legal Description

Land in the City of Madison Heights, County of Oakland, State of Michigan described as:

A Part of the East 1/2 of the Southwest 1/4 of Section 2, Town 1 North, Range 11 East, City of Madison Heights, Oakland County, Michigan, more particularly described as beginning at a point on the East line of Stephenson Highway (204 feet wide) distant North 89 degrees 35 minutes 00 seconds West 832.90 feet and North 00 degrees 06 minutes 00 seconds East 1290.00 feet from the South 1/4 corner of said Section 2; thence North 00 degrees 06 minutes 00 seconds East 30.00 feet; thence South 89 degrees 37 minutes 20 seconds East 506.50 feet; thence South 00 degrees 20 minutes 31 seconds West 173.00 feet; thence North 89 degrees 37 minutes 20 seconds West 209.98 feet; thence North 00 degrees 22 minutes 40 seconds East 143.00 feet; thence North 89 degrees 37 minutes 20 seconds West 296.48 feet to the point of beginning.

**EASEMENT PARCEL:**

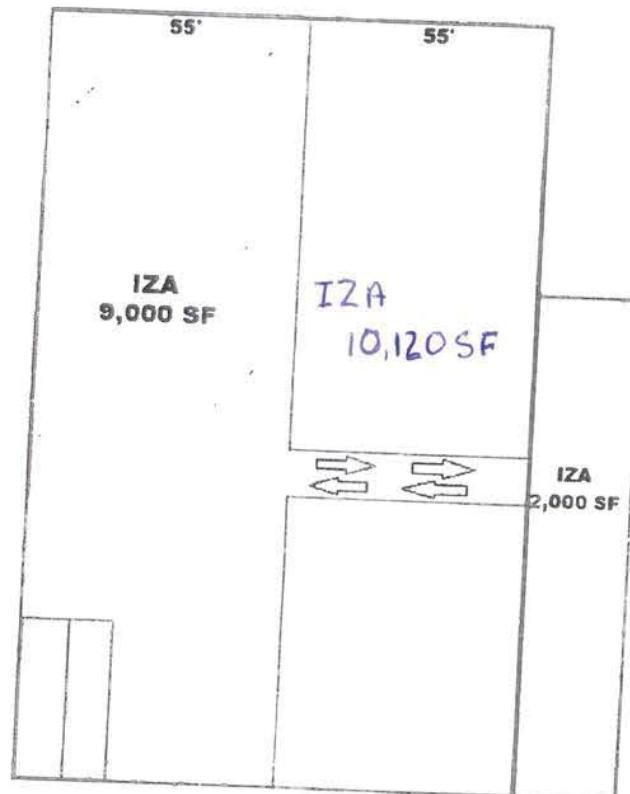
Together with non-exclusive easement(s) as created, limited and defined by that instrument recorded in Liber 41851, page 558, Oakland County Records.

Commonly known as: 31330 Stephenson Hwy. Madison Hts., Michigan

TIN: 44-25-02-378-023



Exhibit B





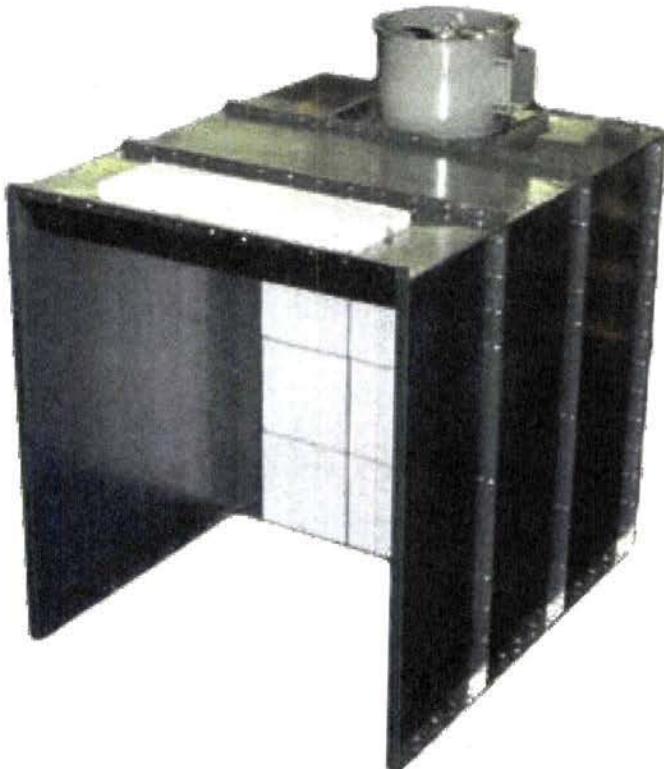
# Installation Manual

## Industrial Booths

Class I

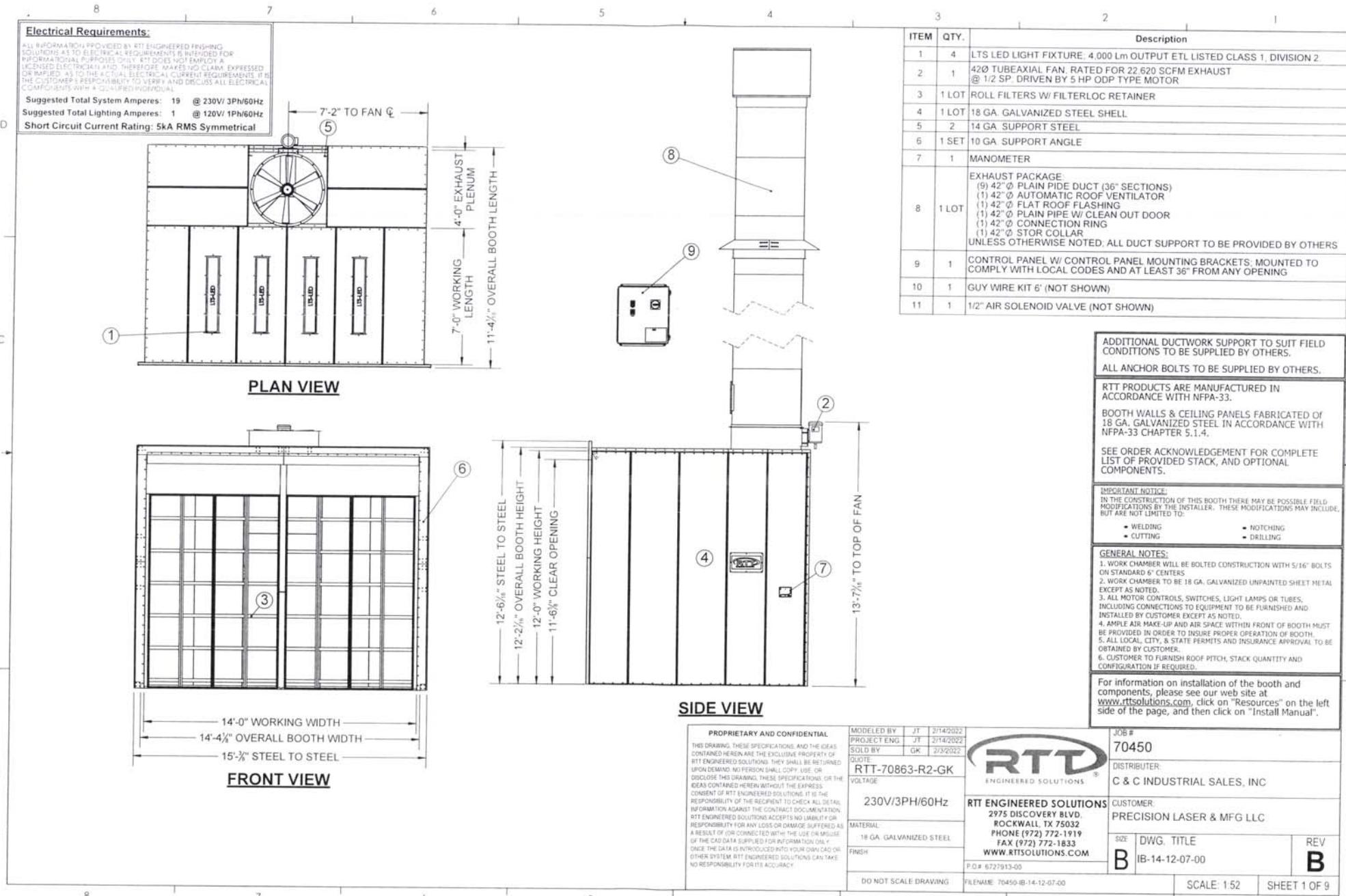
- >> [Open Front Booths - IB](#)
- >> [Open Front Bench Booths - IBB](#)
- >> [Enclosed Industrial Booths - EIB](#)
- >> [Industrial Exhaust Chamber - IBC](#)
- >> [Exhaust Bench - EB](#)

This Installation Manual reviews an introduction, safety, component description, installation, maintenance and warranties of RTT's industrial spray booths.



**888-452-6684**  
[www.rtsolutions.com](http://www.rtsolutions.com)

Revised August 2020



**CITY OF MADISON HEIGHTS**  
**ELECTRONIC COUNCIL AGENDA REQUEST FORM**

SUBMITTED TO: Melissa R. Marsh, City Manager

SUBMITTED BY: Linda A. Kunath, Finance Director/Treasurer DATE: 05/12/2022

FOR CONSIDERATION AT THE COUNCIL MEETING OF: 05/23/22

**ACTION REQUESTED**

PRESENTATION	<input type="checkbox"/>	FUTURE PUBLIC HEARING	<input type="checkbox"/>
PUBLIC HEARING – SPECIAL APPROVAL	<input type="checkbox"/>	BID AWARDS / PURCHASES	<input type="checkbox"/>
PUBLIC HEARING – OTHER	<input type="checkbox"/>	ORDINANCE - FIRST	<input type="checkbox"/>
COMMUNICATION	<input type="checkbox"/>	ORDINANCE - SECOND	<input type="checkbox"/>
REPORT	<input checked="" type="checkbox"/>	OLD BUSINESS	<input type="checkbox"/>

**DESCRIPTION OF ITEM**

Resolution to establish Michigan Class (MI Class) as an approved depository for investment funds.

**IF ORDINANCE, CITE TITLE/CHAPTER SECTIONS**

**POLICY CONSIDERATION**

See attached resolution. The proposed resolution, will permit the City to invest the proceeds from the \$6,500,000 bond in a MI Class investment account. Earning from this investment are estimated to be \$48,730, which will be spent on bond projects.

**FINANCIAL IMPACT**

No Impact	<input checked="" type="checkbox"/>	Fee Waiver Proposed	<input type="checkbox"/>
Budgeted Fund Name(s)	<input type="checkbox"/>	Department Name	<input type="checkbox"/>
Appropriated in Acct. No.	<input type="checkbox"/>	Budget Amount	<input type="checkbox"/>
Amount Available in Acct.	<input type="checkbox"/>		<input type="checkbox"/>
Second Account Number	<input type="checkbox"/>	Budget Amount	<input type="checkbox"/>
Amount Available in 2 <sup>nd</sup> Acct.	<input type="checkbox"/>	Revenue Generated	<input type="checkbox"/>
Other Comments	<input type="text"/>		

**REVIEW CHECKLIST**

DEPARTMENT Linda A. Kunath, Finance Director/Treasurer DATE 05/12/2022

DEPARTMENT  DATE

CITY MANAGER Melissa R. Marsh, City Manager DATE



**EXHIBIT D**  
**AUTHORIZING RESOLUTION**

WHEREAS, City of Madison Heights (the "City") desire to enter into or have entered into an interlocal agreement substantially in the form attached hereto as Exhibit B (the "Participation Agreement") for the purpose of exercising jointly the power each Public Agency has to invest its surplus funds; and

WHEREAS, the City is a Public Agency under the Participation Agreement and is authorized by Michigan law to invest its funds in certain investments (the "Permitted Investments"); and

WHEREAS, Act 7 of the Public Acts of the Extra Session of 1967, as amended, (the Urban Cooperation Act of 1967) authorizes the City to contract in the form of an interlocal agreement to provide for the manner of investment of surplus funds or proceeds of grants, gifts, or bequests to the parties to the interlocal agreement under the control of a legal or administrative entity created by that interlocal agreement.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The Governing Body adopts the Participation Agreement substantially in the form of Exhibit B which is incorporated in the Resolution by reference thereto and agrees to join with other City to become a Participant under the terms of the Participation Agreement and to accept additional City as new Participants without subsequent action.

2. The Governing Body agrees to and concurs in the appointment of those Trustees either being appointed, to be appointed or currently serving as members of the Board of Trustees created under the Participation Agreement and recognizes those Trustees and their successors as the appointees of the Public Agency.

3. The Governing Body acknowledges and confirms the representation, warranties and covenants provided in the Participation Agreement to the Investment Advisor and Custodian under Participation Agreement, upon which they may respectively rely.

4. The Governing Body hereby authorizes Linda A. Kunath or Melissa R. Marsh (the "Authorized Officer"), to take the following actions with regard to the participation of the Public Agency in the Participation Agreement:

a. Deliver a certified copy of this Resolution to Investment Advisor under the Participation Agreement.



b. Execute and deliver all notices, directions and instructions required or permitted by the Participation Agreement from the Public Agency or Participant.

c. Make contributions to the Investment Property as provided in the Participation Agreement and select all or part of the Surplus Funds (as defined in the Participation Agreement) to be contributed to the Investment Property.

d. Consent to an amendment to the Participation Agreement on behalf of the Public Agency if such amendment is not materially adverse to the interest of the Public Agency, is necessary to conform to the Participation agreement with law, or is a technical change necessary to facilitate the intent of the Participation Agreement.

5. The Participant understands and agrees that it shall not amend or repeal this Resolution except to the extent necessary to alter the limitations imposed on the Authorized Officer, to change Authorized Officers, or to withdraw from the Participation Agreement.

6. All resolutions and parts of resolution in conflict with this Resolution shall be, and hereby are, amended or repealed to the extent of such conflict.

RESOLUTION DECLARED ADOPTED

---

(Clerk or Secretary)

## Certificate of Delivery and Resolution

The attached Authorizing Resolution which has been duly adopted by City of Madison Heights (entity name) and certified by the Clerk thereto is hereby delivered to Public Trust Advisors, LLC (the Investment Advisor) to effectuate participation (in what is commonly known Michigan CLASS) in the Participant Agreement dated December 31, 2011, as amended.

\_\_\_\_\_  
Authorized Signer's Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title



Dated as of October 1, 1991 by and among

The Michigan Public Agencies that have entered into this Agreement for the purpose of combining funds available for investment and appointing an Investment Advisor

(Restated with Amendments through November 1, 2021)

This Participation Agreement dated as of October 1, 1991 (the Participant Agreement) constitutes an interlocal agreement creating a legal entity pursuant to Section 5 of Act 7 of the Public Acts of the Extra Session of 1967, as amended (the Urban Cooperation Act of 1967), entered into by and among the Michigan Public Agencies that have adopted an Authorizing Resolution substantially in the form of this Participation Agreement for the purpose of exercising jointly each participating Public Agency's independent power to invest Surplus Funds.

WHEREAS, Section 28 of Article 7 of the Michigan Constitution of 1963 provides, among other things, that the Legislature of the State of Michigan shall "authorize two or more counties, townships, cities, villages or districts, or any combination thereof to enter into contractual undertakings or agreements with one another...for the joint administration of any of the functions or powers which each would have the power to perform separately" and "to share the costs and responsibilities of such functions and services with one another"; and

WHEREAS, pursuant to the Urban Cooperation Act of 1967 a Public Agency is authorized to exercise jointly with any other public agency of the State any power, privilege, or authority that such agencies share in common and that each might exercise separately; and

WHEREAS, each Public Agency is permitted pursuant to the provisions of the Michigan laws to invest certain of its Surplus Funds in statutory Permitted Investments; and

WHEREAS, each Public Agency will receive a substantial benefit by agreeing to invest such funds in concert with the other Participants because of economies of scale; and

WHEREAS, it will increase the efficiency of such investment if the Surplus Funds are invested through one entity, the Custodian; and

WHEREAS, it will increase the efficiency of the investment if the record keeping and other administrative functions are performed by one entity, the Investment Advisor, and if the investment instructions of the Participants are transmitted through one entity, the Investment Advisor, to the Custodian; and

WHEREAS, the governing body of each Public Agency desiring to become a Participant has adopted an Authorizing Resolution in the form attached hereto as Exhibit D, authorizing the responsible officer of the Public Agency to invest the Surplus Funds of the Public Agency pursuant to this Participant Agreement; and

NOW, THEREFORE, in consideration of the premises and the representations, warranties, covenants, and agreements contained herein, the Public Agency hereby adopts the following Participation Agreement and agrees to be bound by its terms:

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**ARTICLE I**  
**DEFINITIONS**

**Account** is defined as any account opened and maintained pursuant to Section 7.3(a) by the Custodian for the benefit of the Participants and to which the Investment Property of the Participants is credited and opened.

**ACH** is the Automated Clearing House.

**Act** refers to the Urban Cooperation Act of 1967, Act No. 7 of the Public Acts of the Extra Session of 1967, as amended, being Sections 124.501 to 124.512 of the Michigan Compiled Laws, or any successor act.

**Additional Fund** shall have the meaning ascribed to it in Section 3 hereof.

**Affiliate** refers to any Person, another Person directly or indirectly in control of, controlled by, or under common control with such Person, or any officer, director, partner, or employee of such Persons.

**Authorized Officer** is the person authorized by a Participant in an Authorizing Resolution authorized to act on behalf of the Participant.

**Authorizing Resolution** is a resolution of a Public Agency authorizing the Public Agency to become a Participant, samples of which are attached hereto as Exhibit D-1 and D-2 (the Sample Authorizing Resolution).

**Balance** for each Participant means the Investment Property Value of a Participant's account on any given day.

**Board** refers to the Board of Trustees created by Article IV.

**Business Day** is a day on which banks are not required or authorized by law to close in the State and on which the Investment Advisor or Custodian is not closed.

**Conflicting Provisions** shall have the meaning set forth in Section 12.3 hereof.

**Contribution Procedures** are the procedures for making contributions to the Investment Property set forth in Exhibit A.

**Custodian** is the Person appointed and under the direction of the Investment Advisor pursuant to Article VII.

**Custodian Agreement** is the agreement entered into by and between the Investment Advisor and Custodian.

**Fund** means any of the funds established by the Investment Advisor pursuant to Section 6.3 hereof.

**Investment Advisor** is any Person appointed, employed, or contracted with by the Board to manage the Investment Property.

**Investment Advisor Agreement** is the agreement entered into between the Investment Advisor and the Board.

**Investment Advisor Liabilities** are any liabilities for the Investment Advisor under Section 11.1 for which indemnification is not provided by Section 11.3.

**Investment Authority Acts** refer to Act No. 20 of 1943, as amended, being Sections 129.91 to 129.97a of the Michigan Compiled Laws; Act No. 451 of 1976, as amended, being Sections 380.1 to 380.1853 of the Michigan Compiled Laws; Act No. 331 of 1966, as amended, being Section 389.1 to 389.195 of the Michigan Compiled Laws; Act No. 94 of the Public Acts of 1933, as amended, being Sections 141.101 to 141.140 of the Michigan Compiled Laws; and any successor act thereto and any other act that authorizes the investment of Surplus Funds.

**Investment Criteria** are the objectives and standards for Permitted Investments set forth in Exhibit E.

**Investment Funds** are immediately available Surplus Funds delivered by each Participant to the Custodian for investment pursuant to this Participation Agreement but only if (i) such Participant is authorized pursuant to the law of the State to invest such funds and (ii) the Participant has taken all actions necessary pursuant to the laws of the State to authorize the delivery and investment of such funds.

**Investment Property** refers to any and all property - real, personal, or otherwise tangible or intangible - that is transferred, conveyed or paid to an Account by any Participant pursuant to Section 3.6 hereof and all proceeds, income, profits, and gains therefrom that have not been distributed to the Participant pursuant to Section 3.7 hereof, used to discharge an Investment Property Liability or offset by losses and expenses.

**Investment Property Liability** is defined as any liability (whether known, unknown, actual, contingent, or otherwise) incurred in connection with the Investment Property pursuant to this Participation Agreement.

**Investment Property Value** means the value of the Investment Property net of the amount of the Investment Property Liabilities as determined pursuant to the Investment Advisor Agreement and the Valuation Procedures described in Exhibit C hereto.



**Michigan CLASS** is an investment program under the Act known as the Michigan Cooperative Liquid Assets Securities System, the separate legal and administrative entity created by this Participation Agreement.

**Participant** is a Public Agency that has entered into a Participation Agreement.

**Participant in Good Standing** is a Participant with greater than a Zero Balance.

**Participation Agreement** means this Participation Agreement dated as of October 1, 1991 by and among the Participants, as amended from time-to-time.

**Permitted Investments** are bonds, securities, and other obligations of the United States or any agency or instrumentality of the United States in which the principal and interest is fully guaranteed by the United States; securities issued or guaranteed by the Government National Mortgage Association; United States government or Federal agency obligation repurchase agreements that are secured by the transfer of title and custody of obligations to which the repurchase agreements relate that maintain the market value of those obligations during the life of the repurchase agreement at levels equal to or greater than the amounts advanced and for which an undivided interest in those obligations are pledged to the Participants or to the Custodian on behalf of the Participants; and any other investment permissible to all Participants individually under the Investment Authority Acts that the Board may authorize upon recommendation of the Investment Advisor.

**Person** refers to any municipal corporation, district, corporation, natural person, firm, joint venture, partnership, trust, company, corporation, unincorporated organization, group government, or any political subdivision, department, or agency of the government.

**Person in Good Standing** is an Authorized Officer of a Participant with greater than a Zero Balance who does not serve on the Board of any other investment program in the State substantially similar in form to Michigan CLASS.

**Prime Fund** shall have the meaning ascribed to it in Section 6.3 hereof.

**Public Agency** refers to a county, city, village, township, school district, authority, or any other political subdivision organized under the laws of the State and a public agency under the Act that at all times is:

- (a) a political subdivision of the State of Michigan or a public instrumentality of the State of Michigan within the meaning of Section 3(a)(2) of the Securities Act of 1933, as amended; and
- (b) a political subdivision of the State of Michigan or an agency, authority, or instrumentality of the State of Michigan or any of its political subdivisions within the meaning of Section 2(b) of the Investment Company Act of 1940, as amended.

**Record Date** is the date no more than 30 days prior to the date of any vote of the Participants, as fixed by the Investment Advisor.

**State** means the State of Michigan.

**Surplus Funds** refers to money that belongs to or is under the control of the Public Agency and is available for investment in Permitted Investments, not being required by law or agreement with bondholders to be segregated and invested in a specific manner.

**Trustee** refers to any member of the Board of Trustees created pursuant to Article IV.

**Valuation Procedures** are the procedures for determining the value of the Investment Property set forth in Exhibit C.

**Withdrawal Procedures** are the procedures for requesting payments out of the Investment Property set forth in Exhibit B.

**Zero Balance** means any Participant's Balance that is less than or equal to \$0.00.

**ARTICLE II**  
**ESTABLISHMENT**

2.1. Establishment, Purpose: Through the creation of the Board, the Participants hereby establish a separate legal and administrative entity organized and existing pursuant to the Act for the purpose of exercising jointly each participating Public Agency's independent power to invest Surplus Funds.

2.2. Name: The name of the entity created by this Participation Agreement shall be Michigan Cooperative Liquid Asset Securities System (Michigan CLASS), and the Board shall conduct the entity's activities, execute all documents, and sue and/or be sued under that name. The Board may use such other distinctions, including Michigan CLASS, and they may adopt such other name or names as they deem proper, and the entity may hold property and conduct its activities under such designations or names. The Board shall take such action as they, acting with the advice of counsel, shall deem necessary or appropriate to file or register such names in accordance with the laws of the State or the United States of America so as to protect and reserve the right of the entity in and to such names.

2.3 Participation Requirements, Changes of Incumbency:

(a) Only those Public Agencies that have adopted this Participation Agreement and have complied with its provisions may become Participants.

(b) Each Public Agency adopting and executing this Participation Agreement and otherwise complying with the provisions hereof shall become a Participant; however, only those Participants carrying greater than a Zero Balance are entitled to voting rights, as described in Section 3.4.

2.4. Location: Michigan CLASS shall maintain an office of record in the State and may maintain such other offices or places of business as the Board may from time-to-time determine. The office of record may be changed from time to time by resolution of the Board and notice of such change of the office of record shall be given to each Participant.

**ARTICLE III**  
**PARTICIPANTS**

3.1. **Method of Participation:** Any Public Agency that wishes to become a party to this Participation Agreement may do so by adopting an Authorizing Resolution, such as, for example, the Authorizing Resolution attached here to as Exhibit D, and, upon adoption, delivering a certified copy of the Authorizing Resolution to the Investment Advisor. A copy of this Participation Agreement shall be adopted through incorporation by reference into the Authorizing Resolution of the Public Agency. The Investment Advisor shall provide written notification to the Custodian and other Participants of the admission of a new Participant. Any Public Agency that becomes a Participant shall have the same rights and obligations hereunder as any other Participant.

3.2. **Exercise of Participants' Rights:** All rights of the Participants as set forth in this Participation Agreement shall be exercised by their respective Authorized Officer. Wherever in this Participation Agreement action is required by or allowed to a Participant, such action shall be taken by the Authorized Officer on behalf of the Participant. All notices required to be sent to Participants shall be sent to the Authorized Officer.

3.3. **Election of the Board of Trustees:** The Participants in Good Standing shall elect the members of the Board.

3.4. **Voting:**

(a) Subject to subsection (b) below, each Participant in Good Standing, through its Authorized Officer, shall be entitled to one vote as a matter of right with respect to the following matters:

- (i) Election of the Board;
- (ii) Amendment of the Participation Agreement;
- (iii) Termination of the Participation Agreement; and
- (iv) Reorganization of the Participation Agreement.

(b) Any Participant who has a Zero Balance as of any Record Date remains a Participant but has no voting rights as of such Record Date. A Participant shall regain voting rights upon a subsequent Record Date if on such subsequent Record Date, the Participant carries greater than a Zero Balance.

3.5. **Proxies:** An Authorized Officer may vote by proxy, provided that no proxy shall be voted unless it shall have been placed on file with the Secretary of Michigan CLASS or with such other Officer of Michigan CLASS as the Secretary may direct. All proxies shall be revocable at the option of the Authorized Officer at any time prior to the vote.

3.6. **Contributions:**

(a) After the Participation Agreement is effective and the Investment Advisor Agreement is entered into with the Investment Advisor, each Participant shall have the right from time-to-time to deliver Investment Funds to the Custodian for credit to such Participant's Balance. A Participant that wishes to make such a delivery shall notify the Investment Advisor and follow the

Contribution Procedures set forth in Exhibit A. Upon the receipt of a notice from a Participant, the Investment Advisor shall notify the Custodian, by written or electronic notification, of the notice and the amount to be invested by the Participant.

(b) The Balance of a Participant shall be increased upon the delivery of Investment Funds by an amount equal to the amount of such Investment Funds.

(c) Upon receipt of a Participant's Investment Funds, the Custodian shall deliver a confirmation to the Investment Advisor. The Investment Advisor shall note the increase in such Participant's Balance, shall retain a copy of the confirmation in its records, and shall deliver electronic confirmation of the delivery to the Participant.

(d) If the Investment Advisor has received notice that a Public Agency no longer qualifies as a Participant or that any funds delivered pursuant to Section 3.6 are not Investment Funds, the Investment Advisor shall request the Custodian to return to such Participant such funds, and such Participant shall bear all of the costs and liabilities associated with the delivery of such funds.

**3.7. Withdrawals:**

(a) Each Participant shall have the right from time-to-time to request, in accordance with the Withdrawal Procedures set forth in Exhibit B hereto, that the Investment Advisor notify the Custodian to pay to the Participant, or to its order, any amount (rounded to the nearest whole cent) that is less than or equal to its Balance at the time that payment is made pursuant to such request.

(b) Upon the receipt of any withdrawal request, the Investment Advisor shall notify the Custodian, by written or electronic notification, of the withdrawal request from the Participant, and the requested amount (rounded to the nearest whole cent) shall be paid by the Custodian to, or on behalf of, such Participant.

(c) Whenever any payment is made to, or to the order of, any Participant pursuant to Section 3.7(b) hereof, such Participant's Balance shall be reduced by the Investment Advisor by the amount of such payment.

(d) Subject to the terms and conditions of this Participation Agreement, the Custodian shall honor a Participant's request, upon notice from the Investment Advisor, to pay to a Participant any amount (rounded to the nearest whole cent) that is less than or equal to such Participant's Balance at the time payment is made.

(e) Each Participant agrees that, without prior notice, the right to withdrawals may be temporarily suspended or postponed for the whole or any part of any period (i) during which

trading in securities generally on the New York Stock Exchange or the American Stock Exchange or over-the-counter market shall have been suspended or minimum prices or maximum daily charges shall have been established on such exchange or market; (ii) a general banking moratorium shall have been declared by Federal or State authorities or; (iii) there shall have occurred any outbreak or material escalation of hostilities or other calamity or crisis, the effect of which on the financial markets of the United States is such as to make it impracticable (a) to dispose of the Investment Property because of the substantial losses that might be incurred or (b) to determine the Investment Property Value in accordance with the Valuation Procedures set forth in Exhibit C. The Investment Advisor shall determine on behalf of the board when an event occurs that, under this Section entitles the Custodian to temporarily suspend or postpone a Participant's right to withdrawals and shall immediately notify the Custodian and each Participant by telephone or electronic medium of such determination. Such a suspension or postponement shall not itself directly alter or affect a Participant's Balance. Such a suspension or postponement shall take effect at such time as is determined by the Investment Advisor and thereafter there shall be no right to request or receive payment until the first to occur of (a) in the case of (i) or (ii) above, the time at which the Investment Advisor declares the suspension or postponement at an end, that declaration shall occur on the first day of the period specified in the clause (i) or (ii) above shall have expired; and (b) in the case of (iii) above, the end of the first day on which the period specified in clause (iii) above is no longer continuing. Any Participant that requested a payment prior to any suspension or postponement of payment may withdraw its request at any time prior to the termination of the suspension or postponement.

**3.8. Receipt of Statements and Reports; Requests:**

(a) The Investment Advisor on behalf of the Board shall provide to each Participant a copy of any statements or reports prepared pursuant to the Investment Advisor Agreement and applicable to such Participant.

(b) In addition, each Participant may direct the Investment Advisor to provide a statement of the value of the Participant's Balance as of the date of the request. The Investment Advisor shall provide such statement.

(c) Each Participant may direct the Investment Advisor to maintain the records relating to such Participant in a manner that subdivides the Participant's Balance into subaccounts or other special accounts to accommodate the desire of such Participant to segregate a portion of its Investment Funds and Investment Property related to the Participant's Balance.

(d) No Participant shall be entitled to any reports or statements applicable solely to another Participant.

(e) The Board is entitled to any reports or statements applicable to any or all Participants as it shall request of the Investment Advisor and prepared pursuant to the Investment Advisor Agreement.

3.9. Termination of Participation:

(a) Any Participant may withdraw from this Participation Agreement at any time upon written notice to the Investment Advisor, who shall promptly notify the Custodian and the other Participants upon receipt of such notice of withdrawal. Upon its withdrawal from this Participation Agreement, a Participant shall cease to have any rights or obligations under this Participation Agreement except for any indemnification obligations set forth in Article XI arising on or before the date of withdrawal. A notice of withdrawal shall be deemed to constitute a request under the Payment Procedures that an amount equal to the requesting Participant's Balance as of the date of such notice be paid to such Participant. No withdrawal shall become effective until such Participant has a Zero Balance, and until such time, such Participant shall continue to possess all the rights, and to be subject to all the obligations, arising from this Participation Agreement.

(b) Any Participant that no longer qualifies as a Public Agency that breaches any material covenant contained in Article IX hereof or for which any of the representations contained in Article VIII hereof ceases to be true shall be deemed to have given a notice of withdrawal pursuant to Section 3.9(a) hereof immediately upon such disqualification, breach, or cessation but shall not be deemed to have requested the payment of its Balance unless, and until, it either makes an actual payment request or the Investment Advisor determines that such a disqualification, breach, or cessation has occurred.

## **ARTICLE IV**

### BOARD OF TRUSTEES

**4.1. Establishment of Board:** The management of Investment Property shall be under the direction of the Board of Trustees that is hereby created by this Participation Agreement as a separate entity.

**4.2 General Powers:** The Board shall serve as the fiduciary for the Participants and shall have exclusive and absolute control over the Investment Property to the same extent as if the Board were the sole owner of the Investment Property in its own right. All powers granted by this Participation Agreement to the Investment Advisor or Custodian shall also be considered powers of the Board that have been delegated for the term of the agreement with the Investment Advisor. The Board may perform such acts as they determine in their sole discretion as proper for conducting the business of the Board. The enumeration of any specific powers shall not be construed as limiting the powers of the Board. Such powers may be exercised with or without an order or other action by any court. In construing the provisions of this Participation Agreement, the presumption shall be in favor of a grant of power to the Board.

**4.3. Investment and Management; The Investment Program:** The Board shall have the power to subscribe for, invest in, reinvest in, purchase, or otherwise acquire, hold, pledge, sell, assign, transfer, exchange, distribute, or otherwise deal in or dispose of Permitted Investments pursuant to the Michigan CLASS Investment Policy attached hereto as Exhibit F-1. In accordance with Section 10.1(d) hereof, the Michigan CLASS Investment Policy may be amended upon providing Participants 30 days' notice of such amendment. In the exercise of its powers, the Board shall not be limited to Permitted Investments maturing before the possible termination of this Participation Agreement.

The general investment policy and objective of the Board shall be to provide to the Participants the preservation of capital and liquidity while providing a competitive investment yield by investing in Permitted Investments. The Board shall appoint an Investment Advisor and the Board is directed to enter into the Investment Advisor Agreement with the Investment Advisor consistent with the terms of this Participation Agreement. The Investment Advisor Agreement shall not be for a term greater than ten years but may be subject to renewal for successive terms. The Investment Advisor shall have the power to manage the Investment Property including the authority to exercise all powers vested by this Section with the Board other than the designation of additional investments as Permitted Investments.

**4.4. Title to Investments; Rights as Holders of Investment Property:** Legal title to all Investment Property shall be vested in the Board on behalf of the Participants and shall be held by and transferred to the Board except that the Board shall have full and complete power to cause legal title to any Investment Property to be held, if permitted by law, in the name of any other Person as nominee, on such term, in such manner and with such powers as the Board may determine, so long as in the judgment of the Board the interests of the Board and the Participants are adequately protected.

The Board shall have full and complete power to exercise all of the rights, powers, and privileges appertaining to the ownership of the Investment Property to the same extent that any

individual might and, without limiting the generality of the foregoing, to vote or give any consent, request, or notice or waive any notice either in person or by proxy or power of attorney with or without the power of substitution, to one or more persons, which proxies and powers of attorney may be for meeting or actions generally, or for any particular meeting or action, and may include the exercise of discretionary powers.

4.5. Payment of Expenses: The Board shall have full and complete power:

(a) to incur and pay any charges or expenses which in the opinion of the Board are necessary or incidental to or proper for carrying out any of the purposes of this Participation Agreement;

(b) to pay any taxes or assessments validly and lawfully imposed upon or against the Investment Property or the Board in connection with the Investment Property or upon or against the Investment Property or income or any part thereof;

(c) to reimburse others for payment of such expenses and taxes; and

(d) to pay appropriate compensation or fees from the Investment Property to a person with whom the Board has contracted or transacted business.

All payments or expenses incurred pursuant to this Section will be a liability payable solely from the Investment Property. The Trustees shall not be paid compensation for their services as Trustees hereunder.

4.6. Power to Contract, Appoint, Retain and Employ: The Board is responsible for the investments of Michigan CLASS consistent with the investment policy established in this Participation Agreement and for the general administration of the business and affairs of Michigan CLASS. Subject to the limitations expressed in Section 4.11 of this Participation Agreement, the Board shall have full and complete power to, and shall at all times, appoint, employ, retain, or contract with any person of suitable qualifications (including any corporation, partnership, trust, or other entity of which one or more of them may be an Affiliate) for the transaction of the affairs of the Board.

4.7. Insurance: The Board shall have full and complete power to purchase or to cause to be purchased and pay for, entirely out of Investment Property, insurance policies insuring Michigan CLASS, officers, employees, and agents of Michigan CLASS individually against all claims and liabilities of every nature arising by reason of holding or having held any such office or position or by reason of any action alleged to have been taken or omitted by Michigan CLASS or any such person, officer, employee, and agent including any action taken or omitted that may be determined to constitute negligence, whether or not Michigan CLASS would have the power to indemnify such person against such liability.

4.8. Borrowing and Indebtedness: The Board shall not borrow money or incur indebtedness whether or not the proceeds thereof are intended to be used to purchase Permitted Investments except as a temporary measure to facilitate the transfer of funds to the Participant that might otherwise require unscheduled dispositions of portfolio investments but only to the extent permitted by law.

4.9. Remedies: Notwithstanding any provision in this Participation Agreement, when the

Board deems that there is a significant risk that an obligor to Michigan CLASS may default or is in default under the terms of any obligation of Michigan CLASS, the Board shall have full and complete power to pursue any remedies permitted by law that, in their sole judgment, are in the interests of Michigan CLASS, and the Board shall have full and complete power to enter into any investment, commitment, or obligation of Michigan CLASS resulting from the pursuit of such remedies as are necessary or desirable to dispose of property acquired in the pursuit of such remedies.

4.10. Information Statement: The Board shall have full and complete power to prepare, publish, and distribute an Information Statement regarding Michigan CLASS and/or any of the Funds created hereunder and to amend or supplement the same from time to time.

4.11. Contracting with Affiliates: To the extent permitted by law, the Board may enter into transactions with any Affiliate of any of the Trustees or any Affiliate of the Investment Advisor if:

(a) each such transaction (or type of transaction) has, after disclosure of such affiliation, been approved or ratified by the affirmative vote of a majority of the Board including a majority of the Trustees who are not Affiliates of any person who is a party to the transaction with the Board, and

(b) such transaction (or type of transactions) is, in the opinion of the Board, on terms fair and reasonable to the Board and the Participants and at least as favorable to them as similar arrangements for comparable transactions with organizations unaffiliated with the Board or with the person who is a party to the transaction with the Board.

4.12. Further Powers: The Board shall have full and complete power to take all such actions, do all such matters and things, and execute all such instruments as they deem necessary, proper, or desirable in order to carry out, promote, or advance the interests and purposes of Michigan CLASS although such actions, matters, or things are not herein specifically mentioned. Any determination as to what is in the best interest of Michigan CLASS made by the Board in good faith shall be conclusive. In construing the provisions of this Participation Agreement, the presumption shall be in favor of a grant of power to the Board.

**ARTICLE V**  
**TRUSTEES**

**5.1. Number and Qualification:**

- (a) The Board shall have at least nine (9) but no more than thirteen (13) members.
- (b) The members of the Board shall be comprised of at least one (1) but not more than four (4) members from each of the following Participant categories:
  - (i) Counties;
  - (ii) Cities/Villages;
  - (iii) Townships;
  - (iv) School Districts (including intermediate school districts); and
  - (v) Other Public Agencies not listed above (including community colleges).

The Board shall be the sole judge of the election and qualification of its members.

- (c) Only a Person in Good Standing is eligible for election to the Board.

**5.2. Term of Office:** The term of office for a Trustee elected prior to 2022 shall be three years, and in accordance with the Election Policy approved by the Board and set forth in Exhibit G attached hereto, the term of office for all Trustees elected in 2022 and thereafter shall transition to four year terms, or until a successor has been appointed and qualified. Terms of office for all Trustees shall begin at the meeting of the Board following the election. Trustees may serve any number of successive terms. The term of Trustees shall be staggered such that the term of at least three Trustees shall expire in any year.

**5.3. Election of Trustees:**

(a) Participants in Good Standing shall elect Trustees by a majority vote of those voting Participants in accordance with Section 3.4. Prior to each vote, the Board shall prepare a ballot containing sufficient candidates to assure that at least one but no more than four Trustees from each Participant category listed in Section 5.1(b) above may be elected.

(b) Elections procedures shall be further set forth by the Election Policy approved by the Board and attached hereto as Exhibit G.

(c) After each election, each Participant shall by this Participation Agreement be considered to have appointed each person elected by such vote as their Trustee unless and until removed pursuant to Resignation according to Section 5.4 or Removal according to Section 5.5.

5.4. Resignation of Trustees: Any Trustee may resign without need for prior or subsequent accounting by notice in writing signed by the Trustee and delivered to the Board, and such resignation shall be effective upon such delivery or at a later date specified in the written notice.

5.5. Removal of Trustees: As provided in Section 7 of the Act, the governing body of each Participant may vote at will to remove one or more of the Trustees it appointed. A Trustee removed by a Participant will not be considered the appointee of that Participant but shall remain a member of the Board unless removed by a majority of the Participants. If a Participant elects to remove all of the Trustees it appointed, the Participant will be considered to have terminated its participation and withdrawn from this Participation Agreement. Any Trustee can be removed from the Board for all Participants for good cause by the action of at least two-thirds (2/3) of the remaining Trustees.

5.6. Vacancies: The term of office of a Trustee shall terminate and a vacancy shall occur in the event of the death, resignation, adjudicated incompetence, or other incapacity to perform the duties of the office, or removal by a majority of the Participants pursuant to Section 5.5 hereof, of a Trustee. In the case of a vacancy, the Board continuing in office shall, by majority vote, appoint another person as a replacement Trustee to serve until the expiration of the term for the office to which the replacement Trustee is appointed. The replacement Trustee shall be considered, unless removed pursuant to Section 5.5, the appointee of each Participant.

5.7. Meetings:

(a) The Annual meeting of the Board shall be the last meeting of the calendar year and shall be for the purpose of the election of officers, setting the calendar for regular meetings, and other organizational matters as provided in the Bylaws.

(b) Regular meetings of the Board shall be established annually in the method described in the Bylaws of the Board and may be held without call or notice at the time and place so established.

(c) Special meetings of the Board may be held from time to time upon the call of the Chairperson or any two Trustees in the manner described in the Bylaws of the Board.

(d) A quorum of the Board shall be a majority of all Trustees appointed and serving. Any action of the Board may be taken at a meeting by a simple majority vote of those Trustees present and voting, provided a quorum is present, unless a supermajority is required by another Section of this Participation Agreement or by law of the State.

(e) Meetings of the Board shall be subject to the Open Meetings Act (Act No. 267 of 1976, being Sections 15.261-15.275).

(f) With respect to any Affiliate of any Trustee, Trustees who are so affiliated within the meaning of Section 4.11 of this Participation Agreement or otherwise interested in any action to be taken must disclose such affiliation or interest. Such Trustees may be counted for quorum purposes, but such Trustees shall not be entitled to vote upon any matter related to the Affiliate or interest.

5.8. Bylaws: The Board shall adopt, and may, from time to time, amend or repeal Bylaws for the conduct of the business of the Board, and in such Bylaws, may among other things, define the duties of the respective officers, agents, employees, and representatives of the Board, and shall establish the

rules of calling of meetings and determination of regular and special meetings.

5.9. Officers. The Board shall annually elect a Chairperson and other officers having the responsibilities and powers described in the Bylaws.

**ARTICLE VI**  
**INVESTMENT ADVISOR**

**6.1. Appointment:**

(a) The Board shall appoint an Investment Advisor for the purpose of fulfilling the responsibilities provided the Investment Advisor under this Participation Agreement, and each Participant hereby delegates to the Board the authority to enter into an agreement with the Investment Advisor for a period not to exceed ten years and on the terms set forth in this Participation Agreement. Such Investment Advisor Agreement may be renewed for successive terms.

(b) The Investment Advisor shall be required pursuant to the Investment Advisor Agreement to accept such appointment and to agree to render the services and to assume the obligations set forth therein and in this Participation Agreement, for the compensation provided in the Investment Advisor Agreement.

**6.2. Duties and Obligations of the Investment Advisor:**

(a) The duties of the Investment Advisor shall be those set forth in the Investment Advisor Agreement. Such duties may be modified by the Board from time-to-time. The Board may authorize the Investment Advisor to effect purchases, sales, or exchanges of Investment Property on behalf of the Board or may authorize any officer, employee, agent, or member of the Board to affect such purchases, sales, or exchanges pursuant to recommendations of the Investment Advisor, all without further action by the Board. Any and all of such purchases, sales, and exchanges shall be deemed to be authorized by the Board. The Board has authorized the establishment of a primary fund for the investment of Surplus Funds of the Participants in Section 6.3 hereof and may direct the Investment Advisor to establish specially designated Funds with specific investment characteristics pursuant to Section 6.3 of this Participation Agreement; the establishment thereof shall not require any further action of the Board. After such direction, any such establishment of specially designated Funds shall be deemed authorized by the Board.

(b) The Participants and the Board delegate no discretion to the Investment Advisor hereunder to invest Investment Property in any but Permitted Investments and the Investment Advisor shall expressly refuse to accept any delegation of such discretion. Except as set forth herein and subject to law, the decision of how to invest or not to invest shall remain at all times under the control of the Board. The Investment Advisor is directed to cause Investment Property of each Participant to be invested in concert in Permitted Investments and consistent with the investment criteria set forth in Exhibit E, Exhibit F-1, or such other exhibits created pursuant to Section 6.3 hereof. The Investment Advisor shall have no additional discretion than that stated in this Participation Agreement in carrying out the directions set forth in this Section 6.2 or Section 6.3.

(c) The Investment Advisor shall at no time have custody of, or physical control over, any of the Investment Property. The Investment Advisor shall, upon approval of the Board, appoint a Custodian as defined in the Participation Agreement to receive, hold for reinvestment, and clear all Investment Property. The Investment Advisor shall not be liable for any act or omission of

the Custodian but shall be liable for the Investment Advisor's acts and omissions as provided herein. Each Participant and the Board direct the Custodian to act, and the Custodian shall agree to act in accordance with the instructions of the Investment Advisor.

(d) The types of Permitted Investments into which Investment Property shall be invested is determined by the Board pursuant to the Participation Agreement and, subject to Section 6.3 hereof, the Board delegates the selection of investments within those Permitted Investments to the Investment Advisor. All actions of the Investment Advisor in selecting investments that meet the investment parameters contained herein and in implementing the sale or purchase of securities are taken on behalf of the Board.

6.3. **Funds:** The Investment Advisor shall cause the Custodian to establish a primary fund (the "Prime Fund") for the investment of Surplus Funds of the Participants. The Prime Fund shall be invested in Permitted Investments pursuant to the criteria and policies contained in Exhibit E and Exhibit F-1 hereto. Notwithstanding anything in this Participation Agreement to the contrary, the Investment Advisor may, upon the direction of the Board, cause the Custodian to establish specially designated Funds, in addition to the Prime Fund, with specified investment characteristics that fully comply with the Investment Authority Acts (the "Additional Funds" and, together with the Prime Fund, the "Funds"). The Investment Advisor may cause the Custodian to establish each such Additional Fund once the Board or its designee has approved in writing the investment characteristics of such Additional Fund, which characteristics may include, without limitation, restrictions on amounts to be invested, holding periods prior to payments, or certain other conditions to be met for payments, such as possible payment penalties, special investment criteria or additional fees for administering such Additional Fund. If established, any such Additional Fund shall consist only of Permitted Investments, and the investment characteristics of each such Additional Fund shall be set forth in a separate investment policy made an exhibit to this Participation Agreement, which exhibit shall be titled "Exhibit F- " with the applicable number being inserted in the blank. The establishment of such Additional Fund and the incorporation of the associated investment policy as an Exhibit hereto shall not be deemed an amendment of this Participation Agreement. According to the contribution procedures set forth in Section 3.6 hereof, a Participant may direct the Investment Advisor to invest its surplus funds in any of the established Funds. The Investment Advisor shall cause each such Fund to maintain accounts and reports separate from any other Fund. The Investment Advisor shall cause to be maintained a separate rating on each such Fund. All provisions of this Participation Agreement and the Investment Advisor Agreement shall apply to any such Funds.

6.4 **Special Subaccounts:** Notwithstanding anything in this Participation Agreement to the contrary, the Investment Advisor from time-to-time may propose to the Participants that the Participants establish specially designated, individualized subaccounts within any Fund with investment, withdrawal, contribution, or other characteristics different, but no broader, than those set forth in this Participation Agreement. Such characteristics may include, without limitation, certain restrictions on amounts to be deposited, the types of Permitted Investments to be made, and additional administration fees. A Participant in its sole discretion may create such proposed special, individualized subaccounts within any Fund. Any special subaccount that is created pursuant to this Section 6.4 shall be subject to the terms and investment policies set forth in the proposal of the Investment Advisor until the terms governing such special subaccount are amended by the specific Participant having such subaccount. To amend such terms, the Participant must provide to the Investment Advisor a special investment policy governing such special subaccount. Such investment policy may not be broader than the Investment Policy of Prime Fund attached to this Participation Agreement as Exhibit F-1, or if a subaccount is created for an Additional Fund, such investment policy may not be broader than the investment policy outlined in the exhibit corresponding to such Additional Fund and in no case shall it be broader than the Investment Policy contained in Exhibit F-1 hereto. The establishment of such special subaccounts and the amendment of the investment policy for such subaccount shall not be deemed an amendment of the Participation Agreement. The Investment Advisor shall calculate the return realized by such special subaccounts separate and apart from the returns realized by other subaccounts maintained for other Participants.

6.5 Successor: In the event that, at any time, the position of Investment Advisor shall become vacant for any reason, the Board may appoint, employ, or contract with a successor.

6.6 Third Party Beneficiary: The Participants expressly agree that the Investment Advisor is a third party beneficiary of this Participation Agreement.

**ARTICLE VII**  
THE CUSTODIAN

**7.1. Appointment and Acceptance:**

(a) Subject to the approval of the Board, the Investment Advisor is directed to appoint and provide direction to the Custodian. The Custodian shall be required to accept the duties and obligations of the Custodian described in this Participation Agreement.

(b) The Investment Advisor may appoint, with the consent of the Custodian, or authorize the Custodian to utilize sub-custodians to serve as a Custodian in the performance of the obligations of the Custodian hereunder provided that (a) the use of such sub-custodians is permitted under the law of the State, (b) the use of such sub-custodians will not render the performance of any provision of this Participation Agreement by any of the parties hereto invalid, illegal, or not permitted under the laws of the State, (c) the Investment Advisor shall use its best efforts to ensure that the collective interests of the Participants in the Investment Property is clearly indicated on the records of any sub-custodian, (d) the Investment Advisor shall use its best efforts to ensure that the collective interests of the Participants in the Investment Property is not diminished or adversely affected because of the Custodian's use of a sub-custodian, and (e) the sub-custodian is a bank or trust company, savings, and loan association or credit union eligible to be a depositor of surplus funds of the State under Sections 3 and 6 of Act No. 105 of the Public Acts of 1855, as amended, being Sections 21.145 to 21.146 of the Michigan Compiled Laws. A sub-custodian does not include, and a Custodian may utilize, any Affiliate of the Custodian as a depository to hold or clear Investment Property or instruments evidencing Permitted Investments made with Investment Property in the name of any nominee of the Custodian on behalf of the Participants.

(c) The Custodian shall receive, hold for reinvestment, and clear all Investment Funds and Investment Property. The Custodian shall perform those functions with respect to Investment Funds and Investment Property as provided by this Participation Agreement and the Custodian Agreement.

(d) No Investment Funds or Investment Property received by the Custodian pursuant to this Participation Agreement shall be accounted for in any manner which might cause such Investment Funds or Investment Property to become assets or liabilities of the Custodian.

(e) With respect to school districts that are Participants, the Custodian and any sub-custodian utilized by the Custodian shall be considered, for purposes of Section 1223(2) of Act No. 451 of the Public Acts of 1976, as amended, being Section 380.1223 of the Michigan Compiled Laws, to be the depository of the funds of a school district from which a contribution under Section 3.6 was made and into which the instrument representing that contribution shall be deposited.

(f) The Custodian shall, within thirty (30) days of issuance, deliver a copy of its annual report to the Investment Advisor and the Board.

7.2. Resignation and Removal; Successors:

(a) The Custodian may resign upon the giving of at least ninety (90) days' prior written notice to the Investment Advisor.

(b) Subject to the approval of the Board, the Investment Advisor may remove the Custodian upon not more than sixty (60) days' prior written notice to the Custodian. Notwithstanding the foregoing, the removal of the Custodian shall not be deemed effective unless a successor shall have been chosen and accepted the position.

7.3. Powers:

(a) (i) The Custodian is authorized and directed to open and maintain, and the Custodian shall open and maintain, one Account for each Fund established by the Investment Advisor in the name of "(Name of Custodian) as Custodian for (Name of Fund) for the Benefit of the Participants who are parties to a Participation Agreement dated as of October 1, 1991, Restated with Amendments through November 1, 2021, and will accept for safekeeping and for credit to the Account, in accordance with the terms hereof, all Investment Funds delivered pursuant to Section 3.6 and Section 6.3 hereof, and the income or earnings derived therefrom, delivered to or collected by it for deposit in or otherwise held in the Account. The Custodian may accept funds hereunder and shall not be required to make an independent determination whether such funds are Investment Funds.

(ii) All securities and other non-cash Investment Property held in the Account shall be physically segregated from other securities and non-cash property in the possession of the Custodian and shall be identified as subject to this Participation Agreement.

(b) Only upon and in accordance with instructions of the Investment Advisor as provided herein shall the Custodian, for the account and risk of the Participants:

(i) receive and deliver Investment Funds and all other Investment Property;

(ii) exchange securities in temporary or bearer form for securities in definitive or registered form and surrender securities at maturity or earlier when advised for a call for redemption;

(iii) make, execute, acknowledge, and deliver as Custodian any and all documents or instruments (including but not limited to all declarations, affidavits, and certificates of ownership) that may be necessary or appropriate to carry out the powers granted herein;

(iv) make any payments incidental to or in connection with this Section 7.3(b);

(v) sell, exchange, or otherwise dispose of any and all Investment Property free and clear of any and all interests of any and all Participants, at public or private sale, with or without advertisement and execute and deliver any deed, power, assignment, bill of sale, or other instrument in connection therewith; and

(vi) exercise all other rights and powers and to take any action in carrying out the purposes of this Participation Agreement.

(c) (i) The Custodian shall collect the income on the Investment Property and distribute it in accordance with instructions of the Investment Advisor in accordance with Article III hereof;

(ii) the Custodian shall hold the Investment Property and all instruments evidencing Permitted Investments made with Investment Property (a) in its vaults physically segregated and held separate and apart from other property of the Custodian; (b) in its account at Depository Trust Company or other depository or clearing corporation in the name of the Custodian on behalf and for the benefit of the Participants; or (c) in a book entry account in the name of the Custodian on behalf and for the benefit of the Participants with the Federal Reserve Bank, in which case a separate accounting of the Investment Property shall be maintained by the Custodian at all times. The Investment Property and all instruments evidencing Permitted Investments made with Investment Property held by any such depository or clearing corporation or Federal Reserve Bank may be held in the name of their respective nominees, provide, however, that the custodial relationship and the interests of the Participants regarding such Investment Property and instruments shall be noted on the records of the Investment Advisor and the custodial relationship on behalf of the Participants shall be noted on the records of the Custodian;

(iii) with respect to enforcing rights in connection with the Investment Property, the Custodian shall have the power to act upon instruction of the Investment Advisor in order to prevent the loss or default upon Investment Property, including without limitation, the power to: (a) collect, sue for, receive, and receipt for all sums of money or other property due; (b) consent to extensions of the time for payment or to the renewal of any securities, investments, or obligations; (c) engage or intervene in, prosecute, defend, compromise, abandon, or adjust by arbitration or otherwise any actions, suits, proceedings, disputes, claims, demands, or things relating to the Investment Property; (d) foreclose any collateral, security, or instrument securing any investments, notes, bills, bonds, obligations, or contracts that are part of or relate to the Investment Property; (e) exercise any power of sale, and convey good title thereunder free of any and all interests of any and all Participants, and in connection with any such foreclosure or sale, purchase, or otherwise acquire title to any property; (f) be a party to the reorganization of any Person and transfer to the deposit with any corporation, committee, voting trustee, or other Person any securities, investments, or obligations of any Person that form a part of the Investment Property for the purpose of such reorganization or otherwise; (g) participate in any arrangement for enforcing or protecting the interests of the holders of such securities, investments, or obligations and to pay any assessment levied in connection with such reorganization or arrangement; (h) extend the time (with or without security) for the payment or delivery of any debts or property and to execute and enter into releases, agreements and other instruments; (i) pay or satisfy any debt or claims; and (j) file any financing statements concerning the Investment Property with the appropriate authorities to protect the Investment Property from any potential claim of any creditors of any of the Participants.

**7.4. Custodian Relationship; Records:**

(a) The Custodian shall hold the Investment Property for the collective benefit of each of the Participants. The Investment Property shall be the property of the Participants and shall not be or be deemed to be an asset or a liability of the Custodian.

(b) The Custodian acknowledges that the records concerning the Investment Property shall be maintained by the Investment Advisor and that such records shall conclusively determine the interests of each Participant in the Investment Property; the Custodian hereby agrees that such records are conclusively determinative of the interests of the Participants. The Investment Advisor shall cause such records to separately account for each Participant, and to show any deposits, earnings, withdrawals, or fees associated with the Participant. Notwithstanding the foregoing, the Custodian shall maintain its own internal records concerning the Account and the transactions contemplated by this Participation Agreement.

**7.5. Reliance on Instructions:**

(a) The Custodian shall accept and shall be fully protected if it relies upon the instructions actually received and given in writing or as otherwise provided by this Section by any authorized officer, employee, or agent of the Investment Advisor, and all authorizations shall remain in full force and effect until cancelled or superseded by subsequent instructions received by the appropriate account officer of the Custodian. The authorized officers, employees, or agents of the Investment Advisor shall be only such persons as are authorized by corporate resolution of the Investment Advisor duly certified in writing to the Custodian by the Investment Advisor's Secretary. The Custodian may rely on instructions received by generally accepted methods of transmission acceptable to the Custodian that the Custodian believes in good faith to have been given by an authorized person. The Custodian may also rely on instructions transmitted electronically through the Asset Management System ("AMS") or a customer data entry system or any similar electronic instruction system acceptable to the Custodian. The Custodian shall have no responsibility to assure that the instructions of the Investment Advisor either conform to the Participation Agreement or require actions to be taken which are authorized by law. The Custodian shall incur no liability as a result of any act or omission by the Custodian in accordance with instructions on which the Custodian is authorized to rely pursuant to the provisions of this Section 7.5.

(b) In the absence of bad faith or gross negligence on its part, the Custodian may conclusively rely, as to the truth and correctness of the statements expressed in notices, certificates, or documents submitted to it, and the Custodian need not investigate any fact or matter stated in any such notice, certificate, or document submitted to it or verify the accuracy of the contents thereof.

**7.6. Subrogation:** The Investment Advisor on behalf of the Board shall be entitled to be subrogated to the rights of the Custodian with respect to any claim against any other person or institution which the Custodian may have as a consequence of any loss or damage to the Investment Property. In such event, the Investment Advisor shall consult with the Custodian concerning selection of counsel and management of any litigation to recover for loss.

**7.7. Insurance:** The Custodian will maintain insurance coverage of the types and amounts reasonably appropriate based on the Investment Property Value of Michigan CLASS, as agreed to by

the Board, in accordance with the provisions set forth in Exhibit H.

7.8. **Setoff:** The Custodian shall have only the rights to setoff, recoupment, or similar rights against the Investment Property for any amounts owed to the Custodian pursuant to this Participation Agreement as expressly set forth in the Custodian Agreement. Any amendments or revisions to the provisions in the Custodian Agreement regarding setoff, recoupment or similar rights against the Investment Property shall be approved by the Board prior to such amendments or revisions taking effect.

**ARTICLE VIII**  
REPRESENTATIONS AND WARRANTIES

8.1. Representations and Warranties of Each Participant: Each Participant hereby represents and warrants that:

(a) the Participant has taken all necessary actions and has received all necessary approvals and consents in order to execute and deliver this Participation Agreement and to perform its obligations hereunder, including without limitation the appointment of the Investment Advisor; and

(b) the adoption and performance of the Participation Agreement does not violate the Participant's charter or organizational documents or any applicable general law or other local ordinance, rule or regulation; and

(c) the performance of this Participation Agreement has been duly authorized, and this Participation Agreement is the legal, valid, and binding obligation of the Participant, as of the date specified therein, are true and complete and contain no material misstatements of fact or omissions that render them misleading; and

(d) the certificates delivered hereafter by the Participant pursuant to this Participation Agreement, as of the date specified therein, are true and complete and contain no material misstatements of fact or omissions that render them misleading; and

(e) the adoption and performance of the Participation Agreement does not (i) conflict with or result in the breach or termination of, or (ii) otherwise give any other person the right to terminate, or (iii) constitute a default, event of default, or an event with notice or lapse of time, or both would constitute a default or an event of default under the terms of, any contract or permit to which the Participant is a party or by which the Participant or its properties are bound.

8.2. Representations and Warranties of the Investment Advisor: The Investment Advisor represents and warrants in the Investment Advisor Agreement that:

(a) the Investment Advisor is a duly organized and validly existing corporation, duly qualified to conduct business in the State; and

(b) the performance of its duties described under this Participation Agreement and the execution, performance, and delivery of the Investment Advisor Agreement have been duly authorized and are the legal, valid, and binding obligations of the Investment Advisor, enforceable against the Investment Advisor in accordance with their terms.

(c) it is a United States Securities and Exchange Commission registered investment advisor.

8.3. Representations and Warranties of the Custodian: The Custodian appointed by the Investment Advisor shall represent and warrant that:

(a) it is a duly organized and validly existing banking corporation, organized under the laws of the State and duly qualified to conduct business in the State; and

(b) the performance of this Participation Agreement has been duly authorized and is the legal, valid, and binding obligation of the Custodian, enforceable against it in accordance with its terms.

**ARTICLE IX**  
COVENANTS

9.1. Source of Contributions: Each Participant hereby covenants that it will deliver pursuant to Section 3.6 only Investment Funds that constitute Surplus Funds and are permitted to be invested pursuant to the laws of the State and any ordinance or local regulation applicable to such Participant and that it will perform all actions required by the laws of the State and any ordinance or local regulation application to such Participation to be done prior to such investment.

9.2. Truth of Representations and Warranties: Each party to this Participation Agreement hereby covenants that it shall withdraw from this Participation Agreement prior to the time any of the representations and warranties made by it in Article VIII hereof ceases to be true.

9.3. Compliance With Law: The parties agree that this Participation Agreement is intended to comply fully with all provisions of the Act.

**ARTICLE X**  
**AMENDMENT AND TERMINATION**

**10.1. Amendment.**

(a) This Participation Agreement may be amended from time-to-time. The Participation Agreement may be amended upon:

- (i) a two-thirds (2/3) majority approving vote of the appointed Trustees;
- (ii) following the approval of the Board, the simple majority approving vote of the Participants; and

(iii) following the approval of the Participants, the two-thirds (2/3) majority vote of those Trustees present at the meeting of the Board at which the amendment is being finally considered, reapproving the amendment.

(b) Notwithstanding the foregoing, the Board may from time-to-time, upon a two-thirds (2/3) vote of the Board and after 45 days prior written notice to the Participants, amend or alter the provisions of this Participation Agreement without the vote of the Participants that it deems in good faith to be necessary to conform this Participation Agreement to the requirements of applicable laws or regulations or any interpretation thereof by a court or other governmental agency of competent jurisdiction, but the Board shall not be liable for failing to do so. Notwithstanding the foregoing, no amendment may be made pursuant to this Section 10.1(b) that would substantively alter the rights of the Participants or liability of the Participants or Trustees.

(c) Any amendment executed pursuant to Section 10.1(a) or (b) hereof will be effective thirty (30) days after the last affirmative vote is obtained as required by Section 10.1(a) or (b) hereof. A certification signed by a two-thirds (2/3) majority of the Board setting forth an amendment and reciting that it was duly adopted or a copy of the Participation Agreement, as amended and executed by a two-thirds (2/3) majority of the Board, shall be conclusive evidence of such amendment.

(d) The amendment of any Exhibit to this Participation Agreement shall not be considered an amendment to the Participation Agreement and may be made by the Board to the extent consistent with the terms of the Participation Agreement. An amendment to an Exhibit pursuant to this Section 10.1(d) shall not be made effective until 30 days after each Participant has received notice of the amendment.

**10.2. Termination:**

(a) This Participation Agreement may be terminated at any time pursuant to the following procedures:

(i) a three-quarters (3/4) majority approving vote of the Trustees appointed and serving;

(ii) following the approval of the Board, the simple majority approving vote of the Participants; and

(iii) following the approval of the Participants, the three-quarters (3/4) majority vote of the Trustees appointed and serving, reapproving the termination.

(b) This Participation Agreement shall terminate automatically if:

(i) at any time after one year after the date of this Participation Agreement there are fewer than two Participants; or

(ii) the Board did not act to name a new Investment Advisor on or before the day that is immediately prior to the date on which the term of the Investment Advisor expires, or the resignation or withdrawal of the Investment Advisor would otherwise become effective.

(c) Upon the termination of this Participation Agreement pursuant to this Section 10.2:

(i) The Custodian and the Investment Advisor shall carry on no business in connection with the Investment Property except for the purpose of protecting the value of the Investment Property, satisfying the Investment Property Liabilities and winding up its affairs in connection with the Investment Property;

(ii) The Custodian and the Investment Advisor shall proceed to wind up their affairs in connection with the Investment Property and all of the powers and responsibilities of the Custodian and the Investment Advisor under this Participation Agreement shall continue until the affairs of the Custodian and the Investment Advisor in connection with the Investment Property shall have been wound up including but not limited to the power to collect amounts owed, sell, convey, assign, exchange, transfer, or otherwise dispose of all or any part of the remaining Investment Property to one or more persons at public or private sale for consideration which may consist in whole or in part of cash, securities, or other property of any kind, discharge or pay Investment Property Liabilities, and do all other acts appropriate to liquidate its affairs in connection with the Investment Property; provided, however, that any sale, conveyance, assignment, exchange, transfer, or other disposition of all or substantially all of the Investment Property shall require approval of the principal terms of the transaction and the nature and amount of the consideration by not less than the affirmative two-thirds (2/3) vote of the Board appointed and serving, and;

(iii) After paying or adequately providing for the payment of all Investment Property Liabilities, and upon receipt of such releases, indemnities, and refunding agreements as each of the Custodian and the Investment Advisor deem necessary for their protection, the

Investment Advisor shall direct the Custodian to distribute the remaining Investment Property, in cash or in kind or partly in each, among the Participants according to their respective proportionate Balances.

(d) Upon termination of this Participation Agreement and distribution to the Participants as herein provided, the Investment Advisor shall execute and lodge among the records maintained in connection with this Participation Agreement an instrument in writing setting forth the fact of such termination, and the Investment Advisor, the Custodian, and the Participants shall thereupon be discharged from all further liabilities and duties hereunder, and the rights and benefits of all Participants hereunder shall cease and be canceled and discharged; provided that Sections 12 of the Investment Advisor Agreement and Article XI hereof shall survive any termination of this Participation Agreement.

(e) If this Agreement is terminated pursuant to Section 10.2(b) (ii) hereof because of the expiration of the term of the Investment Advisor or resignation and/or withdrawal of the Investment Advisor, such expiration, resignation, and/or withdrawal shall be postponed until the instrument contemplated by Section 10.2(d) hereof has been executed and lodged among the records maintained in connection with this Participation Agreement.

**10.3. Power to Effect Reorganization:** If permitted by applicable law including without limitation the Act and the Investment Authority Acts, the Board, by vote or written approval of two-thirds (2/3) of the Board appointed and serving, may select or direct the organization of a corporation, association, trust, or other person with which Michigan CLASS may merge or that shall take over the Investment Property and carry on the affairs of Michigan CLASS, and after receiving the affirmative vote of not less than a majority of all of the Participants, and a second affirmative vote of not less than two-thirds (2/3) of the Board appointed and serving, the Board may effect such merger or may sell, convey, and transfer the Investment Property to any such corporation, association, trust, or other person in exchange for cash or shares or securities thereof or beneficial interests therein with the assumption by such transferee of the liabilities of Michigan CLASS; and thereupon the Board shall terminate Michigan CLASS and deliver such cash, shares, securities, or beneficial interests ratably among the Participants of Michigan CLASS in redemption of their investments.

**ARTICLE XI**  
**LIMITATION OF LIABILITY**

**11.1. Liability to Third Persons:**

(a) No member or representative of a Participant shall be subject to any personal liability whatsoever to any person in connection with the Investment Property or the acts, obligations, or affairs of the Board. No Trustee, officer, employee, or agent including the Investment Advisor and Custodian of the Board shall be subject to any personal liability whatsoever to any person in connection with the Investment Property or affairs of the Board other than liability arising from the bad faith, willful misfeasance, gross negligence, or reckless disregard of duty by such Trustee, officer, employee, or agent; and all persons shall look solely to the Investment Property for satisfaction of claims of any nature arising in connection with the affairs of the Board. No member or officer of a Participant, Trustee, officer, employee, or agent of the Board who is made a party to any suit or proceeding to enforce any such liability shall on account thereof be held to any personal liability.

(b) Claims of any nature arising in connection with the affairs of the Board from which a Trustee, officer, employee, or agent of the Board are protected by this Section shall include any claims sustained by reason of any act or omission (including but not limited to investment advice or the failure to give investment advice at any time).

(c) The Board shall indemnify and hold harmless each member or officer of a Participant from and against all claims and liabilities to which such member or officer of such Participant may become subject on behalf of the Participant by reason of being or having been a Participant and shall reimburse such Participant or its officer or member for all legal and other expenses of such Participant reasonably incurred in connection with any such claim or liability. The rights accruing to a Participant or its members or officers under this Section shall not exclude any other right to which such Participant or member or officer may be lawfully entitled, nor shall anything herein restrict the right of the Board to indemnify or reimburse in any appropriate situation even though not specifically provided herein.

**11.2. Liability of Trustees and Others:** No Trustee, officer, employee, or agent of the Board shall be liable to the Board or to any Participant, Trustee, officer, employee, or agent thereof for any damages caused by action or failure to act except for damages caused by bad faith, willful misfeasance, gross negligence, or reckless disregard of duties. Any agreements with the Investment Advisor or the Custodian shall provide for the personal liability of the Investment Advisor or the Custodian, as the case may be, for a willful or negligent failure to take reasonable measures to restrict investments of Investment Property to those permitted by law and this Participation Agreement. The provisions of this Section shall not limit the liability of any agent of the Board (including without limitation the Investment Advisor or the Custodian) with respect to breaches by it of a contract between the agent and the Board.

11.3. Indemnification:

(a) The Board shall indemnify to the extent permitted by law each of the Trustees, officers, employees, and agents including the Investment Advisor and Custodian against all liabilities and expenses (including without limitation amounts paid in satisfaction of judgments, in compromise, as fines and penalties, and as counsel fees) reasonably incurred in connection with the defense or disposition of any actual or threatened action, suit, or other proceeding, whether civil or criminal, while in office or thereafter by reason of being or having been such a Trustee, officer, employee, or agent except with respect to any matter as to which the Trustee, officer, employee, or agent shall have adjudicated to have acted in bad faith, willful misfeasance, gross negligence, or reckless disregard of their respective duties, or in the case of the Investment Advisor, in willful or negligent violation of the restrictions on investments of the Investment Property; provided, however, that so to any matter disposed of by a compromise payment by such person, pursuant to a consent decree or otherwise, no indemnification either for said payment or for any other expenses shall be provided unless the counsel approved by the Board agrees to the effect that if either the matter of willful misfeasance, gross negligence or reckless disregard of duty, or the matter of good faith and reasonable belief as to the best interests of the Board had been adjudicated, it would have adjudicated in favor of such person.

(b) The provisions of this Section shall not be construed to permit the indemnification of any agent Board with respect to any breach of a contract between the agent and the Board.

(c) The rights accruing to any person under these provisions shall not exclude any other right to which the person may be lawfully entitled; provided, however, that no person may satisfy any right of indemnity or reimbursement granted in this Article or to which the person may be otherwise entitled except out of the Investment Property, and no Participant shall be liable to any person with respect to any claim for indemnity or reimbursement of otherwise.

11.4. Reliance on Experts

(a) Each Trustee and each officer of the Board shall, in the performance of his or her duties, be fully and completely justified and protected with regard to any act or any failure to act resulting from reliance in good faith upon the books of account or other records of the Board, upon an opinion of counsel or upon reports made to the Board by any of its officers or employees or by the Investment Advisor, the Custodian, accountants, appraisers, or other experts selected with reasonable care by the Board or officers of the Board.

(b) Each Participant and the Board understands that in performing its services hereunder the Investment Advisor will rely on information provided by others and agree that the Investment Advisor is not responsible for the accuracy of such information.

11.5. Liability Insurance: The Board shall at all times, payable from the Investment Property, maintain insurance or cause insurance to be purchased for the protection of the Trustees, the Officers, employees, and agents thereof, if any, in such amounts as the Board in its discretion shall deem adequate to cover foreseeable tort and contract liability to the extent available at reasonable rates.

**ARTICLE XII**  
**MISCELLANEOUS**

12.1. **Governing Law**: This Participation Agreement is executed by the Participants and delivered in the State and with reference to the laws thereof, and the rights of all parties and the validity, construction, and effect of every provision hereof shall be subject to and construed according to the laws of the State.

12.2. **Counterparts**: This Participation Agreement may be executed in several counterparts, each of which when so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument that shall be sufficiently evidenced by any such original counterpart.

12.3. **Severability**: The provisions of this Participation Agreement are severable, and if any one or more of such provisions (the Conflicting Provisions) are in conflict with any applicable laws, the Conflicting Provisions shall be deemed never to have constituted a part of this Participation Agreement and this Participation Agreement may be amended pursuant to Section 9.1 hereof to remove the Conflicting Provisions; provided, however, that such conflict or amendment shall not affect or impair any of the remaining provisions of this Participation Agreement or render invalid or improper any action taken or omitted prior to the discovery or removal of the Conflicting Provisions.

12.4. **Gender; Section Headings and Table of Contents**:

(a) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa.

(b) Any headings preceding the texts of the several Articles and Sections of the Participation Agreement and any table of contents or marginal notes appended to copies hereof shall be solely for convenience of reference and shall neither constitute a part of this Participation Agreement nor affect its meaning, construction, or effect.

12.5. **No Assignment**: No party hereto may sell, assign, pledge, or otherwise transfer any of its rights, benefits, or interests under this Participation Agreement to any other Person and any purported sale, assignment, pledge, or other transfer shall be null and void.

12.6. **No Partnership**: Notwithstanding any provision hereof to the contrary, this Participation Agreement does not constitute an association of two or more Persons to carry on as co-owners a business for profit, and none of the parties intends this Participation Agreement to constitute a partnership or any other joint venture or association. Furthermore, none of the parties has any authority hereunder to personally bind or act as agent for another party in any manner whatsoever, except to the extent, if any, expressly provided elsewhere herein.

12.7. **Notice**: Unless otherwise specified in this Participation Agreement, all notices required to be sent under this Participation Agreement:

(a) shall be in writing addressed to the Authorized Officer if notice is to be given to a Participant; to the address identified in the Investment Advisor Agreement if to the Investment Advisor; and to the address identified in the Custodian Agreement if to the Custodian.

(b) shall be deemed to be sufficient if given by depositing the same in the United States mail, postage prepaid, addressed to the person entitled thereto at his address as it appears on the records maintained by the Investment Advisor; and

(c) shall be deemed to have been given on the day of such mailing.

12.8. Entire Agreement: This Participation Agreement shall constitute the entire agreement of the parties with respect to the subject matter and shall supersede all prior oral or written agreements in regard thereto.

12.9. Confidentiality:

(a) All information and recommendations furnished by the Investment Advisor to the Participants that is marked confidential or is a trade secret and all information and directions furnished by the Investment Advisor to the Custodian shall be regarded as confidential by each such Person to the extent permitted by law. The Investment Advisor and the Custodian shall regard as confidential all information concerning the Investment Property and the affairs of the Participants or the Board. Nothing in this paragraph shall prevent any party from divulging information to civil, criminal, bank, or securities regulatory authorities where such party may be exposed to civil or criminal proceedings or penalties for failure to comply.

(b) In the event that online terminals and similar electronic devices are used for communication from the Investment Advisor to the Custodian, the Investment Advisor agrees to safeguard and maintain the confidentiality of all passwords or numbers and to disclose them only to such of its employees and agents as reasonably require access to the information concerning the Investment Property. The Custodian agrees to safeguard and maintain the confidentiality of all passwords or numbers and to limit access to this information for the purpose of acting pursuant to this Participation Agreement. The Custodian may electronically record any instructions given by telephone, and any other telephone discussions with respect to the Account or transactions pursuant to this Participation Agreement.

(c) The Custodian may rely on the accuracy of all data received by it through electronic means and initiated by any person authorized by the investment advisor. Every person who uses the correct passwords to obtain information by electronic means or to make permissible transactions shall be presumed to have the Investment Advisor's authority unless the Investment Advisor can prove all of the following:

(i) a person using a correct password was not authorized to have access to this information if the Custodian has knowledge of such unauthorized use;

(ii) the person using the password obtained it through or as a result of the Custodian's gross negligent disclosure; and

(iii) the disclosure by the Custodian was not authorized by the Investment Advisor prior to its unauthorized use.

12.10. Disputes: In the event of any dispute between the parties, the parties agree to attempt to resolve the dispute through negotiation or a method of alternative dispute resolution. No litigation shall be commenced without a certification by an authorized officer, employee, or agent of any party that the dispute cannot be resolved by negotiation or alternative dispute resolution provided in writing at least ten days before commencing legal action.

12.11. Effective Date: This Participation Agreement shall be effective on the date two or more Public Agencies have executed this Participation Agreement, adopted an Authorizing Resolution, and delivered such documents pursuant to Section 3.1.

**EXHIBIT A**

**CONTRIBUTION PROCEDURES**

- 1) A Participant shall provide notification to the Investment Advisor via methods acceptable to the Investment Advisor indicating the amount to be invested, and if more than one Fund has been established by the Investment Advisor, into which Fund such amount shall be invested (there is no minimum investment). The Participant shall instruct its bank depository to wire or process through ACH Investment Funds to the corresponding Account at the Custodian.
- 2) Receipt of the Investment Advisor prior to the cut-off time established pursuant to the Michigan CLASS website, accessible at <http://www.michiganclass.org>, of notification of Investment Funds being deposited will cause the value of the Investment Funds to be credited and earn interest on the same Business Day.
- 3) Receipt by the Investment Advisor after the cut-off time established pursuant to the Michigan CLASS website, accessible at <http://www.michiganclass.org>, of notification of Investment Funds being deposited will cause the value of the Investment Funds to be credited and earn Interest on the next Business Day.
- 4) If Investment Funds for which notification of deposit has been given are not received (except if the Participant can show the contribution procedures have been followed) by the end of the Business Day on which such notification is given, the Investment Advisor shall deduct the value of such Investment Funds from the Participant's Balance if previously credited.

If the Participant fails to instruct its bank depository to wire or process through ACH Investment Funds before the cut-off time established pursuant to the Michigan CLASS website, accessible at <http://www.michiganclass.org>, on the day notice of the deposit is provided the Investment Advisor, the Participant's Balance shall be charged interest equal to any interest earned on such failed deposit for each day the Participant's Balance was credited with the deposit before the date the deposit was received. If the Participant can show the contribution procedures have been followed, and, notwithstanding, the Investment Funds are not received, then the Investment Advisor shall seek to obtain such Investment Funds from the party responsible for failure of delivery.

- 5) Participants are prohibited from withdrawing Investment Funds credited to their Balance pursuant to (2) or (3) above until such Investment Funds are received by the Custodian.

**EXHIBIT B****WITHDRAWAL PROCEDURES**

The following payment procedures below apply to the Michigan CLASS Prime Fund. In the event the Board elects to introduce a Fund or subaccount pursuant to this Agreement which does not provide for same-day liquidity, such disclosures will be provided to Participants within the separate Information Statement.

- 1) The Participant shall provide notification to the Investment Advisor via methods acceptable to the Investment Advisor indicating the amount to be withdrawn, and if more than one Fund has been established, from which Fund such amount shall be withdrawn.
- 2) The Participant shall indicate the payee and include wire or ACH instructions.
- 3) Requests for withdrawals received by the Investment Advisor by the cut-off time established pursuant to the Michigan CLASS website, accessible at <http://www.michiganclass.org>, will be processed to permit payment on the Business Day.
- 4) Requests for withdrawals received by the Investment Advisor after the cut-off time established pursuant to the Michigan CLASS website, accessible at <http://www.michiganclass.org>, will be processed the following Business Day.
- 5) Participants may only request withdrawals of an amount not to exceed their Balance at the time payment is made pursuant to such request.
- 6) Requests for withdrawals received in accordance with (3) above by the Investment Advisor shall be wired or processed through ACH in accordance with the Participant's instructions after noon on such Business Day and the funds so wired or processed through ACH shall be immediately available funds.

**EXHIBIT C**

VALUATION PROCEDURES

Valuation of Investments:

At least daily, the Investment Property Value shall be determined on a mark-to-market basis as follows:

The Investment Advisor shall determine the market value of the specific investment holdings for the Michigan CLASS portfolio. The market values shall be obtained from one or more sources that the Program Administrator believes to be reliable for providing such information. A credible pricing source will be used by the Investment Advisor to price the underlying securities on a daily basis.

The market value of the collateral supporting repurchase agreements that are "delivery versus payment" shall be determined by the Michigan CLASS portfolio manager using the current bid price of the collateral securities obtained from Bloomberg L.P.

The market value of the collateral supporting tri-party repurchase agreements shall be determined by the tri-party custodian. The tri-party custodian shall forward a collateral report to the Michigan CLASS operations team every Business Day.

Accounting for Investments.

Security transactions are accounted for on the trade date. Realized gains and losses on sales of investments are calculated on an identified cost basis. Interest income, including any amortization of discount or premium, is recorded on an accrual basis.

**EXHIBIT D-1****SAMPLE AUTHORIZING RESOLUTION – PUBLIC AGENCY**

WHEREAS, certain public agencies, such as this public agency ("Public Agency" or collectively "Public Agencies"), desire to enter into or have entered into an interlocal agreement substantially in the form attached hereto (the "Participation Agreement") for the purpose of exercising jointly the power each Public Agency has to invest its surplus funds; and

WHEREAS, this Public Agency is a public agency as described under the Participation Agreement and is authorized by Michigan law to invest its funds in certain investments; and

WHEREAS, Act 20 of 1943, Section 129.91, as amended (Public Act 20), authorizes Public Agencies to invest surplus funds in certain permissible investments; and Section 1 (1h) of Public Act 20 permits public agencies to cooperatively invest public monies through an interlocal agreement, such as Michigan CLASS, under the Urban Cooperation Act of 1967.

WHEREAS, this Governing Body deems it advisable for this Public Agency to adopt and enter into the Participation Agreement and become a participant for the purpose of the joint investment of this Public Agency's money with those of other Public Agencies to enhance the investment earnings accruing to each Public Agency.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS;

- 1) This Governing Body adopts the Participation Agreement substantially in the form attached hereto, which is incorporated in this Resolution by reference thereto, and agrees to join with other Public Agencies to become a participant under the terms of the Participation Agreement and to accept additional Public Agencies as new participants without subsequent action.
- 2) This Governing Body agrees to and concurs in the appointment of those Trustees either being appointed, to be appointed, or currently serving as members of the Board of Trustees created under the Participation Agreement and recognizes those Trustees and their successors as the appointees of this Public Agency.
- 3) The Governing Body acknowledges and confirms the representation, warranties, and covenants provided in the Participation Agreement to the Investment Advisor and Custodian under the Participation Agreement upon which they may respectively rely.
- 4) The Governing Body hereby authorizes the authorized officer (the "Authorized Officer") to take such actions and execute any and all such documents as they may deem necessary and appropriate to effectuate the entry by this Public Agency into the Participation Agreement and the adoption thereof by this Public Agency.
- 5) This Governing Body understands and agrees that it shall not amend or repeal this Resolution except to the extent necessary to alter the limitations imposed on the Authorized Officer, to change Authorized Officers, or to withdraw from the Participation Agreement.
- 6) All resolutions and parts of resolutions in conflict with this Resolution shall be and hereby are amended or repealed to the extent of such conflict.

RESOLUTION DECLARED ADOPTED

Clerk \_\_\_\_\_

D-1

**EXHIBIT D-2****SAMPLE AUTHORIZING RESOLUTION – PUBLIC SCHOOL**

WHEREAS, certain school districts, intermediate school districts, and other public agencies including this public school district ("Public School District" or collectively "Public Agencies") desire to enter into or have entered into an interlocal agreement substantially in the form attached hereto (the "Participation Agreement") for the purpose of exercising jointly the power each Public Agency has to invest its surplus funds; and

WHEREAS, this Public School District is a public agency as described under the Participation Agreement and is authorized by Michigan law to invest its funds in certain investments; and

WHEREAS, Act 451 of the Revised School Code Act of 1976, as amended, authorizes public school districts to invest in certain investments and; Act 451 of the Revised School Code Act of 1976 is incorporated within the Michigan CLASS Participation Agreement.

WHEREAS, Act 7 of the Public Acts of the Extra Session of 1967, as amended, authorizes Public Agencies, including public school districts, to contract in the form of an interlocal agreement to provide for the manner of investment of surplus funds or proceeds of grants, gifts, or bequests to the parties to the interlocal agreement under the control of a legal or administrative entity created by that interlocal agreement; and

WHEREAS, this Board deems it advisable for this Public School District to adopt and enter into the Participation Agreement and become a participant for the purpose of the joint investment of this Public School District's money with those of other Public Agencies to enhance the investment earnings accruing to each Public Agency.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS;

- 1) This Board adopts the Participation Agreement substantially in the form attached hereto, which is incorporated in this Resolution by reference thereto, and agrees to join with other Public Agencies to become a participant under the terms of the Participation Agreement and to accept additional Public Agencies as new participants without subsequent action.
- 2) This Board agrees to and concurs in the appointment of those Trustees either being appointed, to be appointed, or currently serving as members of the Board of Trustees created under the Participation Agreement and recognizes those Trustees and their successors as the appointees of this Public School District.
- 3) This Board acknowledges and confirms the representation, warranties, and covenants provided in the Participation Agreement to the Investment Advisor and Custodian under the Participation Agreement upon which they may respectively rely.
- 4) This Board hereby authorizes the authorized officer (the "Authorized Officer") to take such actions and execute any and all such documents as they may deem necessary and appropriate to effectuate the entry by this Public School District into the Participation Agreement and the adoption thereof by this Public School District.
- 5) This Board understands and agrees that it shall not amend or repeal this Resolution except to the extent necessary to alter the limitations imposed on the Authorized Officer, to change Authorized Officers, or to withdraw from the Participation Agreement.
- 6) All resolutions and parts of resolutions in conflict with this Resolution shall be, and hereby are, amended or repealed to the extent of such conflict.

RESOLUTION DECLARED ADOPTED

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Secretary

**EXHIBIT E****INVESTMENT CRITERIA**

The Investment Criteria below apply to the Michigan CLASS Prime Fund. In the event the Board elects to introduce a Fund or subaccount pursuant to this Agreement which has characteristics or objectives different than the Prime Fund, such as a Fund which does not provide same-day liquidity or which does not maintain a stable asset value, such disclosures will be provided to Participants within the separate Information Statement and Investment Policy for such Fund or subaccount. Notwithstanding anything herein to the contrary, however, the Permitted Investments for any such Fund or subaccount shall consist only of those investments permissible to all Participants under the Investment Authority Acts.

**1. General Objectives**

- (a) Legality: invest only in investments legally permissible to all Participants individually.
- (b) Safety: minimize risk by managing portfolio investments so as to preserve principal and maintain a stable asset value.
- (c) Liquidity: manage portfolio investments to ensure that cash will be available as required to finance Participants' operations.
- (d) Yield: maximize current income to the degree consistent with legality, safety and liquidity.

**2. Permitted Investments**

The Investment Advisor is hereby authorized by the Board to invest the Investment Property in any investment permissible to all Participants individually under the Investment Authority Acts provided that such investment is consistent with the general objectives set forth above and with any specific requirements for a particular investment that may be set forth in the definition of Permitted Investments.

**EXHIBIT F-1****INVESTMENT POLICY****Michigan CLASS  
Investment Policy****1.0 PURPOSE:**

Michigan CLASS is an interlocal investment program created by an interlocal agreement of various Michigan public agencies of government dated as of October 1, 1991, restated and with amendments through November 1, 2021 (the "Participation Agreement") for the purpose of jointly investing surplus funds of the participant public agencies of government. Pursuant to the Participation Agreement and as authorized by the Urban Cooperation Act of 1967, 1967(Ex Sess) PA 7, a Board of Trustees was created to hold title to investments on behalf of each Participant. Capitalized terms used in this policy shall have the meaning ascribed to them in the Participation Agreement.

**2.0 SCOPE AND OBJECTIVE:**

It is the obligation of Michigan CLASS to cause funds of its participants to be invested in a manner which complies with the Investment criteria contained in the Participation Agreement. Those investment criteria apply to all assets considered Investment Property under the Participation Agreement and specify the objectives of the program related to safety, liquidity, and yield (return on investment).

The investments will be diversified by security type and institution in an effort to minimize risk and exposure. Concentration of investments will depend on market conditions, availability in terms of desired maturities, collateral, creditworthiness, and market yields among other things.

**3.0 DELEGATION OF AUTHORITY**

The authority of the Board to manage the Investment Property is derived from the Participation Agreement approved by each Participant pursuant to the Urban Cooperation Act of 1967, 1967(Ex Sess) PA 7. Pursuant to the Participation Agreement and the Investment Advisor Agreement, the Board and the Participants have appointed Public Trust Advisors, LLC as Investment Advisor for the term set forth in an Investment Advisor Agreement between Public Trust Advisors, LLC and the Board and have delegated the authority to manage the Investment Property in accordance with the terms of the Participant Agreement and the Investment Advisor Agreement.

**4.0 AUTHORIZED INSTRUMENTS:**

Consistent with the Investment Criteria contained in the Participation Agreement and attached thereto as Exhibit E, the board and the Investment Advisor are authorized to invest Investment Property in only the following:

- (a) US Treasury Bonds, Bills, Notes, and Treasury Strips,
- (b) Obligations of an agency or instrumentality of the United States.
- (c) Commercial paper rated at the time of purchase within the highest two classifications established by not less than two standard rating services (i.e., as of September 18, 2009, A- 1+ and A-1 by S&P Global Ratings Service, P-1 by Moody's Investors Service, or F1+ and F1 by Fitch, Inc.) and that matures not more than 270 days after the date of purchase.
- (d) Bankers' acceptances issued by FDIC member United States banks.
- (e) Repurchase agreements consisting of instruments listed in a subdivision (a or b)

## Michigan Cooperative Liquid Assets Securities System

Repurchase agreements shall be 102% collateralized with Public Securities Association (PSA) Master Repurchase agreement on file and or tri-party custody agreement on file.

- (f) Certificates of deposit of a financial institution eligible under law to be a depository of Participant public agencies of government so long as such articles of deposit are secured 102% at the value of each by eligible collateral listed on Schedule I for any amount of principal and accrued interest not insured by an agency of the United States.
- (g) In addition to the investments authorized in subsection (f), certificates of deposit issued in accordance with all of the following conditions:
  - a. The funds are initially invested through a financial institution that is not ineligible to be a depository of surplus funds belonging to the State of Michigan under section 6 of 1855 PA 105, MCL 21.146.
  - b. The financial institution arranges for the investment of the funds in certificates of deposit in 1 or more insured depository institutions, as defined in 12 USC 1813, or 1 or more insured credit unions, as defined in 12 USC 1752, for the account of Michigan CLASS.
  - c. The full amount of the principal and any accrued interest of each certificate of deposit is insured by an agency of the United States.
  - d. The financial institution acts as custodian for Michigan CLASS with respect to each certificate of deposit.
  - e. At the same time that the funds of Michigan CLASS are deposited and the certificate or certificates of deposit are issued, the financial institution receives an amount of deposits from customers of other insured depository institutions or insured credit unions equal to or greater than the amount of the funds initially invested by the Michigan CLASS through the financial institution.
- (h) In addition to the investments authorized in subsection (f), deposit accounts that meet all of the following conditions:
  - a. The funds are initially deposited in a financial institution that is not ineligible to be a depository of surplus funds belonging to the State of Michigan under section 6 of 1855 PA 105, MCL 21.146.
  - b. The financial institution arranges for the deposit of the funds in deposit accounts in 1 or more insured depository institutions, as defined in 12 USC 1813, or 1 or more insured credit unions, as defined in 12 USC 1752, for the account of Michigan CLASS.
  - c. The full amount of the principal and any accrued interest of each deposit account is insured by an agency of the United States.
  - d. The financial institution acts as custodian for Michigan CLASS with respect to each deposit account.
  - e. On the same date that the funds of Michigan CLASS are deposited, the financial institution receives an amount of deposits from customers of other insured depository institutions or insured credit unions equal to or greater than the amount of the funds initially deposited by Michigan CLASS in the financial institution.
- (i) Mutual funds registered under the investment company act of 1940 maintaining a \$1.00 per share net asset value and with authority to purchase investment vehicles that are legal for direct investment by all participant public agencies whose monies are invested in mutual funds that such participants acknowledge that the funds be placed in a special sub account created pursuant to the Participation Agreement, as amended.
- (j) Any other investment permissible to all Participants individually under Michigan law and authorized by the board.

**5.0 SAFEKEEPING AND CUSTODY:**

As provided by the Participation Agreement and the Investment Advisor Agreement, all security transactions including collateral for repurchase agreements and financial institution deposits entered into on behalf of Participants may be on a cash or delivery versus payment basis as determined by the Investment Advisor. Pursuant to the Participation Agreement and the Investment Advisor Agreement, the Investment Advisor has appointed a Custodian to receive, hold for reinvestment, and clear all Investment Funds and Investment Property, as a fiduciary, in accordance with the Participation Agreement.

**6.0 PRUDENCE:**

The standard of prudence to be used for managing the Investment Property is the prudent investor rule applicable to a fiduciary, which states that a prudent investor "shall exercise the judgment and care, under circumstances then prevailing, which men of prudence, discretion, and intelligence exercise in the management of the property of another, not in regard to speculation but in regard to the permanent disposition of funds, considering the probable income as well as the probable safety of their capital."

**7.0 ACKNOWLEDGEMENT:**

The Investment Advisor shall provide the broker or financial intermediary a copy of the Michigan CLASS Investment Policy and a form on which the broker or financial intermediary must acknowledge receipt of the Investment Policy and agree to comply with the said policy regarding the purchase and sale of securities.

**8.0 REPORTS:**

In accordance with the Investment Advisor Agreement, the Investment Advisor shall prepare or cause to be prepared a quarterly report and a written annual report including the opinion of an independent public accountant to the Board of Trustees of Michigan CLASS within ninety days after the close of the fiscal year.

**9.0 EFFECTIVE DATE:**

This policy shall become effective on the day following adoption by the Board of Trustees of the Participation Agreement (Michigan CLASS). Any amendment to this Investment Policy shall become effective thirty days (30 days) after each Participant has received notice of the amendment.

Adopted: December 12, 2008  
Last Amended: June 18, 2021

**EXHIBIT F-2****INVESTMENT POLICY****Michigan CLASS EDGE  
Investment Policy****1.0 PURPOSE:**

Michigan CLASS EDGE (EDGE) was organized in 2021 and was created pursuant to the Participation Agreement. As further described in the EDGE Information Statement, the EDGE portfolio is a professionally managed portfolio consisting of money market instruments and medium-term notes designed for the short to intermediate reserve and surplus funds of Michigan Public Agencies.

**2.0 SCOPE AND OBJECTIVE:**

It is the obligation of Michigan CLASS to cause funds of its participants to be invested in a manner which complies with the Investment criteria contained in the Participation Agreement. Those investment criteria apply to all assets considered investment property under the Participation Agreement and specify the objectives of the program related to safety, liquidity, and yield (return on investment).

The investments will be diversified by security type and institution in an effort to minimize risk and exposure. Concentration of investments will depend on market conditions, availability in terms of desired maturities, collateral, creditworthiness, and market yields among other things.

EDGE is designed to complement the Michigan CLASS daily liquidity fund for Michigan Public Agencies. The general objective of the EDGE is to seek to generate a high level of income for Participants while reserving capital by investing only in investments legally authorized by Michigan Compiled Laws. EDGE offers longer dated, fixed-income investments seeking to enhance returns while providing weekly liquidity to its participants.

**3.0 DELEGATION OF AUTHORITY**

The authority of the Board to manage the investment property is derived from the Participation Agreement approved by each Participant pursuant to the Urban Cooperation Act of 1967, 1967(Ex Sess) PA 7. Pursuant to the Participation Agreement and the Investment Advisor Agreement, the Board and the Participants have appointed Public Trust Advisors, LLC as Investment Advisor for the term set forth in an Investment Advisor Agreement between Public Trust Advisors, LLC and the Board and have delegated the authority to manage the investment property in accordance with the terms of the Participant Agreement and the Investment Advisor Agreement.

**4.0 AUTHORIZED INSTRUMENTS:**

Consistent with the investment criteria contained in the Participation Agreement, the Board and the Investment Advisor are authorized to invest investment property in only the following:

- (a) US Treasury Bonds, Bills, Notes, and Treasury Strips,
- (b) Obligations of an agency or instrumentality of the United States.
- (c) Commercial paper rated at the time of purchase within the highest two classifications established by not less than two standard rating services (i.e., as of September 18, 2009, A- 1+ and A-1 by S&P Global Ratings Service, P-1 by Moody's Investors Service, or F1+ and F1 by Fitch, Inc.) and that matures not more than 270 days after the date of purchase.
- (d) Bankers' acceptances issued by FDIC member United States banks.

- (e) Repurchase agreements consisting of instruments listed in a subdivision (a or b)  
Repurchase agreements shall be 102% collateralized with Public Securities Association (PSA) Master Repurchase agreement on file and or tri-party custody agreement on file.
- (f) Certificates of deposit of a financial institution eligible under law to be a depository of Participant public agencies of government so long as such articles of deposit are secured 102% at the value of each by eligible collateral listed on Schedule I for any amount of principal and accrued interest not insured by an agency of the United States.
- (g) In addition to the investments authorized in subsection (f), certificates of deposit issued in accordance with all of the following conditions:
  - a. The funds are initially invested through a financial institution that is not ineligible to be a depository of surplus funds belonging to the state of Michigan under section 6 of 1855 PA 105, MCL 21.146.
  - b. The financial institution arranges for the investment of the funds in certificates of deposit in 1 or more insured depository institutions, as defined in 12 USC 1813, or 1 or more insured credit unions, as defined in 12 USC 1752, for the account of Michigan CLASS EDGE.
  - c. The full amount of the principal and any accrued interest of each certificate of deposit is insured by an agency of the United States.
  - d. The financial institution acts as custodian for Michigan CLASS EDGE with respect to each certificate of deposit.
  - e. At the same time that the funds of Michigan CLASS EDGE are deposited and the certificate or certificates of deposit are issued, the financial institution receives an amount of deposits from customers of other insured depository institutions or insured credit unions equal to or greater than the amount of the funds initially invested by the Michigan CLASS EDGE through the financial institution.
- (h) In addition to the investments authorized in subsection (f), deposit accounts that meet all of the following conditions:
  - a. The funds are initially deposited in a financial institution that is not ineligible to be a depository of surplus funds belonging to the State of Michigan under section 6 of 1855 PA 105, MCL 21.146.
  - b. The financial institution arranges for the deposit of the funds in deposit accounts in 1 or more insured depository institutions, as defined in 12 USC 1813, or 1 or more insured credit unions, as defined in 12 USC 1752, for the account of Michigan CLASS EDGE.
  - c. The full amount of the principal and any accrued interest of each deposit account is insured by an agency of the United States.  
The financial institution acts as custodian for Michigan CLASS EDGE with respect to each deposit account.
  - d. On the same date that the funds of Michigan CLASS EDGE are deposited, the financial institution receives an amount of deposits from customers of other insured depository institutions or insured credit unions equal to or greater than the amount of the funds initially deposited by Michigan CLASS EDGE in the financial institution.
- (i) Mutual funds registered under the investment company act of 1940 maintaining a \$1.00 per share net asset value and with authority to purchase investment vehicles that are legal for

direct investment by all participant public agencies whose monies are invested in mutual funds that such participants acknowledge that the funds be placed in a special sub account created pursuant to the Participation Agreement, as amended.

(j) Any other investment permissible to all Participants individually under Michigan law and authorized by the board.

**5.0 SAFEKEEPING AND CUSTODY:**

As provided by the Participation Agreement and the Investment Advisor Agreement, all security transactions including collateral for repurchase agreements and financial institution deposits entered into on behalf of Participants may be on a cash or delivery versus payment basis as determined by the Investment Advisor. Pursuant to the Participation Agreement and the Investment Advisor Agreement, the Investment Advisor has appointed a Custodian to receive, hold for reinvestment, and clear all investment funds and investment property, as a fiduciary, in accordance with the Participation Agreement.

**6.0 PRUDENCE:**

The standard of prudence to be used for managing the investment property is the prudent investor rule applicable to a fiduciary, which states that a prudent investor "shall exercise the judgment and care, under circumstances then prevailing, which men of prudence, discretion, and intelligence exercise in the management of the property of another, not in regard to speculation but in regard to the permanent disposition of funds, considering the probable income as well as the probable safety of their capital."

**7.0 ACKNOWLEDGEMENT:**

The Investment Advisor shall provide the broker or financial intermediary a copy of the Michigan CLASS EDGE Investment Policy and a form on which the broker or financial intermediary must acknowledge receipt of the Investment Policy and agree to comply with the said policy regarding the purchase and sale of securities.

**8.0 REPORTS:**

In accordance with the Investment Advisor Agreement, the Investment Advisor shall prepare or cause to be prepared a quarterly report and a written annual report including the opinion of an independent public accountant to the Board of Trustees of Michigan CLASS EDGE within ninety days after the close of the fiscal year.

**9.0 EFFECTIVE DATE:**

This policy shall become effective on the day following adoption by the Board of Trustees of the Participation Agreement (Michigan CLASS EDGE). Any amendment to this Investment Policy shall become effective thirty days (30 days) after each Participant has received notice of the amendment.

Adopted: September 24, 2021

**SCHEDULE 1**  
ELIGIBLE COLLATERAL

1. Assets considered acceptable to the Michigan State Treasurer under Section 3 of the Surplus Funds in Treasury Act, 1855 PA 105 to secure deposits of State surplus funds.
2. Any of the following:
  - a. Securities issued by the Federal home loan mortgage corporation.
  - b. Securities issued by the Federal national mortgage association.
  - c. Securities issued by the government national mortgage association.
3. Other securities considered acceptable to the depositor of public funds and the financial institution.
4. Any other collateral permissible by Michigan law and authorized by the Board except that in no case shall an asset with a rating classification lower than A-1 by S&P Global Ratings Service, P-1 by Moody's Investors Service, or F1 by Fitch, Inc. be accepted as eligible collateral.

F-2-1

**EXHIBIT G**ELECTION POLICY

On an annual basis, the Michigan CLASS Board shall determine which of its members' terms are expiring and shall direct the Board's Nominating Committee to conduct the annual election to present the number of prospective Trustees to the number authorized by Section 5.1 of the Michigan CLASS Participation Agreement. The Nominating Committee shall annually prepare and present to the Board for approval an election schedule for the following dates:

- Nominations (date of opening and closing)
- Election (date of opening and closing)

The Nominating Committee shall cause a Notice of Nominations to be prepared and delivered to all Participants upon the opening of the Nominations period as specified in the election schedule. The Notice of Nominations shall also contain a copy of this Election Policy. The Nominating Committee shall review all prospective nominations and shall determine the qualifications of the nominees to assure that each candidate meets all qualifications required by the Michigan CLASS Participation Agreement and is fully aware of the responsibilities and duties of a Board of Trustee member. Nominations may only be made by active Participants in Good Standing and shall be returned to the Administrator or an office designated by the Nominating Committee. Prospective nominations must be submitted on the official nomination form that shall be approved by the Nominating Committee. All prospective nominations must be received by the Notice of Nominations closing date as specified in the election schedule. The Nominating Committee shall take whatever steps it deems necessary or appropriate to ensure that each of the following participant categories will be properly represented in the election including counties, cities/villages, townships, school districts, and other public agencies.

The Nominating Committee shall cause ballots to be prepared and to be made accessible to each eligible Participant on the election opening date as specified in the election schedule. Candidate ballot position shall be randomly determined.

The ballot shall include:

- a. Appropriate instructions with details regarding the number of candidates to be elected from each category of public agency.
- b. A biographical sketch of each candidate not to exceed 500 words.
- c. The entity the candidate represents and their corresponding public agency category.

All ballots counted shall be cast by the election closing date, as specified in the election schedule.

Following the completion of the election process, the Nominating Committee shall review the results of the Board election to ensure a fair and accurate vote and to resolve any issues relating to ties. If there are more candidates than available positions on the Board, those candidates receiving the highest number of votes will be declared elected except when such would result in the lack of a category representative required by Section 5.1 of the Participation Agreement. If the election outcome would result in any category not being represented by a Trustee, the candidate from each unrepresented category receiving the highest number of votes among the nominees from within each unrepresented category, if any, will be deemed elected regardless of the number of votes cast for any other candidate. The balance of the open positions, if any, will be filled by those candidates receiving the highest number of votes up to the maximum number of members per category according to 5.1(b) regardless of affiliation.

In the event of a tie, a majority vote of the Board shall serve as the tie-breaker. Should an active Trustee be a part of the tie, he or she must abstain from such vote.



At the first regularly scheduled Board meeting following the election, the Board shall review the election results and shall declare the appropriate candidates elected. If there remains any unrepresented category following any election, the Board shall appoint a representative for that category from among the Participants in the unrepresented category. The Board shall determine any challenge or other matter relating to the conduct of the election and the Board's decision shall be final.

### **Special Policies Regarding Transition to Four-Year Terms**

Beginning with the elections to be held in 2022, the terms for elected Trustees shall transition to four-year terms as follows:

Election Year 2022: there shall be four Trustee positions up for election, and the candidates receiving the three highest vote tallies shall be awarded four-year terms. The candidate receiving the fourth-highest vote tally shall be awarded a three-year term.

Election Year 2023: there shall be four Trustee positions up for election, and the candidates receiving the three highest vote tallies shall be awarded four-year terms. The candidate receiving the fourth-highest vote tally shall be awarded a two-year term.

Election Year 2024: there shall be five Trustee positions up for election, and the candidates receiving the four highest vote tallies shall be awarded a four-year term. The candidate receiving the fifth-highest vote tally shall be awarded a one-year term.

Election Year 2025: there shall be three Trustee positions up for election (comprised of the candidate receiving the lowest vote tallies from each of the 2022, 2023 and 2024 election cycles, each of which was awarded a shorter-than-four year term as set forth above), and the candidates receiving the three highest vote tallies shall each be awarded a four-year term.

Election Year 2026 and thereafter: all winning candidates shall be awarded four-year terms.

Nothing set forth in this "Special Policies Regarding Transition to Four-Year Terms" section of the Election Policy shall be interpreted as amending the requirement of Section 5.1 of the Participation Agreement or the previous sections of this Election Policy to maintain representation from each category of Participant. The procedures set forth above in "Election Policy" shall govern the instance in which the required category representation has not been achieved in the results of the election.

Approved June 18, 2021

**EXHIBIT H**

CUSTODIAN INSURANCE PROVISIONS

The Custodian will maintain insurance coverage of the types and amounts reasonably appropriate based on the Investment Property Value of Michigan CLASS, as agreed to by the Board, which shall be no less than the following:

Financial Institutions Bond: \$100,000,000 per occurrence and in the aggregate  
Professional Liability: \$75,000,000 per occurrence and in the aggregate

Approved June 18, 2021

**CITY OF MADISON HEIGHTS**  
**ELECTRONIC COUNCIL AGENDA REQUEST FORM**

SUBMITTED TO: Honorable Mayor and City Council

SUBMITTED BY: Melissa Marsh, City Manager DATE: 05/17/22

FOR CONSIDERATION AT THE COUNCIL MEETING OF: 05/23/22

**ACTION REQUESTED**

PRESENTATION	FUTURE PUBLIC HEARING
PUBLIC HEARING – SPECIAL APPROVAL	BID AWARDS / PURCHASES
PUBLIC HEARING – OTHER	ORDINANCE - FIRST
COMMUNICATION	ORDINANCE - SECOND
REPORT	OLD BUSINESS

**DESCRIPTION OF ITEM**

Pride Flag Resolution as requested by the HREC for City Council consideration.

**IF ORDINANCE, CITE TITLE/CHAPTER SECTIONS**

**POLICY CONSIDERATION**

See attached resolution.

**FINANCIAL IMPACT**

No Impact	<input checked="" type="checkbox"/>	Fee Waiver Proposed
Budgeted Fund Name(s)		Department Name
Appropriated in Acct. No.		Budget Amount
Amount Available in Acct.		
Second Account Number		Budget Amount
Amount Available in 2 <sup>nd</sup> Acct.		Revenue Generated
Other Comments		

**REVIEW CHECKLIST**

DEPARTMENT \_\_\_\_\_ DATE \_\_\_\_\_

DEPARTMENT \_\_\_\_\_ DATE \_\_\_\_\_

CITY MANAGER \_\_\_\_\_ Melissa R. Marsh, City Manager DATE 05/17/22

## A RESOLUTION OF THE CITY OF MADISON HEIGHTS PRIDE FLAG

On June 14, 2021, the City Council of the City of Madison Heights passed a resolution to display the United States flag, the State of Michigan flag, and the City of Madison Heights flag, on the flagpoles outside of the Madison Heights' City Hall building ("City Hall").

In addition to the above referenced flags, "other flags" may be displayed on a temporary basis, on a flagpole, outside of City Hall, upon the issuance of a resolution adopted by City Council, subject to the following: (a) The other flags may only be displayed for a period not to exceed thirty (30) days or one (1) month, whichever is longer; (b) the other flags shall constitute "government speech," only, for those causes, events, and celebrations that the City government supports and wishes to promote; and (c) nothing herein shall be considered or deemed to be a "limited public forum," allowing the public to use the City's flagpoles outside of City Hall for a cause, event or celebration that the City government does not support or wish to promote.

**NOW, THEREFORE BE IT RESOLVED** that the City of Madison Heights City Council determines:

1. The City of Madison Heights shall display the Pride flag from June 1, 2022, through and including June 30, 2022, on a flagpole outside of City Hall in recognition of Gay Pride month, and for the importance of recognizing our nation's diversity and the value of inclusivity for all. The City wants to send a message that we must not discriminate against people because of who they love, and we must not discriminate against people because of race, color, religion, national origin, gender (including pregnancy, gender identity, and sexual orientation), disability or genetics, including other such categories.

2. The Pride flag is authorized by City Council resolution, on a temporary basis, is considered "government speech," only, and is for a cause, event, and celebration that the City government supports and wishes to promote. Further, nothing herein shall be considered or deemed to be a "limited public forum," allowing the public to use the City's flagpoles outside of City Hall for a cause, event, or celebration that the City does not support or wish to promote.

3. This Resolution pertains to the flagpoles outside of City Hall, which are reserved for government speech, only; and nothing herein prohibits or prevents people and groups from meeting in city parks or on other city property and waiving or holding the flags of their choosing for the events, causes, and celebrations they support or wish to promote.

4. If any section or portion of this Resolution is determined to be invalid, unlawful, or unconstitutional, it shall not be held to impair the validity, force or effect of any other section or part of this Resolution. This Resolution shall become effective immediately upon passage.



Roslyn Grafstein

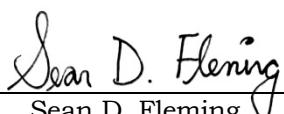
Mayor



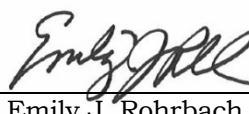
Toya D. Aaron  
Councilwoman



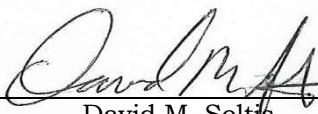
Mark A. Bliss  
Mayor Pro Tem



Sean D. Fleming  
Councilman



Emily J. Rohrbach  
Councilor



David M. Soltis  
Councilor



Quinn J. Wright  
Councilor

**CITY OF MADISON HEIGHTS**  
**ELECTRONIC COUNCIL AGENDA REQUEST FORM**

SUBMITTED TO: Honorable Mayor and City Council

SUBMITTED BY: Melissa Marsh, City Manager DATE: 05/17/22

FOR CONSIDERATION AT THE COUNCIL MEETING OF: 05/23/22

**ACTION REQUESTED**

PRESENTATION	FUTURE PUBLIC HEARING
PUBLIC HEARING – SPECIAL APPROVAL	BID AWARDS / PURCHASES
PUBLIC HEARING – OTHER	ORDINANCE - FIRST
COMMUNICATION	ORDINANCE - SECOND
REPORT	OLD BUSINESS

**DESCRIPTION OF ITEM**

Juneteenth Flag Resolution as requested by the HREC for City Council consideration.

**IF ORDINANCE, CITE TITLE/CHAPTER SECTIONS**

**POLICY CONSIDERATION**

See attached resolution.

**FINANCIAL IMPACT**

No Impact	✓	Fee Waiver Proposed
Budgeted Fund Name(s)		Department Name
Appropriated in Acct. No.		Budget Amount
Amount Available in Acct.		
Second Account Number		Budget Amount
Amount Available in 2 <sup>nd</sup> Acct.		Revenue Generated
Other Comments		

**REVIEW CHECKLIST**

DEPARTMENT \_\_\_\_\_ DATE \_\_\_\_\_

DEPARTMENT \_\_\_\_\_ DATE \_\_\_\_\_

CITY MANAGER \_\_\_\_\_ Melissa R. Marsh, City Manager DATE \_\_\_\_\_

05/17/22

## **A RESOLUTION OF THE CITY OF MADISON HEIGHTS** **JUNETEENTH FLAG**

On June 14, 2021, the City Council of the City of Madison Heights passed a resolution to display the United States flag, the State of Michigan flag, and the City of Madison Heights flag, on the flagpoles outside of the Madison Heights' City Hall building ("City Hall").

In addition to the above referenced flags, "other flags" may be displayed on a temporary basis, on a flagpole, outside of City Hall, upon the issuance of a resolution adopted by City Council, subject to the following: (a) The other flags may only be displayed for a period not to exceed thirty (30) days or one (1) month, whichever is longer; (b) the other flags shall constitute "government speech," only, for those causes, events, and celebrations that the City government supports and wishes to promote; and (c) nothing herein shall be considered or deemed to be a "limited public forum," allowing the public to use the City's flagpoles outside of City Hall for a cause, event, or celebration that the City government does not support or wish to promote.

**NOW, THEREFORE BE IT RESOLVED** that the City of Madison Heights City Council determines:

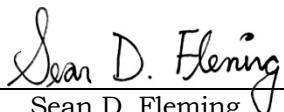
1. The City of Madison Heights shall display the Juneteenth flag from June 17, 2022, through and including June 20, 2022, on a flagpole outside of City Hall in recognition of the end of slavery and the step forward it represented on our continuing path to living out our nation's creed of freedom and equality for all. The City wants to send a message that we must not discriminate against people because of race, color, religion, national origin, gender (including pregnancy, gender identity, and sexual orientation), disability or genetics, including other such categories.
2. The Juneteenth flag is authorized by City Council resolution, on a temporary basis, is considered "government speech," only, and is for a cause, event, and celebration that the City government supports and wishes to promote. Further, nothing herein shall be considered or deemed to be a "limited public forum," allowing the public to use the City's flagpoles outside of City Hall for a cause, event, or celebration that the City does not support or wish to promote.
3. This Resolution pertains to the flagpoles outside of City Hall, which is reserved for government speech, only; and nothing herein prohibits or prevents people and groups from meeting in city parks or on other city property and waiving or holding the flags of their choosing for the events, causes, and celebrations they support or wish to promote.
4. If any section or portion of this Resolution is determined to be invalid, unlawful, or unconstitutional, it shall not be held to impair the validity, force or effect of any other section or part of this Resolution.



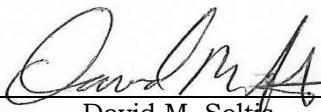
Roslyn Grafstein  
Mayor



Toya D. Aaron  
Councilwoman



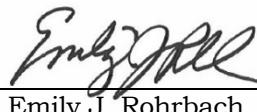
Sean D. Fleming  
Councilman



David M. Soltis  
Councilor



Mark A. Bliss  
Mayor Pro Tem



Emily J. Rohrbach  
Councilor



Quinn J. Wright  
Councilor





# MEMORANDUM

Date: May 11<sup>th</sup>, 2022  
 To: City of Madison Heights City Council  
 From: Matt Lonnerstater, AICP – City Planner  
 Subject: Second Reading – Zoning Text Amendment - Mobile Food Vendors (ZTA 22-01)

## Introduction

City staff proposes the attached text amendment to create standards for the operation of mobile food vehicles (a.k.a. food trucks) on private property within the City. The proposed amendment aims to promote small business growth within the City and simultaneously mitigate the negative impacts that mobile food vehicles may have on adjacent properties and businesses.

## Background

Recent economic and cultural trends show an increase in the popularity of food trucks and mobile vendors. Many cities promote mobile food vending as a means to increase activity in business districts, support start-up businesses, and increase food choices in a community. Unfortunately, Madison Heights' Code of Ordinances does not contain clear standards directly relating to the operation of mobile food vendors within the City. This, in turn, has resulted in confusion on the city administration side about how to permit food truck operation in the city, if at all. The lack of guidance has also resulted in frustration for food vendors looking to operate within Madison Heights.

City staff understands that a successful food truck community in Madison Heights can provide many of the aforementioned benefits. There is also an understanding that food trucks can present unique regulation challenges due to the need to protect nearby residences and brick and mortar businesses. As such, staff proposes the attached "mobile food vending" ordinance as a tool to provide a clear process for food truck operation within the city and regulate against some of the associated negative external impacts.

## Mobile Food Vending Ordinance – In a Nutshell

The proposed ordinance applies to food vending on private property within the city (excluding food vending that operates under a special event permit) and creates three distinct approval processes: **Mobile Food Site** approval (accessory use), **Mobile Food Court** approval (principal use), and **Mobile Food Vendor Certificate of Occupancy** approval. These processes are explained, below:

- 1) **Mobile Food Site Approval:** In order to accommodate/host a single food truck or mobile food vendor on their property as an accessory use, a private property owner must first apply to designate their site as a "mobile food site." Mobile food site approval essentially constitutes zoning verification that a property satisfies the minimum locational, buffering, and setback standards contained within the ordinance. The property owner must submit a site plan that confirms compliance with the following standards:

- **Zoning:** Property must be zoned O-1, B-1, B-2, B-3, M-1 or M-2 and located within the boundaries of the Downtown Development Authority (DDA) District.
- **Principal Use:** The property must contain an existing principal use/structure.
- **Brick and Mortar Separation:** The area designated for the mobile food vehicle must be set back a minimum of 100 feet from a property containing an existing brick and mortar restaurant (may obtain an exception if the brick and mortar owner(s) approves).
- **Residential Setback:** The area designated for the mobile food vehicle must be set back a minimum of 100 feet from a residentially-zoned property (may apply as a special use within 100 feet of a residential property).
- **Maximum Vehicles On-Site:** Only one (1) mobile food vehicle may operate at a mobile food site at a time.
- Additional site plan standards relating to paving, pedestrian and vehicular circulation, setbacks from permanent buildings, etc.

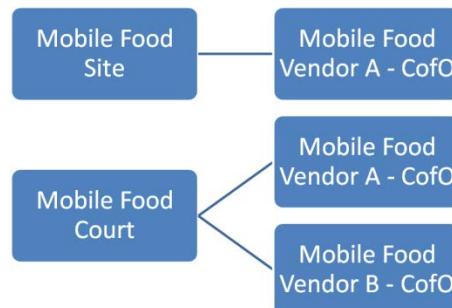
2) **Mobile Food Court Approval:** In order to accommodate multiple food trucks or mobile food vendors on their property as a principal use, a private property owner must apply to designate their site as a “mobile food court.” A mobile food court is deemed a principal use of a property and requires special use approval through City Council and site plan approval through the Site Plan Review Committee. The property owner must submit a site plan that confirms compliance with the following standards:

- **Zoning:** Property must be zoned O-1, B-1, B-2, B-3, M-1 or M-2 and located within the boundaries of the Downtown Development Authority (DDA) District.
- **Setbacks:** Permanent structures on site shall satisfy minimum setback, height, and lot coverage requirements of the zoning district.
- **Residential Setback:** Outdoor seating areas must be set back a minimum of 40 ft. from properties zoned residential.
- **Restrooms:** Permanent restroom facilities must be provided on-site.
- **Maximum Vehicles On-Site:** A maximum of eight (8) food truck pads may be accommodated.
- Additional site plan standards relating to parking, landscaping, noise levels, lighting, signage, and alcohol sales.

3) **Mobile Food Vendor Certificate of Occupancy:** Once a site has been approved as a mobile food site or mobile food court, a mobile food vendor can apply to operate from that location by submitting a mobile food vendor certificate of occupancy (C of O) application. Mobile food vendors may only operate from properties that have been approved as “mobile food sites” or “mobile food courts” as described above. The mobile food vendor needs a certificate of occupancy for each mobile food site or court in which they intend to operate. A certificate of occupancy application must contain supplemental information that confirms compliance with the following operational standards, as contained within the Ordinance:

- Approval of a valid business license from the City Clerk.
- Approval of a valid health license from Oakland County.
- Approval of a mobile food site plan or mobile food court special use/site plan for the property and confirmation that the mobile food vehicle will comply with the approved site plan.
- Written approval from the private property owner.
- **Signage:** Permitted one A-frame sign and signage directly attached to the vehicle.
- **Trash bins:** Must be provided and emptied daily.
- Additional standards pertaining to tables, food preparation, electrical and water connection, etc.

The graphic below depicts the process for hypothetical Mobile Food Vendors A and B. Mobile Food Vendor A wishes to operate from a Mobile Food Site and a Mobile Food Court, while Mobile Food Vendor B only wishes to operate from a Mobile Food Court.



Based on their intended operations, Mobile Food Vendor A would need to apply for two (2) certificates of occupancy (one for the mobile food site and one for the mobile food court), while Mobile Food Vendor B would only need to apply for one (1) certificate of occupancy for the mobile food court.

#### PREVIOUS ACTION AND NEXT STEPS

The Planning Commission held a public hearing on the proposed text amendments at their April 19<sup>th</sup>, 2022 meeting. After the public hearing, the Planning Commission recommended approval of the proposed amendments with minor modifications. These modifications have been incorporated into the draft for City Council review.

City Council conducted its first reading of the proposed Ordinance at their May 9<sup>th</sup>, 2022 meeting. Staff recommends that City Council approve the Ordinance upon its second and final reading at the May 23<sup>rd</sup> meeting.

Ordinance No. 2182

City of Madison Heights

Oakland County, Michigan

Zoning Text Amendment 22-01

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**An ordinance to amend Ordinance 571, being an ordinance codifying and adopting a new Code of Ordinances for the City of Madison Heights, by amending Appendix A, Zoning Ordinance, to add Sections 10.2200 through 10.2205 which provide regulations pertaining to mobile food vendors and the operation of mobile food vehicles on private property within the City.**

**The City of Madison Heights ordains:**

**Section 1. Sections 10.2200 through 10.2205 are hereby added as follows:**

### **MOBILE FOOD VENDING**

**Section 10.2200 – Purpose, Intent and Applicability.**

These sections are intended to: (1) expand convenient and varied eating options in the City of Madison Heights; (2) support culinary entrepreneurship and small business development by allowing mobile food vendors to operate safely within designated areas of the city; and (3) protect brick and mortar businesses that have invested in the city and that pay property taxes while allowing for new businesses to enter the market.

These provisions shall apply to businesses engaged in the cooking, preparation, and distribution of food or beverage on properties outside of the public right-of-way. These provisions do not apply to mobile food vehicles operating under a special event permit nor vehicles which distribute food and drink as they actively drive through the community (e.g. ice cream trucks). Mobile food vendors operating in the public right-of-way or on public property shall apply through the special event permitting process.

**Section 10.2201 – Definitions.**

- (A) *Brick and Mortar Restaurant:* A restaurant with a functional regulated kitchen located within a permanent building on a permanent foundation.
- (B) *Mobile Food Vehicle:* A licensed trailer, motorized vehicle, or any other similar mobile conveyance from which food and/or drink (prepared on-site or pre-packaged) is sold or served to the general public from a stationary location. This definition excludes the following: (1) permanent structures which are installed on

a permanent foundation; and (2) vehicles which distribute food and drink as they are driving throughout the community (i.e. mobile ice cream trucks).

(C) *Mobile Food Vendor*: An operator of a mobile food vehicle who has obtained, or intends to obtain, a license or permit from the City to operate a mobile food vehicle.

(D) *Mobile Food Court*: A private property which has been approved under the provisions of this Ordinance for the operation of two (2) or more mobile food vehicles as a principal use. Mobile food courts shall function as a single business and may include areas for tables, play areas, a permanent structure for alcohol sales, and other outdoor entertainment options.

(E) *Mobile Food Site*: A private property which has been approved under the provisions of this Ordinance for the operation of a single mobile food vehicle as an accessory use.

#### Section 10.2202 – Approvals Required

(A) A **private property owner** intending to designate their property as a **mobile food site** shall obtain the following approvals:

1. *Mobile Food Site Approval*. The property owner shall apply for mobile food site approval in accordance with **Section 10.2203**, below. Mobile food site approval constitutes general zoning approval for the operation of a mobile food vehicle as an accessory use on the site.

(B) A **private property owner** intending to designate their property as a **mobile food court** shall obtain the following approvals:

1. *Special Use Approval*. The property owner shall apply for special use approval under the provisions of **Section 10.201** and satisfy the mobile food court standards in accordance with **Section 10.2204**, below.
2. *Site Plan Approval*. Upon receiving special use approval through City Council, the property owner shall apply for site plan approval under the provisions of **Section 10.514** and satisfy the mobile food court standards in accordance with **Section 10.2204**, below.

(C) A **mobile food vendor** shall obtain the following prior to operating a **mobile food vehicle** within the City of Madison Heights:

1. *Mobile Food Vendor Certificate of Occupancy*. Mobile food vendors shall obtain a certificate of occupancy for each mobile food site and/or mobile food court in which they operate in accordance with **Section 10.2205**.
2. *Business License*. Mobile food vendors shall obtain a business license from the City Clerk in accordance with **Chapter 7** of the Code of Ordinances of the City of Madison Heights.

## Section 10.2203 – Mobile Food Sites

Any person intending to create and designate a mobile food site as an accessory use on their property shall first obtain mobile food site approval in accordance with the following provisions. This section does not apply to mobile food courts.

(A) *Locational Requirements.* Mobile food sites shall satisfy all of the following locational requirements:

1. The property shall be zoned O-1, B-1, B-2, B-3, M-1 or M-2 and shall be located within the boundaries of the Southend Downtown Development Authority (DDA) district.
2. The property shall contain a principal building or use. A mobile food site shall be deemed an accessory use of a property.
3. The area dedicated for the operation of a mobile food vehicle shall be located a minimum of 100 feet from a property containing an existing brick and mortar restaurant, measured from the mobile food vehicle service window to the nearest property line of the property containing such brick and mortar restaurant(s). The 100 foot separation requirement shall only apply on the same linear block face as the mobile food vehicle. The following exceptions apply:
  - a. This standard may be waived if all of the affected brick and mortar restaurant(s) submit a letter to the Community and Economic Development Department indicating that they choose to waive the 100 foot separation requirement.
  - b. A brick and mortar restaurant owner may operate a food truck at the site of their own brick and mortar restaurant upon satisfying the remaining locational and general requirements of this Ordinance.
4. The area dedicated for the operation of a mobile food vehicle shall be located a minimum of 100 feet from a property zoned R-1, R-2, R-3 or R-M, measured from the mobile food vehicle service window to the nearest property line of the residential property. A mobile food site may be established within 100 feet of a property zoned R-1, R-2, R-3 or R-M as a special use, in compliance with the process outlined in Section 10.201.

(B) *General Requirements.* A mobile food site shall satisfy the following general requirements:

1. No more than one (1) mobile food vehicle may operate or be placed on a mobile food site at one time. Only one (1) mobile food vehicle pad may be designated on the site plan.

2. The designated mobile food vehicle pad shall be located a minimum of 15 feet from any fire hydrant and 5 feet from any property line, driveway, sidewalk, utility box or vault, accessible ramp, building entrance or exit, or emergency call box.
3. The designated mobile food vehicle pad shall be on a paved surface.
4. The placement of the mobile food vehicle shall not reduce the availability of the minimum number of parking spaces required for the principal use on site nor impede vehicular or pedestrian circulation on site.
5. No portion of the mobile food vehicle shall hang over a public right-of-way or interfere with clear vision triangles.
6. An outdoor seating area may be designated consisting of portable tables and a seating capacity of eight. Outdoor seating areas shall not be placed within the right-of-way and shall not impede vehicular or pedestrian circulation in site.

(C) *Submittal Requirements.* A private property owner intending to designate their property as a mobile food site shall submit the following:

1. *Mobile Food Site application.*
2. *Site Plan.* Dimensioned site plans shall be 11" x 17" in size and shall denote, at minimum, the following:
  - a. Street, curbs, sidewalks and property lines.
  - b. The zoning classification of the subject site and adjacent sites.
  - c. Existing building footprints with tenant spaces labeled.
  - d. Existing accessory structures and refuse container footprints.
  - e. Parking spaces and drive aisles.
  - f. The general layout and dimensions of the mobile food vehicle pad.
  - g. The location and surface material of all paved areas.
  - h. The on-site storage location of the mobile food vehicle during non-operational hours, if applicable.
  - i. The location of fire hydrants.
  - j. The location of on-site water, generator and/or electric utilities that will serve the mobile food vehicle.
  - k. The location of any designated outdoor seating areas.
  - l. Sufficient details to demonstrate that the locational and general requirements of Section 10.2203(A) and (B) can be satisfied.
3. *Restaurant Map.* A map identifying existing brick and mortar restaurants within a 150-foot radius of the subject property.

(D) Site Plan Review Committee (SPRC) Approval: All applications and associated site plans for proposed mobile food sites shall be forwarded to the Site Plan Review Committee for review and approval.

(E) *Annual Approval Required.* Mobile Food Site approval shall be valid for a period of one (1) year. Property owners shall be required to apply for mobile food site approval annually under the provisions of this Ordinance.

#### Section 10.2204. Mobile Food Courts

Any person intending to create and designate a mobile food court as a principal use on their property shall first obtain mobile food court approval in accordance with the following provisions.

(A) *Special Use Approval Required.* Mobile food courts shall be deemed a principal use of the property and shall require special use approval in accordance with the provisions of **Section 10.201** and the standards of this Ordinance.

(B) *Site Plan Approval Required.* Upon receiving special use approval, the property owner shall obtain site plan approval in accordance with the provisions of **Section 10.514**.

(C) *Locational Requirements.* Mobile food courts shall satisfy the following locational requirements: The property shall be zoned O-1, B-1, B-2, B-3, M-1 or M-2 and shall be located within the boundaries of the Southend Downtown Development Authority (DDA) district.

(D) *General Requirements.* A mobile food court shall satisfy the following general requirements:

1. The mobile food court site plan shall designate a minimum of two (2) and a maximum of eight (8) pads for the operation of mobile food vehicles. All mobile food vehicle pads shall be on a paved surface.
2. Permanent structures shall satisfy the setback, height, and lot coverage requirements contained in *Section 10.400 – Schedule of Regulations*.
3. *Outdoor Seating Areas.* Outdoor seating areas shall be set back a minimum of 40 feet from any property line that abuts a residential zoning district. Outdoor seating areas facing residential districts shall be screened by a minimum 8 foot-high solid obscuring wall.
4. *Landscaping.* The site plan shall satisfy the landscaping and screening requirements contained in *Section 10.510 – Landscaping and Screening*.

5. *Parking.* A minimum of two (2) parking spaces shall be required per each individual mobile food vehicle pad on site. Parking dimensions and design shall satisfy the requirements of Section 10.505 – *Parking Requirements*.
6. *Lighting.* On-site exterior lighting shall satisfy the provisions of Section 10.512 – *Exterior Lighting*.
7. *Restrooms.* Permanent restroom facilities shall be provided within the boundaries of the mobile food court in accordance with the Michigan Plumbing Code.
8. *Water requirements.* Water hookup/access shall be provided for each individual mobile food vehicle pad on site.
9. *Electrical requirements.* Electricity access shall be provided for each individual mobile food vehicle pad on site. Portable generators are prohibited.
10. *Signs.* A master sign plan for the mobile food court shall be submitted for review and approval as part of the site plan approval process. The plan shall provide information relating to permanent signs for the mobile food court, as well as individual signs for each business. Permanent ground and wall signs shall satisfy the standards of Section 10.511 – *Sign Regulations*.
11. External speakers or live entertainment may be permitted up to the close of business and shall not exceed 65 decibels at non-residential property lines and 25 decibels at residential property lines.
12. Alcohol sales shall only be permitted from a permanent structure on-site.

(E) *Submittal Requirements.* A private property owner intending to operate a mobile food court as a principal use shall submit the following:

1. A Special Use Approval application, in accordance with Section 10.201.
2. A Site Plan application, in accordance with the procedures and submittal requirements of Section 10.514. In addition to the requirements of Section 10.514, the site plan shall denote the following:
  - a. The location and orientation of each mobile food vehicle pad and each permanent structure.
  - b. The location of any paving, turf or lawn areas, and any pedestrian areas for use by tenants or the public.
  - c. The location of all fire lanes.
  - d. The location of fire hydrants.
  - e. Lighting Plan.
  - f. The location and type of water supply and electrical outlet(s) provided for each mobile food vendor pad.
  - g. Signage plan.

## Section 10.2205 – Mobile Food Vendor Certificate of Occupancy

A mobile food vendor must obtain a certificate of occupancy for each mobile food site and/or mobile food court in which they intend to operate in accordance with the following provisions.

(A) *Operational Requirements.* Mobile food vendors shall comply with the following operational requirements:

1. Mobile food vendors shall only be permitted to operate from a mobile food site approved in accordance with Section 10.2203 or a mobile food court approved in accordance with Section 10.2204.
2. Mobile food vendors shall not operate at a mobile food site or a mobile food court without first obtaining written approval from the private property owner.
3. Mobile food vehicle placement and operation shall comply with the approved site plan for each mobile food site or mobile food court.
4. Mobile food vendors shall maintain a valid business license issued by the City Clerk, and shall display such license on the mobile food vehicle.
5. Mobile food vendors shall maintain a food service license from the Oakland County Environmental Health Division, and shall display such approval on the mobile food vehicle.
6. During non-operational periods in excess of 24 hours, the mobile food vehicle and associated equipment (i.e. tables and signs) shall either be removed from the mobile food site or moved to a location on-site that is not readily visible from the public right-of-way. The on-site storage location shall be shown on the mobile food site plan. This provision shall not apply to approved mobile food courts.
7. Food preparation shall not occur outside of the mobile food vehicle, except for the use of a grill or smoker directly attached to the mobile food vehicle. Condiments may be placed on a shelf attached to the vehicle.
8. A minimum of one (1) trash receptacle shall be provided and emptied daily. The mobile food vendor shall be responsible for daily disposal of all trash, refuse, and litter. The property and all adjacent streets and sidewalks shall be kept free and clear of refuse generated by the operation of the mobile food vehicle.
9. Sales of alcoholic beverages are prohibited from a mobile food vehicle.
10. Mobile food vehicles may be painted with signage or have permanent signage directly affixed to the vehicle. One (1) sandwich board "A-frame" sign shall be permitted within four (4) feet of the mobile food vehicle.

Signage shall not project from the vehicle or be illuminated. Permanent freestanding signage is prohibited.

11. Flashing, blinking or strobe lights are prohibited.
12. External speakers or live entertainment may be permitted up to the close of business and shall not exceed 65 decibels at non-residential property lines and 25 decibels at residential property lines.
13. A mobile food vehicle may utilize an existing electrical connection to the principal use/building on site. An electrical permit shall be required for any modification of the existing electrical system. Portable generators are prohibited at mobile food courts. Utilities shall not be drawn from a public right-of-way.
14. Permanent connections to water and sanitary sewer lines and mains are prohibited.

(B) *Submittal Requirements.* A mobile food vendor intending to obtain a certificate of occupancy shall submit the following:

1. Mobile Food Vendor Certificate of Occupancy application.
2. Written approval from the property owner of the mobile food site or mobile food court to operate on said property.
3. A copy of the approved food license from the Oakland County Environmental Health Division.
4. A copy of the approved Madison Heights business license.
5. A written description of the nature of the proposed use, including the business name, methods of food preparation and cooking, electrical hookup, frequency, duration, and hours of operation.
6. Details of the mobile food vehicle, including the type, dimensions, elevation drawings or photos, and details of any furniture or other physical features associated with the proposed use.
7. A copy of the approved mobile food site plan or mobile food court site plan, marked up to denote the location of trash receptacles, signs, tables, generators, outdoor cooking appliances, and any other associated activity.

(C) *Annual Renewal Required.* Certificates of Occupancy shall be valid for a period of one (1) year after issuance. Certificates of Occupancy may be renewed annually.

(D) *Revocation of Certificate of Occupancy.* An approved mobile food vendor Certificate of Occupancy may be revoked by the Community and Economic Development Director upon a proper showing that the operation of the mobile

food vending unit is not in compliance with the approved mobile food site plan or upon a proper showing that the operation of such use has become detrimental to the health, safety and general welfare of the city, residents or surrounding business or property owners.

## **Section 2. Repealer**

All ordinances or parts of ordinances in conflict with this ordinance are repealed only to the extent necessary to give this ordinance full force and effect.

## **Section 3. Severability**

Should any section, subdivision, clause, or phrase of this ordinance be declared by the courts to be invalid, the validity of the ordinance as a whole, or in part, shall not be affected other than the part invalidated.

## **Section 4. Savings**

All proceedings pending and all rights and liabilities existing, acquired or incurred at the time this ordinance takes effect are saved and may be consummated according to the law in force when they were commenced.

## **Section 5. Effective Date.**

This ordinance as ordered shall take effect ten (10) days after its adoption and upon publication.

## **Section 6. Enactment**

A copy of this ordinance may be inspected or purchased at the City Clerk's office between the hours of 8:00 a.m. and 11:30 a.m. and 12:30 p.m. and 4:30 p.m. on regular business days.

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*Roslyn Grafstein, Mayor*

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*Cheryl Rottmann, City Clerk*

**CERTIFICATION:**

I, Cheryl Rottmann, the duly appointed City Clerk of the City of Madison Heights, County of Oakland, State of Michigan, do hereby certify that the foregoing is a true and correct copy of an Ordinance adopted by the Madison Heights City Council at their Regular Meeting held on \_\_\_\_\_, 2022.

\_\_\_\_\_  
Cheryl Rottmann, City Clerk

ZTA 22-01 (Ordinance 2182)

Planning Commission Introduction and Discussion: March 15<sup>th</sup>, 2022

Planning Commission Public Hearing: April 19<sup>th</sup>, 2022

City Council First Reading: May 9<sup>th</sup>, 2022

City Council Second Reading: May 23<sup>rd</sup>, 2022

Adopted: TBD

Published: TBD

Effective: TBD

Special City Council Meeting  
Madison Heights City Council  
Madison Heights, Michigan  
April 11, 2022

A Special City Council Meeting of the Madison Heights City Council was held on Monday, April 11, 2022 at 7:00 p.m. in the Executive Conference Room at the Municipal Building at 300 West Thirteen Mile Road, Madison Heights, Michigan.

Present: Mayor Grafstein. Councilmembers: Bliss, Fleming, Rohrbach, Soltis and Wright. City Manager Marsh, City Attorney Sherman, and City Clerk Rottmann.

**CM-22-111. Meeting Open to the Public.**

There were no members of the public wishing to speak.

**CM-22-112. Closed Meeting – Legal Opinion.**

Motion by Councilor Rohrbach, seconded by Councilman Bliss, to move to a Closed Meeting to discuss a Legal Opinion which is exempt from disclosure as provided for under Section 8 of the Open Meetings Act.

Roll Call Vote:

Yea: Bliss, Fleming, Rohrbach, Soltis, Wright, Grafstein

Nay: None

Motion Carried

**CM-22-113. Adjournment.**

There being no further business, Mayor Grafstein adjourned the meeting at 7:31 p.m.

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Roslyn Grafstein  
Mayor

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Cheryl E. Rottmann  
City Clerk

Special Council Meeting  
Madison Heights City Council  
Madison Heights, Michigan  
May 9, 2022

A Special Meeting of the Madison Heights City Council was held on Monday, May 9, 2022, in the Executive Conference Room of the Municipal Building at 300 W. 13 Mile Road, Madison Heights, Michigan.

Present: Mayor Grafstein, Mayor Pro Tem Bliss. Councilmembers: Aaron, Fleming, Rohrbach, Soltis and Wright.

Also Present: City Manager Marsh, City Attorney Sherman, Assistant City Attorney Burns, and City Clerk Rottmann.

**CM-22-150. Meeting Open to the Public.**

There were no members of the public wishing to speak.

**CM-22-151. Closed Session: Legal Opinion.**

Motion by Mayor Pro Tem Bliss, seconded by Councilman Fleming, to move to Closed Session to discuss a legal opinion which is exempt from disclosure as provided by the Open Meetings Act.

Roll Call Vote:

Yea: Aaron, Bliss, Fleming, Rohrbach, Soltis, Wright, Grafstein

Nay: None

Absent: None

Motion carried.

**CM-22-152. Adjournment.**

There being no further business, the Special Meeting was adjourned at 7:21 p.m.

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Roslyn Grafstein  
Mayor

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Cheryl E. Rottmann  
City Clerk

Regular Meeting  
Madison Heights City Council  
Madison Heights, Michigan  
May 9, 2022

A Regular Meeting of the Madison Heights City Council was held on Monday, May 9, 2022 at 7:30 p.m. in the Municipal Building at 300 West Thirteen Mile Road, Madison Heights, Michigan.

Present: Mayor Grafstein. Councilmembers: Aaron, Bliss, Fleming, Rohrbach, Soltis and Wright.

Others Present: City Manager Marsh, City Attorney Sherman, and City Clerk Rottmann.

Councilor Wright gave the invocation and the Pledge of Allegiance followed.

**CM-22-153. Approval of the Agenda.**

Motion by Mayor Pro Tem Bliss, seconded by Councilor Rohrbach, to add D-3, Agreement with the Police Command Officers Union; and, D-4, Appointment to the Planning Commission, to the agenda.

Yea: Aaron, Bliss, Fleming, Rohrbach, Soltis, Wright, Grafstein

Nay: None

Motion carried.

**CM-22-154. May 15-21, 2022 National Public Works Week.**

Mayor Grafstein read the 2022 National Public Works Week Proclamation and Department of Public Services Director Almas presented a slide show highlighting the employees of the Department of Public Services for the City. On behalf of City Council, Mayor Grafstein presented the proclamation to Department of Public Services Director Almas.

**CM-22-155. May 15, 2022 Police Officers Memorial Day and May 15-21, 2022 Police Week Proclamations.**

Mayor Grafstein read the May 15, 2022 Police Officers Memorial Day and May 15-21, 2022 Police Week Proclamations and on behalf of City Council, Mayor Grafstein presented Police Chief Haines the proclamation and thanked his department for their work on behalf of the citizens of Madison Heights.

**CM-22-156. Special Use PSP 22-03 – Cadillac Straits Outdoor Seating,  
27651 John R.**

City Manager Marsh reviewed the proposed Special Use PSP 22-03, Cadillac Straits, for outdoor seating area associated with a brewery/restaurant that serves alcohol at 27651 John R Road.

A public hearing was held at 7:48 p.m. to hear comments pertaining to Special Use PSP 22-03, Cadillac Straits Outdoor Seating at 27651 John R. Road. Seeing no public wishing to speak, Mayor Grafstein closed the public hearing at 7:49 p.m.

Motion by Mayor Pro Tem Bliss, seconded by Councilman Fleming:

WHEREAS, a Special Approval Board application has been received from 27651 John R Road, requests for approval for the outdoor seating associated with a brewery/restaurant that serves alcohol.

WHEREAS, a public hearing was published in the Madison Park News on April 20, 2022 and notices were mailed to property owners within 500 feet of the aforementioned property; and,

WHEREAS, a report has been received from the Community and Economic Development Department stating:

**Introduction**

The applicant, Gordon Davignon d/b/a Cadillac Straits Brewing Company, requests special use approval for an outdoor seating area associated with a brewery/restaurant that serves alcohol. The subject property is located at 27651 John R. Road (PIN 44-25-14-432-001) and is zoned B-3, General Business. The property is improved with an existing brewery known as Cadillac Straits.

**Background and Analysis**

The applicant, Cadillac Straits, proposes to utilize a portion of the private sidewalk in front of their business for permanent outdoor seating. The applicant has utilized the sidewalk space for outdoor seating since 2020 as part of the City's COVID-19 outdoor seating waiver resolution, which is set to expire on May 2<sup>nd</sup>, 2022.

Per the project narrative and site plan, the applicant intends to utilize a private sidewalk area measuring 33 feet by 6 feet (198 square feet). The seating area is proposed on the east side of the building adjacent to the parking lot. Hours of operation for the outdoor seating area are proposed to match that of the brewery.

Per Section **10.326(10)**, outdoor seating areas associated with restaurants that serve alcohol require special use approval through City Council. Additional use-specific standards for outdoor seating areas are contained in Section **10.318(5)**.

#### Existing Zoning and Land Use

The table below denotes existing adjacent land uses and zoning designations.

	<b>Existing Land Use</b>	<b>Existing Zoning</b>
<b>Site</b>	Commercial (Multi-tenant)	B-3, General Business
<b>North (across Farnum Ave.)</b>	Commercial (personal service) and Single-Family Residential	B-3, General Business, and R-3, One-Family Residential
<b>South</b>	Commercial (Multi-tenant)	B-3, General Business
<b>East (across John R Rd.)</b>	Vacant	B-3, General Business
<b>West (across Brush St.)</b>	Single-Family Residential	R-3, One-Family Residential

The subject site is located along the John R. Rd. corridor within the boundaries of the Downtown Development Authority (DDA) district. Adjacent properties are zoned and used for a mixture of commercial and residential. The subject site is zoned B-3 which, per the Zoning Ordinance, is intended to *“provide sites for more diversified business types and [...] serve passer-by traffic.”*

#### Future Land Use and Master Plan

The table below denotes adjacent future land use designations as contained within the 2021 Madison Heights Master Plan.

	<b>Future Land Use</b>
<b>Site</b>	Commercial
<b>North (across Farnum Ave.)</b>	Commercial and Single-Family Residential
<b>South</b>	Commercial
<b>East (across John R Rd.)</b>	Commercial
<b>West (across Brush St.)</b>	Single-Family Residential

The future land use designation of the subject site is ‘Commercial.’ Per the Master Plan, the Commercial designation is intended to provide for a broad

range of goods and services. Further, the Master Plan, “*recognizes the need for improvements of the function and appearance of the City’s linear commercial corridors.*”

### **Site Plan Review Committee**

The Site Plan Review Committee (SPRC) reviewed the special use application at their January 20<sup>th</sup>, 2022 meeting. The SPRC recommended that a minimum width of four (4) feet be maintained on the private sidewalk for pedestrian accessibility.

### **Findings and Recommendation**

Staff offers the following findings for City Council consideration:

1. The applicant requests special use approval for an outdoor seating area associated with an existing brewery/restaurant that serves alcohol at 27651 John R. Road, ‘Cadillac Straits Brewing Company.’ The property is zoned B-3, General Business and is located within the Downtown Development Authority (DDA) District. The proposed patio area is compatible with uses permitted in the B-3, General Business, zoning district.
2. The proposed patio area is located in front of the building on a private sidewalk adjacent to the parking lot and will not likely be detrimental to adjacent residential and commercial properties.
3. The proposed use is consistent and compatible with the description and intent of the ‘*Commercial*’ future land use designation, as contained within the 2021 Master Plan, and will improve the aesthetic appearance of the 11 Mile Road corridor and DDA district.
4. The proposed use generally satisfies the special use approval review standards and criteria listed in Section 10.201(4).
5. The Site Plan Review Committee (SPRC) reviewed the proposed special use request at their April 20<sup>th</sup>, 2022 meeting and recommended that a minimum pedestrian pathway of four (4) feet be maintained.
6. The outdoor seating use, if approved, will be required to satisfy the use-specific criteria for outdoor seating areas listed in Section 10.318(5) of the Zoning Ordinance.

Based on these findings, staff recommends that the City Council approve the requested special use application with the following condition:

1. The applicant shall submit an administrative plot plan to the Community and Economic Development Department that demonstrates the following:

- a. A minimum pedestrian pathway width of four (4) feet adjacent to the patio area; and
- b. A permanent enclosure around the outdoor seating area (adjacent to the parking lot) consisting of either metal railing, a brick wall, bollards, or other suitable materials subject to the approval of the City Planner, consistent with the standards of Section 10.318(5).

NOW, THEREFORE, BE IT RESOLVED, that the Madison Heights City Council, acting as Special Approval Board in accordance with section 10.201 of the Code of Ordinances, hereby APPROVES the requested Special Use PSP 22-03 at 27651 John R Road to permit in a R-2, One-Family Residential District, with the following conditions:

- a. A minimum pedestrian pathway width of four (4) feet adjacent to the patio area; and
- b. A permanent enclosure around the outdoor seating area (adjacent to the parking lot) consisting of either metal railing, a brick wall, bollards, or other suitable materials subject to the approval of the City Planner, consistent with the standards of Section 10.318(5).

Yea: Aaron, Bliss, Fleming, Rohrbach, Soltis, Wright, Grafstein

Nay: None

Motion carried.

**CM-22-157.      Fiscal Year 2023 Budget Resolution, Tax Levy and Fee Schedule.**

City Manager Marsh stated that the FY 2023 Budget Workshop was held on April 18, 2022. This public hearing is scheduled to receive public comments on the Proposed Budget. Pursuant to Section 8.4 of the City's Charter, a resolution has been drafted which, if approved, will adopt the Proposed FY 2023 Budget, appropriate funds, establish the property tax levy, and approve several fee adjustments. She stated that a tax millage decrease is proposed for FY 2023, and no increase for water and sewer rates. The City is currently conducting a rate study related to stormwater, with a recommendation expected later in the year.

Mayor Grafstein opened a public hearing on Fiscal Year 2023 Budget Resolution, Tax Levy and Fee Schedule at 7:50 p.m.

Seeing no one present wishing to comment, Mayor Grafstein closed the public hearing at 7:51 p.m.

Motion by Councilor Rohrbach, seconded by Councilor Wright, to approve the Fiscal Year 2023 Budget Resolution, tax levy and fee schedule, as follows:

**FY 2022-23 Budget Resolution**

**A RESOLUTION TO ADOPT A BUDGET FOR MUNICIPAL PURPOSES FOR THE CITY OF MADISON HEIGHTS FOR THE FISCAL YEAR 2022-23 TO APPROPRIATE FUNDS FOR SAID PURPOSES AND TO PROVIDE FOR A LEVY OF TAXES FOR SAID BUDGET APPROPRIATIONS**

**WHEREAS**, in accordance with Section 8.4 of the Charter of the City of Madison Heights, it is provided that the City Council shall adopt a budget for the fiscal year, appropriate funds for said purposes and provide for a levy of taxes for said Budget appropriations; and

**WHEREAS**, on May 9, 2022, a public hearing was held in accordance with Section 8.3 of the Charter of the City of Madison Heights, and the statutes of the State of Michigan for the fiscal year.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. That the Budget hereto as Exhibit "A" is hereby adopted.
2. That the amounts set forth in said Budget are hereby appropriated for the purposes stated therein.
3. That 26.0771 mills per \$1,000 State Taxable Valuation on the real and personal property in the City of Madison Heights be levied to provide funds for said Budget for municipal purposes:

General Operating	12.8746
Solid Waste	.4976
Police & Fire Retiree benefits	7.0000
Neighborhood Road Improvements	.8882
Senior Citizens	.4484
Fire Stations Bond	.4283
Chapter 20 Drain Debt	<u>.9400</u>
 Total	 <u>26.0771</u>

4. That the City of Madison Heights approves the imposition, by the City Treasurer, of a one percent (1%) property tax administration fee for all property taxes levied in Fiscal Year 2022-23 and for the imposition of a late penalty charged, when applicable, in accordance with Public Act 1982, specifically Michigan Compiled Laws, Section 211.44(7).

5. That the City of Madison Heights approves the levying of taxes to cover the necessary expenses for the operation of the Police and Fire Pension System.
6. That the City of Madison Heights assigns the authority to the City Manager and/or Finance Director to assign amounts for fund balance to be used for specific purposes.
7. That the City of Madison Heights approves and establishes Water, Sewer and Stormwater Charges set forth in Exhibit "B", Stormwater Charges and Department Fee schedule.
8. That the City of Madison Heights approves the levying of taxes to cover the necessary expenses for principal and interest for the Chapter 20 Drain Debt Obligations.

BE IT FURTHER RESOLVED, that the City Manager is hereby authorized to make budgetary transfers within the appropriation centers established throughout the Budget, and all transfers between appropriations may be made only by further action of the Council, pursuant to the provisions of the Michigan Uniform Accounting and Budget Act.

**EXHIBIT "A"**  
**CITY OF MADISON HEIGHTS**  
**ADOPTED BUDGET RESOLUTION**  
**FISCAL YEAR 2022-23**

EXPENDITURES	REVENUES	
<b>GENERAL FUND</b>		
General Government	\$11,958,452	Property Taxes and Fees
Public Safety	20,123,193	Intergovernmental Revenues
Community Services	4,105,144	Other
Cultural and Recreation	2,876,181	Use of Fund Balance
Community Development	1,138,451	
Debt Service	1,028,279	
<b>TOTAL</b>	<b><u>\$41,229,700</u></b>	<b><u>\$41,229,700</u></b>
<b>MAJOR STREET FUND</b>		
Program Expenditures	\$1,955,259	Intergovernmental Revenues
		Other
		Use of Fund Balance
	<b><u>\$1,955,259</u></b>	<b><u>(548,884)</u></b>
		<b><u>\$1,955,259</u></b>

LOCAL STREET FUND			
Program Expenditures	\$2,859,097	Property Taxes	\$1,718,796
		Intergovernmental Revenues	1,138,232
		Other	5,000
		Transfers In	300,000
		Use of Fund Balance	(302,931)
	<u>\$2,859,097</u>		<u>\$2,859,097</u>
PARKS MAINTENANCE & IMPROVEMENT FUND			
Program Expenditures	\$43,246	Other	\$43,246
		Use of Fund Balance	0
	<u>\$43,246</u>		<u>\$43,246</u>
DOWNTOWN DEVELOPMENT AUTHORITY			
Program Expenditures	\$129,259	Property Taxes	\$60,624
		Intergovernmental Revenues	35,213
		Other	250
		Use of Fund Balance	33,172
	<u>\$129,259</u>		<u>\$129,259</u>
DRUG FORFEITURE FUND			
Program Expenditures	\$64,250	Intergovernmental Revenues	\$64,000
		Other	250
		Use of Fund Balance	0
	<u>\$64,250</u>		<u>\$64,250</u>
COMMUNITY IMPROVEMENT FUND			
Program Expenditures	\$145,607	Intergovernmental Revenues	\$145,607
		Use of Fund Balance	0
	<u>\$145,607</u>		<u>\$145,607</u>
FIRE STATIONS BONDS			
Program Expenditures	\$459,714	Property Taxes	\$409,886
		Intergovernmental Revenues	25,000
		Use of Fund Balance	24,828
	<u>\$459,714</u>		<u>\$459,714</u>
MUNICIPAL BUILDING BOND			
Program Expenditures	\$275,000	Transfers In	\$275,000
	<u>\$275,000</u>		<u>\$275,000</u>

		<b>FIRE STATIONS BUILDING</b>	
Program Expenditures		Transfers In	<b>\$2,044,671</b>
	<b>\$2,044,671</b>		<b>\$2,044,671</b>
		<b>MUNICIPAL BUILDING</b>	
Program Expenditures		Other	<b>\$6,321,000</b>
		Transfers In	<b>4,406,524</b>
	<b>\$10,727,524</b>		<b>\$10,727,524</b>
		<b>WATER AND SEWER FUND</b>	
Program Expenditures		Sales to Customers	<b>\$11,203,082</b>
		Other	<b>320,800</b>
		Use of Retained Earnings	<b>123,581</b>
	<b>\$11,647,463</b>		<b>\$11,647,463</b>
		<b>MOTOR AND EQUIPMENT POOL</b>	
Program Expenditures		Other	<b>\$994,211</b>
	<b>\$994,211</b>		<b>\$994,211</b>
		<b>DEPARTMENT OF PUBLIC SERVICES</b>	
Program Expenditures		Other	<b>\$2,244,259</b>
	<b>\$2,244,259</b>		<b>\$2,244,259</b>
		<b>CHAPTER 20 DRAIN DEBT SERVICE</b>	
Program Expenditures		Property Taxes	<b>\$899,454</b>
	<b>\$899,454</b>		<b>\$899,454</b>

EXHIBIT "B"  
CITY OF MADISON HEIGHTS  
STORMWATER CHARGES AND DEPARTMENT FEES

FISCAL YEAR 2022-23  
CITY OF MADISON HEIGHTS  
FEE SCHEDULE  
FY 2023

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The FY 2023 City of Madison Heights Fee Schedule will be effective July 1, 2022 unless otherwise noted. The entire schedule will be adopted with the Budget Policy document. Revisions since the adoption of the schedule for FY 2023 are listed below and can occur throughout the year on various dates which will be listed below:

### **SUMMARY OF REVISIONS:**

**Section 1. Community Development Department Services**

- Landlord License: Three Year Registration Fees Increased:
- Single Family: \$195 increased to \$200,
- 2 to 4 Units: Increased from \$240 to \$245
- 5 or more Units: Increased from \$46.50 Per Unit to \$47.50 Per Unit
- Locked-out inspections and the second re-inspection of all failed inspections increased from \$40 per inspection to \$70 per inspection.
- Site Plan Review: Residential (Multi-family) removed additional fee of \$15.00 per unit & Non Residential removed additional fee of \$100 per acre fraction thereof.
- Zoning Fee Special Use Approval: removed the site plan fee of \$750.00 Plus site plan fee
- Engineering Plan Review: fee increased from \$200.00 to \$400.00

**Section 2. City Clerk Services**  
No Changes.

**Section 3. Water and Sewer**  
No Changes.

**Section 4. Treasury and Assessing Services**

- Stop Payment Fee Decreased from \$32 to \$25

**Section 5. Library Services**

- Library Material Check out period changed from 90 days to 21 days
- Addition of Kindle replacement fee of \$212 if not returned or damaged.

**Section 6. Fire Services**

- ALS Emergency Transport increase from \$710 to \$900
- ALS Emergency Transport II decrease from \$950 to \$550
- ALS Non-Emergency Transport increase from \$400 to \$1,200
- Treat No Transport Increase \$225 to \$400
- BLS Emergency Transports Increased from \$550 to \$750
- BLS Non-Emergency Transport Increased from \$400 to \$500
- Loaded Mile (scene to hospital fee per mile) Increase \$14.00 to \$18.00

**Section 7. Police Services:**

- Under FOIA, the \$0.20 fee has been removed for In-Car Video Recordings, Audio Tapes & Photographs sections.
- Accident Report Fee increased from \$13.00 to \$ 15.00

**Section 8. Department of Public Services**

- Increased Mobile Home Refuse Collection increase from \$8.00 to \$10.00

**Section 9. Parks and Recreation**

- The addition of park rental fee: \$25/hour (Resident) \$30/hour (non-resident) with a minimum of 2 hours up to 6 hours. Rentals exceeding 6 hours will incur an additional \$20/hour (Resident) \$25/hour (non-resident) up to a maximum of 14 hours + minimum \$100 refundable damage deposit, subject to change based on the nature of the event.
- Baseball/Softball Diamonds Prep fee increased \$20 to \$40 (Resident) \$60 (Non-Resident)
- Soccer/Football Field Prep fee changed to \$25/hour of use (Residents) \$45/hour(Non-Resident)

**Section 10. Active Adult Center Services**

No change

**Section 11. General Government**

No Changes.

**Section 1. COMMUNITY DEVELOPMENT DEPARTMENT SERVICES****SCHEDULE OF FEES FOR PERMITS AND SERVICES****BUILDING FEES AND INSPECTION SCHEDULE**

Notice for all permits: A permit remains valid as long as work is progressing and inspections are requested and conducted. A permit shall become invalid if the authorized work is not commenced within 180 days after issuance of the permit or if the authorized work is suspended or abandoned for a period of 180 days after the time of commencing the work. A permit will be closed when no inspections are requested and conducted within 180 days of the date of issuance or the date of a previous inspection. Closed permits cannot be refunded. The charge to re-open a closed permit is \$75.00. Permits may be renewed, *prior to their expiration*, for a period of 180 days.

**1.0 ELECTRICAL, MECHANICAL & PLUMBING PERMIT FEE SCHEDULE***Received to 101-017-4771-000*

- 1.1 All permits shall be assessed a non-refundable application fee of \$30.00.
- 1.2 The permit fees for any electrical, mechanical or plumbing permit shall be \$70.00 per inspection. A minimum of one inspection and the application fee are required on all permits. Permit renewals shall be \$35.00. Permit fees are non-refundable after work has started and non-transferable.
- 1.3 Contractor registration fee shall be \$15.00 for all categories of electrical, mechanical and plumbing contractors.
- 1.4 Permits shall be for the minimum number of inspections required in Section 3.
- 1.5 A fee of \$70.00 per inspection shall be charged for the re-inspection of all failed inspections.

**2.0 BUILDING, MOVING, DEMOLITION AND SIGN PERMIT FEE SCHEDULE***Received to 101-017-4771-000*

- 2.1 All permits shall be assessed a non-refundable application fee of \$30.00.
- 2.2 The permit fees for building permits shall be an application fee plus the applicable permit fee. One inspection and the application fee are required on all permits. Permit renewals shall be \$35.00. Permit fees are non-refundable after work has started and non-transferable.
- 2.3 Contractor registration fee shall be \$15.00 for building, moving, demolition and sign contractors.

2.4 A fee of \$70.00 per inspection shall be charged for the re-inspection of all failed inspections.

2.5 FEE SCHEDULE

**Building Permit Fees Residential Alterations, Additions and Accessory Structures**

*Receipted to 101-017-4771-000*

Accessory structures, remodels, repairs, alterations, and other small jobs based on improvement cost as follows:

\$30.00 non-refundable application fee plus permit fees as follows:

<u>Improvement Cost</u>	<u>Fee</u>
\$0.00 to \$1,000.00	= \$70.00
\$1001.00 up	= \$70.00 + \$6.30 per thousand or fraction thereof, over \$1000.00

Plan review fee when required = \$55.00

Certificate of Occupancy including replacement certificates = \$100.00

**New One and Two Family Residential Construction**

*Receipted to 101-017-4771-000*

\$30.00 non-refundable application fee plus permit fees as follows:

\$850.00 plus \$1.15 per square foot over 1,000 square feet. For fee purposes all finished areas are included including habitable basement spaces and all attached garages.

Plan review fee when required = \$80.00

Certificate of Occupancy including replacement certificates = \$25.00

Exception: Permit and inspection fees for the construction of barrier free ramps serving one and two family dwelling units shall be waived.

**Multiple Family, Commercial, and Industrial**

*Receipted to 101-017-4771-000*

\$30.00 non-refundable application fee plus permit fees as follows:

<u>Improvement Cost</u>	<u>Fee</u>
\$0.00 to \$6000.00	= \$78.00
\$6,001.00 and above	= \$0.013 x construction cost

Plan review fee = .005 x cost, minimum \$200.00, maximum \$5,000.00 In the event that the Department requires review by outside consultants as part of the plan review, all costs for required outside architectural or engineering reviews shall be paid by the applicant in addition to the standard plan review fees.

**Certificate of Occupancy - Multiple-Family, Commercial, Industrial**

*Receipted to 101-017-4771-000*

Additions/New Construction/Change in use, owner or occupant: \$200.00.

(Where only the ownership of a multi-tenant building changes, the building owner shall be responsible for obtaining a new certificate of occupancy for each tenant. The fee for each new tenant certificate shall be 20% of the regular fee. Where it has been less than one year since issuance of a certificate of occupancy for any tenant space, the fee and inspection will be waived for that tenant space.)

Attached residential condominiums: \$25.00 per unit.

Replacement certificates: \$25.00

**Temporary Certificate of Occupancy**

*Received into 101-017-4770-000 with bonds in 705-000-2830-000*

Single-family residential - \$250.00 plus bond of \$500.00 per incomplete item or 100% of cost, whichever is greater. Bondable items are concrete, sod and final grade in the winter months only. Bond for an as-built plot plan shall be \$1000.00.

All other construction - \$325.00 plus bond for 100% of incomplete work.

All temporary certificates are 90 days maximum with one renewal.

**Signs**

*Received into 101-017-4770-000*

All permits shall be assessed a non-refundable application fee of \$30.00.

Permit Fees: Permit fees are non-transferable.

**Permanent signs**

Ground signs:	Up to 60 square feet	\$200.00
Wall signs:	Up to 100 square feet	\$200.00
	Over 100 square feet	\$280.00

Re-Facing Permanent signs

Ground signs:	Up to 60 square feet	\$185
Wall signs:	Up to 100 square feet	\$185
	Over 100 square feet	\$265

**Demolition**

*Received into 101-017-4770-000 with bonds in 705-000-2830-000*

All permits shall be assessed a non-refundable application fee of \$30.00.

**Residential** \$210.00 (Includes pre-demolition, open hole and final site inspections. Additional inspections \$70.00 each. The inspector shall estimate the number of visits required.)

Permit Fees:

**Commercial and Industrial**

Permit Fees: Up to 30,000 cubic square feet \$210 (Includes pre-demolition, open hole and final site inspections. Additional inspections \$70.00 each. The inspector shall estimate the number of visits required.)

Over 30,000 cubic square feet \$210 plus \$5 per 1,000 cubic square feet (Includes pre-demolition, open hole and final site inspections. Additional inspections \$70.00 each. The inspector shall estimate the number of visits required.)

Performance Bond \$5,000.00 (Note: Bond required for all demolition permits including homeowner permits. Bond may be reduced to \$1,000.00 for qualified homeowners at the Department's discretion.)

**Moving***Received into 101-017-4770-000 with bonds in 705-000-2830-000*

All permits shall be assessed a non-refundable application fee of \$30.00.

Permit Fees: \$140.00 (Includes pre and post move inspection. Additional inspections \$70.00 each. The inspector shall estimate the number of visits required)

Performance Bond \$5,000.00

**Utility Disconnect Fees for Demolition (established by Utility Department):***Received into 590-551-8180-000*

See page 15, Miscellaneous Service Fees

**Code Inspections***Received into 101-017-4770-000*

\$70.00 per inspector/per hour, or fraction thereof.

**Overtime Inspections***Received into 101-017-4770-000*

\$105.00 per hour.

**Additional/Add-on Inspections, All Permits***Received into 101-017-4770-000*

\$70.00 per inspection.

**Appeal Boards***Received into 101-017-4770-000*

Construction Board of Appeals. \$250.00

**3.0 INSPECTIONS: MINIMUM NUMBER AND WHEN REQUIRED**

3.1 Electrical: Single-Family Residential

For new construction a minimum of three inspections are required, a service, rough and final inspection. An additional inspection shall be required if temporary service is provided.

Remodels shall require a minimum of two inspections, a rough and a final. For all other types of work of this class, inspections shall be required for each visit required from the electrical inspector.

3.2 Electrical: Multiple-Family, Commercial, and Industrial

For a multiple-family structure or multi-tenant commercial or industrial building, a minimum of two inspections, a rough and a final, shall be required for each living or work unit in such a structure. An inspection shall also be required for the service.

For all other buildings of this class, inspections shall be required for each visit required from the electrical inspector. The inspector shall estimate the number of visits required.

A separate inspection shall be required for temporary service.

### 3.3 Mechanical: Single-Family Residential

1. For new construction a minimum of three inspections, a rough, final, and gas line inspection shall be required for each heating system. A separate inspection shall be required for each cooling system. A heating or cooling unit without a distribution system shall require one inspection.

Remodels shall require a minimum of a rough and final inspection. For all other types of work of this class, inspections shall be required for each visit required from the mechanical inspector.

2. Pre-fab fireplaces shall require a minimum of one inspection per dwelling unit. Multiple fireplaces in the same dwelling unit and inspected on the same visit shall require one inspection. Units may also require a gas line pressure test and inspection.

### 3.4 Mechanical: Multiple-Family, Commercial, Industrial

Each heating and/or cooling unit shall require one inspection. Each multi-family dwelling unit shall require a rough and final. Installation or modification of any distribution system not involving the associated heating/cooling unit shall require one inspection. Where an underground inspection(s) is required, an additional inspection shall be charged per visit. Gas lines require an additional pressure test and inspection per system.

Refrigeration units of one horsepower or greater shall require one inspection per unit.

Concealed piping shall require an additional inspection per system.

### 3.5 Plumbing: Single-Family Residential

For new construction an underground, rough and final plumbing inspection shall be required.

Remodels shall require a minimum of two inspections, a rough and final. For all other types of work of this class, inspections shall be required for each visit required from the plumbing inspector.

### 3.6 Plumbing: Multiple-Family, Commercial, Industrial

Each unit in a multiple-family structure or in a multi-tenant structure shall require a rough and a final inspection. An additional inspection for underground plumbing shall be required for each unit in a strip center. A multiple-family structure or other multi-tenant building shall require an additional inspection for underground plumbing at the rate of one inspection per building. An additional inspection shall be required for sewer and water service.

All other commercial and industrial buildings shall be charged at the rate of one inspection for each visit required from the plumbing inspector. The inspector shall estimate the number of visits required.

### 3.7 Building: All Construction

Building inspections shall follow the schedule below to the extent applicable:

- a. Footing - before footing is poured. Property lines must be identified for the inspection.
- b. Backfill - before foundation wall is backfilled and before slab floors and with sill plate and foundation drain in place and anchor bolts installed.
- c. Brick Ledge - after first course of brick, flashing, weep holes, and pea stone are installed.

- d. Rough - before any framing is covered and after rough electrical, mechanical and plumbing inspections are approved.
- e. Insulation - prior to covering insulation.
- f. Slab - prior to pouring concrete slab with sub-base, forms and any reinforcement and insulation installed.
- g. Fireplace - Masonry - when damper and first flue liner are in place.
- h. Drywall - fastener inspection before drywall is taped.
- i. Final - after final electrical, plumbing, and mechanical inspections are approved.
- j. Final Site/Certificate of Occupancy - when all inspections are approved and prior to Occupancy. It is illegal to occupy a building before a Certificate of Occupancy is issued. As built drawings including the approved, existing, final grade elevations must be received before an occupancy certificate can be issued.

**CONCRETE PERMITS INCLUDING NON-TELECOMMUNICATION WORK IN R.O.W.**

*Received into 101-017-4770-000 with bonds in 705-000-2830-000*

1.1 All permits shall be assessed a non-refundable application fee of \$30.00.

1.2 Permit Fees: Permit fees are non-refundable after work has started and non-transferable.

Cutting, repair, sawing, removal, replacement or modification of street surface, aprons or curb and gutter:  
\$70.00 per required inspection  
(Two inspections required minimum unless work is covered by a site plan and bond.)  
\$5,000 bond (\$1,000 for qualified homeowner permits at the Departments discretion required for r.o.w. work. Waived for registered contractors with annual bond posted and projects with site plan guarantee bonds posted.

Concrete flatwork \$70.00 per inspection (fees waived for five (5) squares or less of public sidewalk)

1.3 Contractor registration fee:  
Registration \$15.00  
Performance Bond Minimum \$5,000.00 (Required for r.o.w.)

## PRIVATE SEWER AND WATER SERVICE

Received into 101-017-4770-000 with bonds in 705-000-2830-000

1.1 All permits shall be assessed a non-refundable application fee of \$30.00.

1.2 Permit Fees: Permit fees are non-refundable after work has started and non-transferable. Private sewer and water leads (from the building to the storm sewer, sanitary sewer or water main) including replacements:

Storm or sanitary sewer lead	\$70.00 each.
Water lead	\$70.00 each.
Gate wells or structures	\$70.00 each.

Public sewer and water mains: See non-telecommunication engineering fees below

1.3 Contractor registration fee:  
Registration \$15.00  
Performance Bond \$5,000.00 (Required for r.o.w.)

## PLANNING FEES

*Received into 101-030-6071-000*

Site Plan Review  
Residential (multi-family) \$700.00  
Non-Residential \$850.00

Revised Site Plans (changes of 30% or more) 75% of original fee

Plats and Site Condominiums      \$1,000.00 + \$15 per unit for residential and \$75 per acres for nonresidential

## Easements:

Vacations \$500.00  
Encroachments \$ 50.00

Land Divisions	\$500.00 plus \$50 per resulting lot
Land Divisions with road	\$750 plus \$50 per resulting lot

Landscape Plan Review \$500.00

Variance Review (Single Family)	\$300.00
Variance Review (Dimensional)	\$400.00 plus \$300 per variance
Use Variance Review	\$1,000.00

Parking or Traffic Study Review \$500 minimum with actual cost due upon completion

## ZONING FEES

*Received into 101-044-6701-000*

Z.B.A.

Variance Review (Single Family)	\$300.00
Variance Review (Dimensional)	\$400.00 plus \$300 per variance
Use Variance Review	\$1,000.00

Special Use Approvals \$750.00  
Re-zonings \$1,500.00

## **BROWNFIELD REDEVELOPMENT AUTHORITY FEES**

*Received into 101-044-6701-000*

Application fee: \$1,500.00 plus \$2,500.00 engineering escrow.

#### **ENGINEERING FEES - (NON-TELECOMMUNICATION)**

Received into 101-030-6701-000

Application fee (Non-refundable) \$400.00 for all projects

Public projects - Review fee	2% of site construction cost
Inspection fee	4% of site construction cost (see r.o.w. inspection below.)

Private projects - Review fee 2% of site construction cost (\$200.00 Minimum)

Residential site/plot plan review \$75.00

Engineering Inspections: \$70 / Inspection + \$100 for each Compaction / Material Test

Landfill permits: \$60.00 + \$0.05 per cubic yard of fill.

#### RIGHT-OF WAY PERMITS – (NON-TELECOMMUNICATION)

*Received into 101-030-6701-000*

Application Fee: \$200.00 (non-refundable)

Review fee 2% of the cost of the project. Minimum \$200.00

Inspection Fees: 4% of the cost of the project. If the inspection fees exceed 4% of the project cost, the permittee shall be charged 175% of the actual payroll costs (including but not limited to wages, fringe benefits and/or expenses) for all inspection fees exceeding the non-refundable 4% inspection fee.

\$100.00 for each road crossing/driveway compaction test

Bonds Cash Bond \$5,000

GIS Fee \$150.00.

#### LANDLORD LICENSING

*Received into 101-017-4771-000*

Three-Year Registration Fees: New Registrations and Renewals Through Renewal Date\*

Single-family	\$200.00
2 to 4 units	\$245.00
5 or more units	\$47.50 per unit

\*Code enforcement action will commence if the application and fee are not received before the current expiration date; if the renewal is not completed within thirty (30) days after the renewal date; or if a new application is not completed within thirty (30) days of the initial application date.

A fee of \$70.00 per inspection shall be charged for all locked-out inspections and the second re-inspection of all failed inspections.

Note: All renewal licenses are for thirty-six (36) months. New and pro-rated licenses may be for less than thirty-six (36) months. All licenses for the same landlord will expire on the same date.

#### CODE ENFORCEMENT PROPERTY MAINTENANCE FEES

Service: Cost: (Note: Mowing, labor and disposal costs are based on the current contract.)

Mowing First Offense \$100.00 Administrative Fee + Actual Contractor Charges  
Charges Second Offense (same growing season) \$200 + Actual Contractor

Contractor Charges Third or more Offenses (same growing season) \$300 + Actual

*Received into 101-030-6260-000*

Clean-up/Debris Removal (ROW) \$150.00 Administrative Fee + Actual Labor and Disposal Charges  
Repeat Offenders \$250.00 Administrative Fee + Actual Labor and Disposal Charges

Clean-up/Debris Removal (PVT) \$250.00 Administrative Fee + Actual Labor and Disposal Charges \*  
 Disposal Charges \* Repeat Offenders \$500 Administrative Fee + Actual Labor and  
 \*Warrant required prior to contractor authorization

*Received into 101-030-6270-000*

Snow Removal (Public Walks) First Offense \$100.00 Administrative Fee + Actual Contractor Charges  
 Charges Second Offense (same growing season) \$200 + Actual Contractor  
 Contractor Charges Third or more Offenses (same growing season) \$300 + Actual

*Received into 101-030-6250-000*

### HOTEL INSPECTIONS

*Received into 101-017-4771-000*

Annual Building and Fire Inspections \$15 per unit / per year

### MEDICAL MARIHUANA FACILITY/MEDICAL MARIHUANA GROW OPERATION

Application Fee \$500 nonrefundable

*Received into 101-030-6073-000*

Annual License Fee \$5,000 per year

*Received into 101-014-4570-000*

### GEOGRAPHIC INFORMATION SYSTEM FEES

*Received into 101-030-6075-000*

Digital prices are for digital raw data of City of Madison Heights. Datasets are to be distributed “AS IS” at the time of sale. The cost DOES NOT include, updates to ongoing coverage projects. Creation of mapping products that do not exist; shall be \$75.00 per hour plus printing costs.

<b>Hardcopy Maps</b>	<b>Small Format (11 x 17)</b>	<b>Large Format (24 x 36 &amp; up)</b>
Aerial Photos (City wide)	NA	\$25.00-\$45.00
Existing Land Use Map	\$5.00	\$25.00
Future Land Use Map	\$5.00	\$25.00
Zoning Map	\$5.00	\$25.00
General Street Map	\$5.00	\$25.00
Utility ¼ Section Map	\$5.00	\$25.00
Benchmark Map	\$5.00	\$25.00
Street Map	\$5.00	\$25.00
Misc. (Future printed products)	\$5.00	\$25.00

### Electronic File Format Prices (when available)

<b>Layers</b>	<b>Prices</b>	<b>Per Section</b>
Benchmarks (elevations)	\$50.00	NA
Contours	\$250.00	\$75.00
Aerial Photos	\$250.00	\$75.00
Parcel Coverage (property lines)	\$500.00	\$135.00
Pictures of all parcels	\$200.00	NA
Pavement Management (profiles)	\$500.00	NA
Road Projects	\$50.00	NA
Sidewalk Gap	\$50.00	NA
Utilities (each)	\$500.00	\$135.00
City Fiber Network	\$200.00	NA

Street ROW	\$200.00	NA
Street light network	\$200.00	NA
Street sign	\$100.00	NA
Public Facilities (buildings, properties)	\$100.00	NA
Zoning	\$100.00	NA
Existing Land Use	\$100.00	NA
Future Land Use	\$100.00	NA

## Section 2. CLERK DEPARTMENT SERVICES

### Business License/Permits

Business Licenses:

*Received into 101-014-4570-000*

Business Licenses: \$100.00 per year

Marihuana - Medical/Adult-Use Business License: \$5,000.00 per year

Marihuana – Caregiver Business License: \$300.00 per year + any applicable re-inspection fees

Massage Business License: \$300 per year + \$150 per licensed massage therapist

Late Fee is double the fee listed above.

Temporary/Seasonal Business Licenses	\$100.00
Home Solicitation Licenses	\$100.00

Medical or Adult-Use Marihuana Facility/Medical or Adult Use Marihuana Grow Operation Business License Application fee \$500.00 non-refundable

### Animal License/Permits

#### 1.0 Dogs and Cats.

*Received into 101-017-4800-000*

All dogs and cats, six (6) months of age or older, must be licensed and have a current Rabies Vaccination Certificate. Residents must provide a valid rabies vaccination certificate signed by the veterinarian to obtain a license.

- Rabies Vaccination must be valid for:

6 months to receive a 1-year license	\$10.00	Spayed/Neutered: \$7.00
24 months to receive a 2-year license	\$15.00	Spayed/Neutered: \$10.00
36 months to receive a 3-year license	\$20.00	Spayed/Neutered: \$15.00

A \$5.00 penalty per pet will be imposed if the license renewal occurs more than 30 days after the rabies vaccination expires

- Animal Tag Replacement \$1.00 per tag

#### 2.0 Domestic Hens

*Received into 101-017-4800-000*

Single-family residence shall be allowed to keep up to six (6) domesticated hens. Roosters or male chickens are prohibited. An annual license valid from January 1 – December 31 of each calendar year, is required. Each hen licensed shall at all times have attached to the hen a City-issued leg band corresponding to the City issued license.

\$20 per single-family residence.

## Miscellaneous Fees

### 1.0 Bicycle Licenses

*Received into 101-017-4810-000*

All bicycles to be ridden in the City on a street or public path shall be licensed.  
 Bicycle \$2.00 one-time fee per bicycle

### 2.0 Vital Health Statistics

*Received into 101-030-6078-000*

Birth Certificates – First Copy	\$15.00
Birth Certificates – Second and additional copies	\$ 5.00
Death Certificates – First Copy	\$15.00
Death Certificates – Second and additional copies	\$ 5.00

### 3.0 Video/Vending Machine

*Received into 101-014-4570-000*

Distributor Licenses	\$10.00
Amusement Devices (Pool Tables, Jukeboxes)	\$20.00
Vending Machines	\$20.00
Video/Electronic Amusement Devices	\$62.50

### 4.0 Voter Registration Records

Processing Fee and Excel spreadsheet	\$12.00
Electronic Media Storage and Excel spreadsheet device	\$12.00 + actual price of storage

### 5.0 Notary Fees

Notarizing Documents	Residents	– first documents no-charge additional documents \$10
	Non-resident	– each documents \$10

### 6.0 Copy Fees

Copies	\$0.10 per page
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## Section 3. WATER AND SEWER OPERATION SERVICE FEES

### Utility Rates

#### 1.0 Water and Sewer Rates

*Residential water received into 590-010-6430-000*

*Commercial/industrial water received into 590-010-6440-000*

*Sewer received into 590-020-6115-000*

Residential customers of the City are billed quarterly depending on what district or area of the City they live. All residential customers that are connected to the City water/sewer system is subject to a minimum bill of 10 units per quarter.

Commercial customers of the City are billed monthly. All commercial customers that are connected to the City water/sewer system are subject to a minimum bill of 3.33 units per month.

Water and Sewer is billed in units. 1 unit = 100 cubic feet = approximate 748 gallons.

Water	\$3.27 per unit
Sewer	\$3.69 per unit

## 2.0 Stormwater

*Received into 590-020-6118-000*

Stormwater fees shall be charged to all properties within the city based on Equivalent Residential Units (ERUs) calculated for each property.

ERUs are a subunit of measurement that related the volume of storm water discharge from the parcel based on the amount of total and impervious lot area. One ERU equaling 2,600 square feet with runoff factor.

Single Family Residential \$12.60 per ERU per quarter  
 Commercial/Industrial \$ 4.20 per ERU per month

### Service Fees

#### 1.0 Service Tapping Fees

*Meter & Materials received into 590-000-2735-000*

*Service Connection received into 590-000-2736-000*

*Transmission received into 590-000-6113-000*

*Paving received into 590-010-6111-000*

*Sewer Privilege Fee received into 590-020-6117*

If the service requires crossing a five (5) lane highway, additional charges will apply.

Supply/ Meter Size						
Description	1"	1 1/2"	2"	3"	4"	6"
Meter & Materials	\$1,080	\$1,460	\$1,980	\$3,190	\$4,070	\$6,050
Service Connection	\$825	\$1,045	\$1,238	-	-	-
Transmission	\$72	\$72	\$72	-	-	-
Paving	\$275	\$275	\$275	-	-	-
Sewer Privilege Fee	\$622	\$897	\$1,183	\$2,310	\$3,493	\$3,575
Total	\$2,874	\$3,749	\$4,748	\$5,550	\$7,563	\$9,625

#### 2.0 Meter Fees

*Received into 590-010-6111-000*

*GLWA pass through charges received into 590-010-6490-000*

Description	5/8"	3/4"	1"	1 1/2"	2"	3"	4"	6"
Frozen Meter Charge w/service charge	\$180	\$180	\$275	\$505	\$620	\$2,300	\$3,100	\$4,600
Damaged/Missing Transmitter (R900)	\$105	\$105	\$105	\$105	\$105	\$105	\$105	\$105
Damaged Register Head (Per Head if Compound)	\$95	\$95	\$95	\$95	\$95	\$95	\$95	\$95
GLWA (Pass Through)	\$3.38	\$5.07	\$8.45	\$18.59	\$27.04	\$49.01	\$67.60	\$101.40

#### 3.0 Miscellaneous Service Fees

*Received into 590-010-6111-000*

Fire Suppression Private Water Line Charge	\$5 per month
Final Reading	\$20 per account processed
“No Show” Charge for service calls	\$25 per occurrence
Turn-Off/Turn-On	\$60
Reinstall Meter with Turn-On	\$60
Meter Bench Test (5/8 – 1 1/2”) – Reading within AWWA range	\$60
Meter Bench Test (2” and above)– Reading outside AWWA range	\$350
Fire Suppression System – Turn-Off/Turn-On	\$60
Construction Water Use	\$125

Hydrant Meter Deposit	\$2,000
Disconnect Water Service from Main (3/4"-2")	\$700
Disconnect Water Service from Main (3"-6")	\$1,000
Service Call Overtime Charge (Mon- Sat)	\$150
Service Call Overtime Charge (Sun & Holidays)	\$300
Hydrant Flow Test	\$100
Hydrant Flow Test with Salt Needed	\$175
Hydrant and Meter Rental	\$5 per day + water consumption
Hydrant Inspection	\$5 per inspection

**Tampering with meter or water service:**

Residential	50-unit penalty plus the City may prosecute
Commercial/Industrial	100-unit penalty plus the City may prosecute
Bypass violations	100 unit penalty plus the City may prosecute

**Section 4. TREASURY AND ASSESSING SERVICE FEES****Property Affidavit Penalty***Received into 101-011-4040-000*

A Property Affidavit must be filed within 45 days of the property transfer. Filing is mandatory and required Form 2766 from the Michigan Department of Treasury.

Penalty for failure to complete and submit all required paperwork to the City:

- Industrial and Commercial property:

If the sale is \$100,000,000 or less - \$20 per day for each separate failure beginning after the 45 days have elapsed up to a maximum of \$1,000

If the sale is \$100,000,000 or more - \$20,000 after the 45 days have elapsed

- Real property other than industrial and commercial:

\$5 per day for each separate failure beginning after the 45 days has elapsed, up to a maximum of \$200.

**Tax Administration Fee***Received into 101-011-4470-000*

The City of Madison Heights bills and collects taxes on behalf of all taxing jurisdictions in the City. A 1% fee of all taxes billed is added to cover this service as allowed in the State of Michigan General Property Tax Act 211.4 (3).

**Duplicate Bill Fee***Received into 101-044-6701-000*

If a duplicate bill must be printed for payment or customer records the City charged a duplicate bill fee. This fee is set by the Department Head

Based on an estimate of time and materials.

\$3 per bill requested

**Stop Payment Fee***Received into 101-044-6701-000*

If the City must stop payment of a check issued a \$25 stop payment fee may be charged to the payee of the check. This fee is set by the Department Head based on the fee the City is charged from our banking institution.

## **Returned Check/ACH Fee**

*Received into 101-044-6705-000*

If a customer has a payment returned for any reason including (non-sufficient funds, closed account, wrong account information) a \$25 returned check/ach fee will be charged to the customer. This fee is set by the Department Head based on the fee the City is charged from our banking institution.

## **Section 5. LIBRARY SERVICE FEES**

### **Rental and Late Fee**

Library materials that are not returned within 21 days or are returned damaged are charged the full replacement cost of item at the time of purchase

Kindles	\$212 full replacement cost if not returned or damaged
Hotspot	\$112 full replacement cost if not returned or damaged
Laptop (Chromebook)	\$300 full replacement cost if not returned or damaged

### **Program Fees**

*Received into 705-000-2918-000*

Coffee Concerts	\$5 per concert
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### **Computer and Printer Fees**

*Printer Fees received into 101-033-6086-000  
Computer Use fees received into 101-030-6085-000*

Computer Use fees – A Madison Heights library card is needed to use the public computers including internet or MS Office programs. If the customer does not have a Library Network library card, or wish computer time beyond the three hours per day allowed with that card, a \$2 per hour visitor pass can be purchased.

All pages printed	\$0.15 per page (black and white) \$0.50 per page (color)
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### **Miscellaneous**

*Printer Fees received into 101-030-6085-000*

Fax – Local Calls	\$1 per page
Fax – Long Distance Calls	\$2 first page and \$1.50 each additional page
Replacement Library Card	\$2 per card
Library Card non-resident	\$100

## Section 6. FIRE SERVICE FEES

### Ambulance and Emergency Response Fees

#### 1.0 Advanced Life Support Services

*Received into 101-044-6707-000*

ALS Emergency Transport	\$900
ALS Emergency Transport II	\$550
ALS Non-Emergency Transport	\$1,200
Treat No Transport	\$400

#### 2.0 Basic Life Support Services

*Received into 101-044-6707-000*

BLS Emergency Transports	\$750
BLS Non-Emergency Transport	\$500

#### 3.0 Miscellaneous Fees

*Received into 101-044-6707-000*

Loaded Mile (scene to hospital fee per mile)	\$18.00 per mile
Oxygen	\$50
Extrication	\$500
Defibrillator	\$50
Cost Recovery for Structure Fires	\$500

### Miscellaneous Fees

#### 1.0 Cardiopulmonary Resuscitation (CPR) Course Courses

*Received into 101-044-6709-000*

Course fees include supplies and materials used.

Basic CPR	\$50 per participant
CPR and Automatic Defibrillation	\$50 per participant
CPR/First Aid	\$50 per participant
CPR for Professional Health Care Providers	\$50 per participant
On-line CPR Practical Skill Verification	\$25 per participant

#### 2.0 Inspections and Reporting

Fire incident reports	See Section 12 – FOIA Fees
EMS reports	See Section 12 – FOIA Fees
Environmental Inspection Assessment	\$25 per assessment
Fire Re-Inspection	no charge 1 <sup>st</sup> and 2 <sup>nd</sup> inspection 3 <sup>rd</sup> inspection \$100 each 4 <sup>th</sup> inspection \$200 each 5 <sup>th</sup> or more inspection \$300 each

*False alarms – see fee schedule in the Police Department in Section 7.*

## Section 7. POLICE SERVICES FEES

### False Alarm Fees

Number of alarms is determined on a rolling calendar year from the date of the first false alarm.

1st False Alarm	No Charge
2nd False Alarm	No Charge

3rd False Alarm	\$100
4th False Alarm	\$200
5th False Alarm	\$300
6th False Alarm	\$400
7th and all subsequent violations	\$500

### **Police FOIA and Miscellaneous Fees**

#### **1.0 FOIA**

In-Car Video Recordings	actual wages to prepare
Audio Tapes	actual wages to prepare
Photographs	actual wages to prepare
File size requiring an external drive	\$7.50 in addition to actual wages to prepare

#### **2.0 Reports**

Accident Reports	\$15 per report set by contract with Oakland County
Police Report Photographs (excluding accident report)	\$0.10 per page of photographs

#### **Section 8. DEPARTMENT OF PUBLIC SERVICES**

### **RV Lot Rental Fee**

*Received into 101-030-6285-000*

RV Lot Rental based on availability	\$250 annually with renewals on July 1, 2021
RV Lot Late Payment Fee year	\$50 late fee after renewal due date of June 30 each

### **Brush Chipping Fee**

*Received into 101-030-6270-000*

Curbside brush chipping service	\$25 per every 15 minutes
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### **Mobile Home Solid Waste Collection Fee**

*Received into 101-030-6240-000*

Solid Waste Collection	\$10.00 per unit
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This fee is invoiced twice per year based on per unit count as verified by a representative of the Department of Public Services.

## Section 9. PARKS AND RECREATION SERVICE FEES

The City of Madison Heights offers numerous classes and programs through our recreation department. The resident and non-resident fees are set each class cycle based on cost for instructors, program expenses and staff. These fees are published by class/program in the recreation brochure.

### Meeting Room Rentals

The City of Madison Heights allows groups to use meeting rooms at the Library/Breckenridge Room and Fire Department Room.

#### 1.0 Groups for which No fee is charged:

- Programs sponsored by the City
- Meeting of Madison Heights non-profit (501 C3) political, educational organizations
- Organizations where all members reside in Madison Heights (i.e. sports leagues, condo associations, etc.)
- Service clubs that reside in Madison Heights
- County, state and federal offices requesting usage for business use

#### 2.0 Groups for which a \$20 an hour/minimum of 2 hours will be charged:

- Any non-profit groups (must provide a copy of 501-C3 documentation) that do not reside in Madison Heights (this would include organizations such as Toy Dog Club, Trout Unlimited, etc.)
- Any adult\* group/club providing an activity to make money for the club/group
- Any adult\* group desiring to have instructional or social activity for their own benefit where a fee is assessed to participants

#### 3.0 Groups for which a \$30 an hour/minimum of 2 hours will be charged:

- Any group originating from a business establishment such as union meetings, company staff meetings
- Groups other than civic, cultural, educational, political groups, deriving personal or financial gain  
*(such as sales meetings, investment clubs, training sessions, etc.)*
- Any group not comprised of 75% Madison Heights residents.

### Park, Park Pavilion and Park Building Rentals

The City of Madison Heights allows the rental of Pavilions A, B and C at Civic Center Park and the Monroe Park Pavilion. Residents have first choice of reservations through March 31<sup>st</sup> each year. On or after April 1<sup>st</sup> each year rental is available to residents and non-residents on a first come first served basis.

Park Rental Fees \$25/hour with a minimum of 2 hours up to 6 hours. Rentals exceeding 6 hours will incur an additional \$20/hour up to a maximum of 14 hours + minimum \$100 refundable damage deposit, subject to change based on the nature of the event.

Non-Resident Park Rental Fees \$30/hour with a minimum of 2 hours up to 6 hours. Rentals exceeding 6 hours will incur an additional \$25/hour up to a maximum of 14 hours + minimum \$100 refundable damage deposit, subject to change based on the nature of the event.

Pavilion Rental Fees	\$50 per pavilion + \$50 refundable damage/cleaning deposit
Non-Resident Rental Fee	\$100 per pavilion + \$50 refundable damage/cleaning deposit
Cancellation Fee	\$10 with one week (7 days) notice No refund will be given if cancelled in less than one week (7 days) of the rental date
Park Building Rental Fee	\$50/2 hour block of time, rounded to each 2 hour period per building + \$100 refundable damage/cleaning deposit
Non-Resident Park Building Rental Fee	\$100/2 hour block of time, rounded to each 2 hour period per building + \$100 refundable damage/cleaning deposit
Park Building Lost Key Fee	\$25 if key is not returned

Nonprofits and volunteer groups in the City Nonprofit and volunteer groups that regularly volunteer in the City shall rent the Library (Breckenridge Room), Fire Station (Training Room), Park Buildings, and City Hall (Basement,

when not occupied by gymnastics) at no cost if the rental does not require staffing. If staffing is required fees shall cover staffing cost. A refundable deposit of \$100 would be required.

#### Active Adult Center Rentals

The City of Madison Heights allows residents and groups to rent the Active Adult Center Building.

##### Receipted into 101-030-6530-000

\$50 per hour	3 hour minimum for Madison Heights residents and businesses.
\$25 per hour	3 hour minimum for civic groups, schools and scout troops
\$200	Refundable damage deposit.

#### Sports Field Preparation

The City of Madison Heights will prepare any of its available sports fields to include dragging, lining, and/or striping. Groups wishing to have a field prepared must have a field permit and follow all guidelines to obtain such.

##### Receipted into 101-030-6530-000

Baseball/Softball Diamonds	\$40 (Residents) \$60 (Non-Residents) to have field dragged and lined
Soccer/Football Fields	\$25/hour (Residents) \$45/hour (Non-Residents)

#### Section 10. ACTIVE ADULT CENTER SERVICE FEES

The City of Madison Heights offers numerous trips, classes and programs through our Senior citizens Center. The resident and non-resident fees are set for each trip/program based on cost by the Center Coordinator.

#### Transportation

The City of Madison Heights transports residents who are age 50 and older and/or disabled Monday through Friday to banks, beauty shops, grocery stores, Active Adult Center and social service appointments.

Rides	\$1 each way, within Madison Heights
Doctor appointments	\$2.50 each way Monday & Friday, appointments must stay within a seven (7) mile radius of the Active Adult Center

#### Lunch Program

Lunch served daily at the Senior Center \$3.50 per person suggested donation

#### Miscellaneous

Trip Cancellation Fee	\$5
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#### Section 11. GENERAL GOVERNMENTAL SERVICE FEES

##### Message Board Greetings

City Hall Message Board week	Non-Roundtable members \$10 for one per day or \$20 for a week Roundtable members no charge
Active Adult Center Message Board	\$10 for one day or \$20 for a week

## Wedding Ceremony

Administration fee \$50 per wedding

## Items for Sale

Garbage Bags Box of 100 Heavy Duty bags \$20 per box  
Receipted into 101-033-6421-000

Recycling Bin and Lid \$20  
Receipted into 101-033-6422-000

## **Section 12. FOIA FEES**

A fee will not be charged for the cost of search, examination, review and the deletion and separation of exempt from nonexempt information unless failure to charge a fee would result in unreasonably high costs to the City because of the nature of the request in the particular instance, and the City specifically identifies the nature of the unreasonably high costs.

The Michigan FOIA statute permits the City to assess and collect a fee for six designated processing components. The City may charge for the following costs associated with processing a request:

- Labor costs associated with searching for, locating and examining a requested public record.
- Labor costs associated with a review of a record to separate and delete information exempt from disclosure of information which is disclosed.
- The cost of computer discs, computer tapes or other digital or similar media when the requester asks for records in non-paper physical media.
- The cost of duplication or publication, not including labor, of paper copies of public records.
- Labor costs associated with duplication or publication, which includes making paper copies, making digital copies, or transferring digital public records to non-paper physical media or through the Internet.
- The cost to mail or send a public record to a requestor.

## 1.0 Labor Costs

- All labor costs will be estimated and charged in 15-minute increments with all partial time increments rounded down.
- Labor costs will be charged at the hourly wage of the lowest-paid City employee capable of doing the work in the specific fee category, regardless of who actually performs work.
- Labor costs will also include a charge to cover or partially cover the cost of fringe benefits.

## 2.0 Non-paper Physical Media

- The cost for records provided on non-paper physical media, such as computer discs, computer tapes or other digital or similar media would be at the actual and most reasonably economical cost for the non-paper media.
- This cost will only be assessed if the City has the technological capability necessary to provide the public record in the requested non-paper physical media format.

## 3.0 Paper Copies

- Paper copies of public records made on standard letter (8 1/2 x 11) or legal (8 1/2 x 14) sized paper will be \$.10 per sheet of paper. Copies for non-standard sized sheets will paper will reflect the actual cost of reproduction.
- The City may provide records using double-sided printing, if cost saving and available.

## 4.0 Mailing Costs

- The cost to mail public records will use a reasonably economical and justified means.
- The City may charge for the least expensive form of postal delivery confirmation.
- No cost will be made for expedited shipping or insurance unless requested.

Yea: Aaron, Bliss, Fleming, Rohrbach, Soltis, Wright, Grafstein

Nay: None

Motion carried.

**CM-22-158. Meeting Open to the Public.**

Merri Busch noted that it is Mental Health Month and spoke on the topic of dysphoria.

**CM-22-159. West Nile Virus Reimbursement Resolution.**

Motion by Mayor Pro Tem Bliss, seconded by Councilwoman Aaron, to approve the resolution requesting the annual West Nile Virus Fund Expense Reimbursement from Oakland County in the amount of \$3,573.07, as follows:

RESOLUTION

WHEREAS, upon the recommendation of the Oakland County Executive, the Oakland County Board of Commissioners has established a West Nile Virus Fund Program to assist Oakland County cities, villages and townships in addressing mosquito control activities; and

WHEREAS, Oakland County's West Nile Virus Fund Program authorizes Oakland County cities, villages and townships to apply for reimbursement of eligible expenses incurred in connection with personal mosquito protection measures/activity, mosquito habitat eradication, mosquito larviciding or focused adult mosquito insecticide spraying in designated community green areas; and

WHEREAS, The City of Madison Heights of Oakland County, Michigan has incurred expenses in connection with mosquito control activities believed to be eligible for reimbursement under Oakland County's West Nile Virus Fund Program.

NOW THEREFORE BE IT RESOLVED, The Mayor and City Council of Madison Heights authorizes and directs its Director of Public Services, R.

Corey Almas, as agent for the City of Madison Heights, in the manner and to the extent provided under Oakland County Board of Commissioners 2022 Mosquito Smarts Program to request reimbursement of eligible mosquito control activity under Oakland County's West Nile Virus Fund Program.

Yea: Aaron, Bliss, Fleming, Rohrbach, Soltis, Wright, Grafstein

Nay: None

Motion carried.

**CM-22-160. Offer to Purchase the Madison Heights Active Adult Center - 29448 John R Road.**

Motion by Councilor Rohrbach, seconded by Councilman Fleming, to accept the offer from MMD Acquisition, LLC and authorize the City Manager to execute the Offer to Purchase the Madison Heights Active Adult Center, 29448 John R Road, together with any and all necessary additional documentation.

Yea: Aaron, Bliss, Fleming, Rohrbach, Soltis, Wright, Grafstein

Nay: None

Motion carried.

**CM-22-161. Agreement with the Police Command Officers Union.**

Motion by Mayor Pro Tem Bliss, seconded by Councilor Rohrbach, to approve the agreement between the City of Madison Heights and the Police Command Officers Union.

Yea: Aaron, Bliss, Fleming, Rohrbach, Soltis, Wright, Grafstein

Nay: None

Motion carried.

**CM-22-162. Appointment to the Planning Commission.**

Motion by Mayor Pro Tem Bliss, seconded by Councilman Soltis, to confirm the appointment of Melissa Kalnasy to the Planning Commission with a term to expire 08-31-22.

Yea: Aaron, Bliss, Fleming, Rohrbach, Soltis, Wright, Grafstein

Nay: None

Motion carried.

**CM-22-163. Tree Triming and Removal Service.**

Motion by Councilwoman Aaron, seconded by Councilman Fleming, to award a three-year contract (with two one-year extension options) for DPS Tree Trimming and Removal Services to Limb Walkers Tree and Snow, of Avoca, Michigan, at the unit prices specified.

Yea: Aaron, Bliss, Fleming, Rohrbach, Soltis, Wright, Grafstein

Nay: None

Motion carried.

**CM-22-164. Ordinance No. 2181 – Marihuana Scoring Amendment.**

Motion by Mayor Pro Tem Bliss, seconded by Councilor Rohrbach, to approve Ordinance No. 2181, Marihuana Scoring Amendment on First Reading and schedule the Second Reading for June 13, 2022.

Yea: Aaron, Bliss, Fleming, Rohrbach, Wright, Grafstein

Nay: Soltis

Motion carried.

**CM-22-165. Ordinance No. 2182 – Mobile Food Vendors.**

Motion by Mayor Pro Tem Bliss, seconded by Councilor Wright, to approve Ordinance No. 2182, Mobile Food Vendors, on First Reading and schedule a Second Reading for May 23, 2022.

Yea: Aaron, Bliss, Fleming, Rohrbach, Soltis, Wright, Grafstein

Nay: None

Motion carried.

**CM-22-166. Minutes.**

Motion by Councilor Wright, seconded by Councilwoman Aaron, to approve the Regular City Council meeting minutes of 04-25-22, as printed.

Yea: Aaron, Bliss, Fleming, Rohrbach, Soltis, Wright, Grafstein

Nay: None

Motion carried.

**CM-22-167. Mayor and Council - Comments.**

Councilwoman Aaron wished everyone a happy Mother's Day. May holds some very important recognitions including weeks for Public Service, Public Works, Teachers Appreciation, Police and Nurses. These professionals never stop and are some of the most demanding positions that often get little recognition. Thank you to all the teachers and nurses that showed up to work during the

pandemic, thank you for public works for collecting our garbage and shoveling our snow and to every man and woman in blue who walked our streets and protected us, I want you all to know that you are appreciated and she thanked them for their work. It is Mental Health Awareness month and May 19<sup>th</sup> is a Mental Health Day of Action to inspire people to talk about their experiences and destigmatize mental health; to make awareness into an action. She hopes the Mental Health Month will continue to move forward and make people comfortable to continue to express themselves about their experiences.

Mayor Pro Tem Bliss stated that the City is filled with humans and humans have struggles that they don't always wish to share, so remember to show kindness, give space and show empathy. You don't know what people are going through. The disc golf course is now open at Rosie's Park and the backboard and rim are back up at Wildwood. He noted that the Active Adult Center offer Council accepted this evening is part of Civic Center project. He stated that he is looking forward to serving on the Election Commission this year.

Councilor Wright acknowledged public service workers and stated that he has seen firsthand their dedication and professionalism; thank you for all that you do. Public service workers don't often get recognized for the dirty jobs that they do and he also expressed kudos to our public safety workers; we greatly appreciate you. He challenged everyone to take action on mental health awareness; it is not about extremes, you have to take care of yourself mentally as well as physically. I am a human being and we have to normalize that mental health is about us not other people. If you feel you would like to talk to someone, he recommended Psychology Today as well as the use of the Calm App to meditate. When we talk about mental health, take this as a challenge to practice and figure out what you are doing to maintain your mental health. Happy Asian Pacific American History Month and Jewish American History Month. He attended the disc golf course ribbon cutting and he is happy to see improvements in the community. If you can't remember anything else from today, just remember to be kind.

City Attorney Sherman hoped everyone had a nice Mother's Day. He noted that Mayor Pro Tem Bliss was the only eligible member of Council left to serve on the Election Commission.

City Manager Marsh stated that due to the Civic Center project, starting June 13<sup>th</sup>, City Hall staff will be moving to the Council Chambers and City Council meetings will be held in the training room at Fire Station No. 1. The State of City will be held May 19<sup>th</sup> at the Associated Building and Contractors located at 31800 Sherman Ave. The Parade Committee has been working very hard on the Memorial Day ceremony which will be May 28<sup>th</sup>.

City Clerk Rottmann stated that voters will be receiving both absentee applications and new voter identification cards in the mail shortly. She noted that due to the law, although some people may have moved from their address, the Clerk has to send their voter identification card if they have not reregistered at their new address yet. If you receive a card for someone no longer at your address, please notify our office.

Councilor Rohrbach stated that in conjunction with Mental Health Awareness month, it has been a tough week for women who are struggling with the news of the leaked *Roe v Wade and Casey* draft opinion; please take care of you and take action. She stated that she believes everyone has right to full access to healthcare including women. She spoke to her personal experiences and stated that some things that are being discussed at the State levels would criminalize the actions of women and some of the actions that she took to become a mother. She stated that government does not have any business in her bedroom or in her doctor's office. The draft opinion attacks the right to privacy and this will really affect everyone. If you have a private life of any kind, it enables the government to become involved. The right to privacy is the basis for LGBTQ and interracial marriage. While she realizes that we at the local level do pass legislation on these topics, but we need to take action to protect our privacy.

Councilman Fleming stated that today Council passed, on First Reading, a food truck ordinance. He stated that this is an idea he requested staff to look into further and is happy that this is moving forward.

Councilman Soltis thanked Councilwoman Aaron for her words on teachers and stated as a new teacher, he appreciates her words. He is sad that we have to acknowledge Police Officers Memorial Week and wishes that there wasn't a need to do so, but unfortunately there is. So far in 2022, there have been 102 deaths in the line of duty. He stated that he always has appreciation for the officers. He shared a personal experience with his interaction with the Madison Heights Police and thanked them for what they do.

Mayor Grafstein echoed comments on Mental Health and shared her personal experience of growing up with a bi-polar parent. She stated that back then you did not talk about mental health. Since she was unable to obtain support, her mother founded the Mood Disorders Association. She stated that there are all sorts of experts in mental health and it is important to know that we all have good and bad days, that is situational. When it continues on for days and you don't even know why you are feeling the way you are, that is dysphoria. She spoke of our Police and how they are very kind and do a great job with some of the mental health issues, especially with our teenagers. Mental health has a stigma, but it is a chemical imbalance and it needs to be treated just like we would treat diabetes. Please be kind, you don't know what someone's journey is. The next regular Council meeting is May 23<sup>rd</sup>.

**CM-22-168.      Adjournment.**

There being no further business, the meeting was adjourned at 8:32 p.m.

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Roslyn Grafstein  
Mayor

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Cheryl E. Rottmann  
City Clerk