

cityofnovi.org

CITY of NOVI CITY COUNCIL

Agenda Item 2
July 21, 2014

SUBJECT: Consideration to approve "Resolution Authorizing Submission of Charter Amendment Ballot Proposals to Electors," submitting two (2) ballot proposals to update, modernize, and streamline City of Novi Charter to the voters at the November 4, 2014 general election, pursuant to recommendation from the *Ad Hoc* Charter Review Committee.

SUBMITTING DEPARTMENT: City Manager's Office

CITY MANAGER APPROVAL: 

BACKGROUND INFORMATION:

The Charter Review Committee was established by the City Council by resolution at the March 11, 2013 City Council meeting. The Committee was formed on an *ad hoc* basis to review the current City Charter and identify any language that needs to be revised, updated, or changed. The current Charter, first adopted in 1969, has not been formally reviewed since a revision was approved by the voters in 1977. The charge to the Committee was to evaluate the existing language to determine if changes are needed to make outdated and restrictive language more flexible, fluid, and streamlined and to comply with statutory changes at the state-level.

After reviewing the entire Charter at a series of meetings, the Committee at its April 30, 2013 meeting identified 19 areas that could be potentially updated or changed. A list of rough draft ballot questions for consideration, totaling 23 potential ballot questions, was assembled. At its May 14, 2013 meeting, the Committee recommended five (5) specific Charter Amendments be placed on the November 2013 ballot. Three of the five were passed by the voters.

Following that election, two additional citizen members were added to the Committee, which then met several more times in 2014, and subsequently recommended to Council the placement of a single question, relating to Council pay, on the August 5, 2014 ballot. The Committee then continued to meet, and at its June 30, 2014 meeting adopted a resolution recommending to the City Council that two additional questions be placed before the voters at the November 4, 2014 election.

As with previous Charter amendment questions, the language both questions has been discussed informally with the State of Michigan Attorney General's Office to confirm that, if the Council determines to proceed, it meets State requirements while still addressing the concerns of the Committee. The State requires the ballot questions be 100 words or less and, in neutral language, address the specific language changes being proposed.

Proposed Ballot Question 1 is an amendment to Section 9.16 of the Charter, which as written now imposes an automatic 4% collection fee for delinquent summer taxes as of September 1, with no exceptions for even brief payment delays. The proposed language would replace that automatic penalty with language that assesses only a 1% collection fee applicable as of September 1, and then imposes an additional 3% fee as of September 15. This would lessen the immediate penalty to a taxpayer that missed the payment day only by a few days. The fee would increase as more time passed without payment.

Proposed Ballot Question 2 would amend two separate sections of the Charter, Section 7.6, which deals with various City Council actions that require a "super-majority" (5 votes) to approve, and Section 8.6, which requires a similar 5-vote supermajority to approve amendments to the City budget after it has been approved. The Committee determined to recommend removing subsection (5) of Section 7.6, dealing with the appropriation of money, and the supermajority requirement of Section 8.6 for budget amendments because it did not believe that either situation was the kind that required a supermajority, and because it felt that there was potential for a minority of councilmembers to block actions for which there was a clear majority in a situation that could--even though a majority of Council agreed upon a course of action--adversely impact the City (e.g., where a budget is not adopted within the time prescribed by law).

Please see the attached document for ballot language. As the Committee voted unanimously to recommend each ballot question, they are not arranged in any particular order nor are they prioritized in any way.

Under the Home Rule Cities Act, in order for the ballot questions to be placed on the November ballot, City Council must approve the resolution by a 3/5th majority vote. Following City Council approval of the ballot language, each question must be submitted to the Attorney General's Office and to the Governor's Office for approval. There is no official deadline to submit the resolution to the Attorney General, however; ballot wording of proposals must be certified by the County Clerk by August 22, 2014 to appear on the November 4, 2014 ballot.

RECOMMENDED ACTION: Approval of "Resolution Authorizing Submission of Charter Amendment Ballot Proposals to Electors," submitting two (2) ballot proposals to update, modernize, and streamline City of Novi Charter to the voters at the November 5, 2014 general election, pursuant to recommendation from the *Ad Hoc* Charter Review Committee.

	1	2	Y	N
Mayor Gatt				
Mayor Pro Tem Staudt				
Council Member Casey				
Council Member Fischer				

	1	2	Y	N
Council Member Markham				
Council Member Mutch				
Council Member Wrobel				

Charter Review Committee Resolution

CITY OF NOVI

OAKLAND COUNTY, MICHIGAN

**RESOLUTION AUTHORIZING SUBMISSION OF CHARTER AMENDMENT BALLOT
PROPOSALS TO ELECTORS**

At a meeting of the Charter Review Committee of the City of Novi, Oakland County, Michigan, held on the 30th day of June, 2014, at the City Hall, 45175 Ten Mile Road, Novi, Michigan 48375-3024.

PRESENT: Council Member Casey, Interim City Manager Cardenas, City Clerk Cornelius, David Landry, Doreen Poupard, Tom Marcus

ABSENT: Mayor Gatt, Council Member Wrobel, Fil Superfisky

The following resolution was offered by Doreen Poupard and seconded by Tom Marcus.

WHEREAS, pursuant to Act No. 279, of the Public Acts of Michigan, of 1909, as amended, The Home Rule Cities Act, an amendment to the City Charter may be proposed by the legislative body of the City on three fifths (3/5) vote of the seated members; and

WHEREAS, the Charter Review Committee of the City of Novi has determined that it is appropriate to submit Charter Amendments to the electors of the City at an election to be held on November 4, 2014.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Charter Review Committee of the City of Novi City Council as follows:

1. That the following proposition shall be submitted to the electors of the City at an election to be held in the City of Novi on November 4, 2014:

CHARTER AMENDMENT PROPOSAL 1

Shall Section 9.16 of the Novi Charter, relating to collection of fees for delinquent taxes, be amended to remove language assessing an automatic 4% collection fee for delinquent taxes as of September 1, and replace it with language that assesses only a 1% collection fee applicable as of September 1 and an additional 3% fee as of September 15?

2. That the following proposition shall be submitted to the electors of the City at an election to be held in the City of Novi on November 4, 2014:

CHARTER AMENDMENT PROPOSAL 2

Shall the Novi Charter, Section 7.6, relating to City Council actions relating to appropriating money, and Section 8.6, relating to budget control and amendments, be amended to remove the current "supermajority" voting requirement (five out of seven Councilmembers)

thereby allowing action on such items by a simple majority (four out of seven Councilmembers)

3. That upon adoption of the proposed amendments, the affected provisions of the City Charter would read as follows:

Section 7.6. - Special procedure on certain council actions.

The Council shall, in carrying out the following actions, be required to proceed in the following manner:

- (a) *Action to Vacate Public Places.* Action to vacate, discontinue or abolish any highway, street, lane, alley or other public place, or part thereof, shall be by resolution. After the introduction of such resolution and before its final adoption, the Council shall hold a public hearing thereon and shall publish notice of such hearing at least one week prior thereto.
- (b) *Action Requiring Affirmative Vote of Five (5) Members of Council.* The following actions shall require the affirmative vote of five (5) members of the Council for effectiveness thereof:
 - (1) Vacating, discontinuing or abolishing any highway, street, lane, alley or public place, or part thereof;
 - (2) Leasing, selling or disposing of any City-owned real estate or interest therein;
 - (3) Condemning private property for public use;
 - (4) Creating or abolishing any office;
 - ~~(5) Appropriating any money;~~
 - ~~(6) Imposing any tax or assessment.~~
- (c) *Technical Codes.* The Council may adopt as an ordinance, by reference thereto in the adopting ordinance, in whole or in part, provisions of:
 - (1) Any Michigan statute; or
 - (2) Any detailed technical regulations promulgated or enacted by:
 - (i.) Any State or Federal agency,
 - (ii.) Any municipality, or
 - (iii.) By any organization or association which has developed a standard code or set of such technical regulations.

Such adopting ordinance shall clearly identify and state the purpose of the provisions or regulations, as adopted. Where any ordinance or code or amendment thereto, adopting provisions by reference, is enacted, all requirements for its publication may be met, other provisions of this Charter notwithstanding, by:

- (1) Publishing the ordinance citing such provisions in the manner provided by this Charter for the publication of other City ordinances and including, as part of such publication, a notice that printed copies of the provisions so cited are available for inspection by, and distribution to, the public at the office of the Clerk; and

- (2) So making copies available for public inspection and for distribution to the public at a reasonable charge.
- (d) *Franchise and Contracts.* Every ordinance or resolution granting any franchise or right to occupy or use the streets, highways, bridges or public places in the City for any purpose shall be complete in the form in which it is finally passed. It shall remain on file with the Clerk for public inspection for at least one week before the final passage or adoption thereof.

Section 8.6. - Budget control and amendments.

After the budget has been adopted and the appropriation resolution has been passed, no money shall be drawn from the Treasury, nor shall any obligation for the expenditure of money be incurred, except pursuant to the terms of the appropriation resolution. The Council may amend such resolution at any time so as to authorize: (a) the transfer of any unexpended and unencumbered balance of an appropriation made for a specific purpose; (b) the transfer of appropriations within a department, account, fund or agency; and (c) the appropriation and allocation of available revenues not included in the annual budget. ~~The amended resolution shall be made upon the concurring vote of not less than five (5) members of the Council.~~ The Council may make emergency appropriations as provided in the following Section. The remaining unexpended and unencumbered balance of any appropriation at the end of the fiscal year shall revert to surplus in the fund from which it was appropriated.

Section 9.16. - Collection fees.

All taxes paid on or before August 31 of each year shall be collected by the Treasurer without collection fee. Property taxes shall become delinquent if they remain unpaid on September 1. On September 1, the Treasurer shall add to all taxes paid thereafter a collection fee of ~~four one~~ percent (41%) of the amount of said taxes. On September 15, the Treasurer shall add to all taxes paid thereafter an additional collection fee of three percent (3%) of the amount of said taxes, not including the original collection fee. Such collection fee shall belong to the City and constitute a charge and shall be a lien against the property to which the taxes themselves apply, collectible in the same manner as the taxes to which they are added. The City may by ordinance, provide interest and penalties for delinquent City real and personal property taxes.

AYES: Council Member Casey, Interim City Manager Cardenas, City Clerk Cornelius, David Landry, Doreen Poupard, Tom Marcus

NAYS: None

ABSENT: Mayor Gatt, Council Member Wrobel, Fil Superfisky

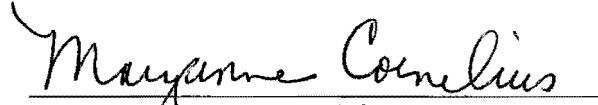
ABSTENTIONS: None

The resolution was adopted.

STATE OF MICHIGAN)

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COUNTY OF OAKLAND)

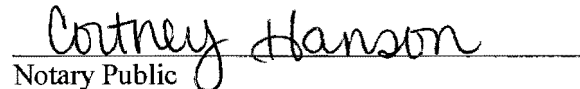
I, Maryanne Cornelius, the duly-qualified Clerk of the City of Novi, Oakland County, Michigan, do hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the Charter Review Committee of the City of Novi at a duly-called meeting held on June 30, 2014, a copy of which is on file in my office.



MARYANNE CORNELIUS
Clerk, City of Novi

This Resolution was signed and acknowledged before me on June 30, 2014, by Maryanne Cornelius, the duly-authorized Clerk for the City of Novi, a Michigan municipal corporation.

CORTNEY HANSON
NOTARY PUBLIC, STATE OF MI
COUNTY OF OAKLAND
MY COMMISSION EXPIRES Mar 25, 2020
ACTING IN COUNTY OF Oakland



Notary Public
Oakland County, Michigan
Acting in Oakland County, Michigan
My Commission Expires: 03/25/2020

**City Council
Resolution**

CITY OF NOVI

OAKLAND COUNTY, MICHIGAN

**RESOLUTION AUTHORIZING SUBMISSION OF CHARTER AMENDMENT
BALLOT PROPOSALS TO ELECTORS**

At a meeting of the City Council of the City of Novi, Oakland County, Michigan, held on the _____ day of _____, 2014, at the City Hall, 45175 West Ten Mile Road, Novi, Michigan 48375-3024.

PRESENT: _____

ABSENT: _____

The following resolution was offered by _____ and seconded by _____:

WHEREAS, pursuant to Act No. 279, of the Public Acts of Michigan, of 1909, as amended, The Home Rule Cities Act, an amendment to the City Charter may be proposed by the legislative body of the City on three fifths (3/5) vote of the seated members; and

WHEREAS, the City Council has determined that it is appropriate to submit Charter Amendments to the electors of the City at an election to be held on November 4, 2014.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City of Novi City Council as follows:

1. That the following proposition shall be submitted to the electors of the City at an election to be held in the City of Novi on November 4, 2014:

CHARTER AMENDMENT PROPOSAL 1

Shall Section 9.16 of the Novi Charter, relating to collection of fees for delinquent taxes, be amended to remove language assessing an automatic 4% collection fee for delinquent taxes as of September 1, and replace it with language that assesses only a 1% collection fee applicable as of September 1 and an additional 3% fee as of September 15?

2. That the following proposition shall be submitted to the electors of the City at an election to be held in the City of Novi on November 4, 2014:

CHARTER AMENDMENT PROPOSAL 2

Shall the Novi Charter, Section 7.6, relating to City Council actions relating to appropriating money, and Section 8.6, relating to budget control and amendments, be amended to remove the current "supermajority" voting requirement (five out of seven Councilmembers) thereby allowing action on such items by a simple majority (four out of seven Councilmembers)

3. That upon adoption of the proposed amendments, the affected provisions of the City Charter would read as follows:

Section 7.6. - Special procedure on certain council actions.

The Council shall, in carrying out the following actions, be required to proceed in the following manner:

- (a) *Action to Vacate Public Places.* Action to vacate, discontinue or abolish any highway, street, lane, alley or other public place, or part thereof, shall be by resolution. After the introduction of such resolution and before its final adoption, the Council shall hold a public hearing thereon and shall publish notice of such hearing at least one week prior thereto.
- (b) *Action Requiring Affirmative Vote of Five (5) Members of Council.* The following actions shall require the affirmative vote of five (5) members of the Council for effectiveness thereof:
 - (1) Vacating, discontinuing or abolishing any highway, street, lane, alley or public place, or part thereof;
 - (2) Leasing, selling or disposing of any City-owned real estate or interest therein;
 - (3) Condemning private property for public use;
 - (4) Creating or abolishing any office;
 - ~~(5) Appropriating any money;~~
 - (6) Imposing any tax or assessment.
- (c) *Technical Codes.* The Council may adopt as an ordinance, by reference thereto in the adopting ordinance, in whole or in part, provisions of:
 - (1) Any Michigan statute; or
 - (2) Any detailed technical regulations promulgated or enacted by:
 - (i.) Any State or Federal agency,
 - (ii.) Any municipality, or
 - (iii.) By any organization or association which has developed a standard code or set of such technical regulations.

Such adopting ordinance shall clearly identify and state the purpose of the provisions or regulations, as adopted. Where any ordinance or code or amendment thereto, adopting provisions by reference, is enacted, all requirements for its publication may be met, other provisions of this Charter notwithstanding, by:

- (1) Publishing the ordinance citing such provisions in the manner provided by this Charter for the publication of other City ordinances and including, as part of such publication, a notice that printed copies of the provisions so cited are available for inspection by, and distribution to, the public at the office of the Clerk; and
 - (2) So making copies available for public inspection and for distribution to the public at a reasonable charge.
- (d) *Franchise and Contracts.* Every ordinance or resolution granting any franchise or right to occupy or use the streets, highways, bridges or public places in the City for any purpose shall be complete in the form in which it is finally passed. It shall remain on file with the Clerk for public inspection for at least one week before the final passage or adoption thereof.

Section 8.6. - Budget control and amendments.

After the budget has been adopted and the appropriation resolution has been passed, no money shall be drawn from the Treasury, nor shall any obligation for the expenditure of money be incurred, except pursuant to the terms of the appropriation resolution. The Council may amend such resolution at any time so as to authorize: (a) the transfer of any unexpended and unencumbered balance of an appropriation made for a specific purpose; (b) the transfer of appropriations within a department, account, fund or agency; and (c) the appropriation and allocation of available revenues not included in the annual budget. ~~The amended resolution shall be made upon the concurring vote of not less than five (5) members of the Council.~~ The Council may make emergency appropriations as provided in the following Section. The remaining unexpended and unencumbered balance of any appropriation at the end of the fiscal year shall revert to surplus in the fund from which it was appropriated.

Section 9.16. - Collection fees.

All taxes paid on or before August 31 of each year shall be collected by the Treasurer without collection fee. Property taxes shall become delinquent if they remain unpaid on September 1. On September 1, the Treasurer shall add to all taxes paid thereafter a collection fee of ~~four one~~ percent (4.1%) of the amount of said taxes. On September 15, the Treasurer shall add to all taxes paid thereafter an additional collection fee of three percent (3%) of the amount of said taxes, not including the original collection fee. Such collection fee shall belong to the City and constitute a charge and shall be a lien against the property to which the taxes themselves apply, collectible in the same manner as the taxes to which they are added. The City may by ordinance, provide interest and penalties for delinquent City real and personal property taxes.

4. The Clerk is hereby directed to do all things necessary to provide for the submission of the aforesaid proposition to the electors of the City at an election on November 4, 2014.

AYES:
NAYS:
ABSENT:
ABSTENTIONS:

The resolution was adopted.

STATE OF MICHIGAN)

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COUNTY OF OAKLAND)

I, Maryanne Cornelius, the duly-qualified Clerk of the City of Novi, Oakland County, Michigan, do hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the City Council of the City of Novi with at least five (5) affirmative votes, at a duly-called meeting held on _____, 2014, a copy of which is on file in my office.

MARYANNE CORNELIUS
Clerk, City of Novi

This Resolution was signed and acknowledged before me on _____, 2014, by Maryanne Cornelius, the duly-authorized Clerk for the City of Novi, a Michigan municipal corporation.

Notary Public
Oakland County, Michigan
Acting in Oakland County, Michigan
My Commission Expires: _____