



City Council Study Session

Monday, July 07, 2025 at 6:00 PM

27400 Southfield Road, Lathrup Village, Michigan 48076

1. **Call to Order** by Mayor Garrett
2. **Discussion Items**
 - [A.](#) Zoning Ordinance - Backyard Hen Limits
 - [B.](#) Flag Flying Policy
 - [C.](#) PILOT Ordinance
3. **Public Comments** (speakers limited to 3 minutes)
4. **Mayor and Council Comments**
5. **Adjourn**

6. ADDRESSING THE CITY COUNCIL

Your comments shall be made during the times set aside for that purpose.

Stand or raise a hand to indicate that you wish to speak.

When recognized, state your name and direct your comments and/or questions to any City official in attendance.

Each person wishing to address the City Council and/or attending officials shall be afforded one opportunity of up to three (3) minutes during the first and last occasion for citizen comments and questions and one opportunity of up to three (3) minutes during each public hearing.

Comments made during public hearings shall be relevant to the subject of the public hearings being held.

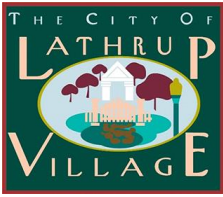
In addition to the opportunities described above, a citizen may respond to questions posed to them by the Mayor or members of the Council, provided members have been granted the floor to pose such questions.

No speakers may make personal or impertinent attacks upon any officer, employee, City Council member, or other elected Official that is unrelated to how the officer, employee, or City Council member or other Elected Official performs their duties.

No person shall use abusive or threatening language toward any individual when addressing the City Council.

Attendees are permitted to make video and sound recordings of the public meeting. However, video recording devices shall only be permitted in a designated area, and the device shall remain there through the duration of the meeting.

The Mayor shall direct any person who violates this section to be orderly and silent. If a person addressing the Council refuses to become silent when so directed, such person may be deemed by the Mayor to have committed a "breach of the peace" by disrupting and impeding the orderly conduct of the public meeting of the City Council and may be ordered by the Mayor to leave the meeting. If the person refuses to leave as directed, the Mayor may direct any law enforcement officer who is present to escort the violator from the meeting.



City of Lathrup Village
 27400 Southfield Road
 Lathrup Village, MI 48076
www.lathrupvillage.org | (248) 557-2600

TO: Mayor & City Council
 FROM: Mike Greene – City Administrator
 DATE: July 7, 2025
 RE: Study Session

Zoning Ordinance – Backyard Hen Limits

A resident submitted a request to the Council to reconsider the City's current ordinances related to hens on residential property.

Currently, Chapter 10 (Animals) – Article IV (Chickens) allows for a maximum of three (3) hens on a residential property. The resident is requesting that the City increase that number. Their recommendation would be six hens total, or a scalable guideline such as three hens per 0.25 acres.

Below is a quick summary of what other cities currently allow:

- Port Huron: Allows up to 5 hens per 0.25 acre, with standard coop requirements (setbacks, no roosters). On a half-acre lot, that would allow up to 10 hens. My request falls well below that.
- Southfield: No limit on the number of hens. Roosters are prohibited.
- Farmington Hills: No specific number limit. Coops must be at least 175 ft from neighboring dwellings.
- Detroit: Allows up to 8 hens. Coop setbacks: 30 ft from homes, 5 ft from property lines.

The purpose of this discussion is to gauge the Council's appetite to modify this existing ordinance.

Flag Flying Policy

During the June 16 Study Session, there was a discussion about whether or not the City should adopt a Flag Flying policy that, among other things, would identify the flags that groups can and cannot fly and what those flags communicate (e.g., the city's official sentiments).

The purpose of this topic is to continue that discussion and determine which way the Council would want to proceed (with general direction) so the staff/City Attorney can draft appropriate policies for future consideration.

Included in your packet are the Flag Flying policies of San Jose, CA, and Madison Heights, as those two policies were discussed during the recent Study Session.

PILOT Ordinance

The City completed the first reading of the proposed PILOT Ordinance during the June 16 regular City Council meeting. The City then held a PILOT Town Hall on June 23, where there was an educational session presented by Great Lakes Housing Services and then a Q&A/Public Comment section (recording available on the City's YouTube page).

The purpose of this agenda item is to see if there is any additional City Council feedback before proceeding with the second reading, scheduled for July 21, 2025.

Kelly Garrett
Mayor

Bruce Kantor
Mayor Pro-Tem

Jalen Jennings
Council Member

Jason Hammond
Council Member

Maria Mannarino
Council Member

PART II - CODE OF ORDINANCES
Chapter 10 - ANIMALS
ARTICLE IV. CHICKENS

ARTICLE IV. CHICKENS

Sec. 10-129. Generally.

- (a) Any person residing in R-1 or R-3 residential zoned district property, in a single-family detached structure, after obtaining a permit from the city, may keep not more than three hen (female) chickens for personal use only and not for any business or commercial use.
- (b) Notwithstanding this section, private restrictions on the use of property shall remain enforceable. Private restrictions include but are not limited to, deed restrictions, neighborhood association by-laws, and covenant deeds.
- (c) Chickens may be kept as family pets or to lay eggs for personal consumption only.
- (d) Slaughtering of any chickens on the property is prohibited.

(Ord. No. 442-17, pt. III, 4-17-2017)

Sec. 10-130. Licensing and inspections.

- (a) Completed applications shall be submitted to the building and code enforcement department along with the fee which shall be determined by city council resolution. Approved permit holders shall schedule an inspection within 30 days of permit issuance. Failure to schedule an inspection shall result in an automatic revocation of the permit. If an inspection identifies noncompliance with any of the requirements set forth in this section, the permit holder shall have 15 days to achieve compliance with the requirements or the building official may revoke the permit or seek prosecution of the violation as a civil infraction under the Lathrup Village Code.
- (b) Permits shall be valid for up to one year, shall be non-transferable, site-specific and shall expire on March 31st of each year. A person who wishes to continue keeping chickens shall obtain a new permit prior to expiration of the previous permit. Application for a new permit shall be pursuant to the procedures and requirements applicable at the time a person applies for a new permit.

(Ord. No. 442-17, pt. III, 4-17-2017)

Sec. 10-131. Number limits.

A person residing in R-1 or R-3 residential zoned district property, in a single-family detached structure who keeps hen chickens shall comply with all of the following requirements:

- (1) Keep no more than three hen chickens at any time.
- (2) Roosters or male chickens and any other type of fowl or poultry are prohibited.

(Ord. No. 442-17, pt. III, 4-17-2017)

Sec. 10-132. Structure.

- (a) Chickens shall be maintained in a fully enclosed structure or a fenced enclosure and shall be kept in the enclosed structure or fenced enclosure at all times. Fenced enclosures are subject to all fence provisions of section 5.1 of the Lathrup Village Zoning Code with the exception that the material used may be chicken wire. An enclosed structure shall be constructed of permanent materials and shall be properly maintained in accordance with the property maintenance code adopted by the city in section 14-152 of the Lathrup Village Code, as amended.
- (b) Chicken "coop" will be considered an accessory structure and must meet all requirements of Lathrup Village Zoning Ordinance section 3.7, except that the structure need not be on a concrete foundation slab. Prior to construction an approved accessory structure permit must be on file with the building and code enforcement department. Permit application shall include any structural or plat drawings or other information required by the department. The department shall issue a permit where the application is in compliance with all requirements, regulations and ordinances of the city.
- (c) The accessory use, coop and pen shall be designed to provide safe and healthy living conditions for chickens while minimizing adverse impacts on other residents and the neighborhood. The coop and pen shall meet the following additional requirements:
 - (1) The coop and pen shall be setback a minimum of ten feet from all property lines of adjacent property and be located a minimum of 30 feet from the nearest wall of any adjacent dwelling. No enclosed structure shall be located within any side or rear yard setback area. An enclosed structure or fenced enclosure shall not be located closer than ten feet to any residential structure on an adjacent parcel.
 - (2) The coop and pen shall be a maximum of six feet in height and shall not exceed a total of 80 square feet.
 - (3) The use of corrugated metal/fiberglass, sheet metal, plastic tarps, scrap lumber or similar materials is prohibited. The coop and pen must be completely enclosed with a top and/or cover.
 - (4) The coop and pen shall have a rat wall or similar block foundation to prevent burrowing animals from gaining access.
- (d) All structures and enclosures for the keeping of chickens shall be constructed and maintained so as to prevent rats, mice, or other rodents or vermin from being harbored underneath or within the walls of the structure or enclosure in compliance with sections 10-6 and 10-7 of the Lathrup Village Code.
- (e) All feed and other items associated with the keeping of chickens likely to attract rats, mice, or other rodents or vermin shall be secured and protected in sealed containers.

(Ord. No. 442-17, pt. III, 4-17-2017)

Sec. 10-133. Care of animals.

- (a) Chickens shall be kept in compliance with the Michigan Department of Agriculture, Generally Accepted Agricultural and Management Practices for the Care of Farm Animals, as it relates to laying chickens, as amended, except as otherwise provided in this section.
- (b) Chickens shall not be kept in any location on the property other than in the backyard. For purposes of this section, "backyard" means that portion of a lot enclosed by the property's rear lot line and the side lot lines to the points where the side lot lines intersect with an imaginary line established by the rear of the single-family structure and extending to the side lot lines.

(Ord. No. 442-17, pt. III, 4-17-2017)

Sec. 10-134. Violation—Penalty.

A violation of any provision of this article shall be a civil infraction and shall be punishable by a fine of not less than \$100.00 for the first offense. Individuals, partnerships, corporations and/or their agents or managers may be cited for noncompliance with this article.

(Ord. No. 442-17, pt. III, 4-17-2017)

Secs. 10-135—10-160. Reserved.

City of San José, California

COUNCIL POLICY

TITLE EXHIBITION OF FEDERAL, STATE, AND CITY FLAGS FROM CITY BUILDINGS – ALL OCCASIONS	PAGE 1 of 3	POLICY NUMBER 2-1
EFFECTIVE DATE April 27, 1970	REVISED DATE October 17, 2006	
APPROVED BY COUNCIL ACTION 4-27-70; 8-3-82, Item 11 k; 9-28-82, Item 12 a; 4-2-85, Item 7 e; 10-17-2006, Item 3.7a; 11-14-2006; Item 3.5c, Res. 73490		

PURPOSE

To establish guidelines for: (1) the exhibition of the flag of the United States of America, the California State flag, the San Jose City flag from City buildings and the New City Hall flag at City Hall, and (2) the display of street flags for parades and holidays, and (3) the display of ceremonial flags.

POLICY

It is the policy of the City of San José that flags should be displayed in conformance with Federal and State policies, as stated in the Federal "Our Flag" publication of the Congress, House Document No. 96-144; and the State of California Government Code Sections 430 and 437.

In order to establish a policy with respect to the locations and days when the United States of America, California State, and San Jose City flags should be displayed, the following standards should be followed.

The Director of General Services is responsible for ensuring the proper execution of this policy at all City facilities except the Airport, where the Director of Aviation is responsible for proper execution of this policy.

STANDARDS

A. Federal, State and City Flags

1. Outdoor flags will be flown at City facilities in the following order of precedence: first, the United States flag; second, the California State flag; third, the San Jose City flag; and fourth, the New City Hall flag.
2. Weather permitting, flags should be displayed daily in front of or at a location near City Hall, the Police Administration Building, the Civic Auditorium, the Airport, and all Fire and Police facilities during business hours.
3. Flags should not be displayed in inclement weather. However, all-weather flags may be flown on a 24-hour basis as long as they are illuminated from sunset to sunrise.

City of San José, California

TITLE	PAGE	POLICY NUMBER
EXHIBITION OF FEDERAL, STATE, AND CITY FLAGS FROM CITY BUILDINGS – ALL OCCASIONS	2 of 3	2-1

The City Hall flags shall be all-weather flags, shall be flown on a 24-hour basis and shall be illuminated at night.

4. The San Jose City flag will be flown wherever there are sufficient poles to do so in accordance with #2 above. The City flag may be displayed on the same pole with, and underneath the State flag, whenever the pole is of sufficient height. The Federal, State, and City flags shall not be flown on a single pole of any height.
5. New City facilities where any flags are to be flown shall be constructed with a sufficient number of poles to allow the City flag to be flown.
6. Indoor City flags shall be displayed at a minimum in the City Council Chambers and in the Mayor's Office.
7. On recognized Federal and/or State holidays, and on other special occasions as listed below, flags should be flown from all locations listed in paragraph A-2 above.
 - a) January 1, New Year's Day
 - b) January 20, (2001, 2005, 2009, etc., every fourth year) on the day the President of the United States is inaugurated
 - c) Third Monday in January, Martin Luther King's birthday
 - d) Third Monday in February, Presidents' Day
 - e) Second Sunday in May, Mother's Day
 - f) Third Saturday in May, Armed Services Day
 - g) Last Monday in May, Memorial Day. The flags to be flown at half-staff (first raise to top, then slowly lower to half-staff) until noon and at full staff from noon until sunset. NOTE: The United States flag must always be flown by itself when displayed at half-staff.
 - h) Third Sunday in June, Father's Day
 - i) June 14, Flag Day
 - j) July 4, Independence Day
 - k) First Monday in September, Labor Day
 - l) September 9, Admission Day
 - m) September 17, Constitution Day
 - n) Second Monday in October, Columbus Day
 - o) The first Tuesday after the first Monday in November of a presidential election year and gubernatorial election days
 - p) November 11, Veteran's Day
 - q) Fourth Thursday in November, Thanksgiving Day
 - r) December 25, Christmas Day
 - s) State holidays
 - t) Special occasions of Federal, State and local proclamation
8. Flags at all City facilities shall be displayed in accordance with the above standards. However, the City Manager may order flags to be lowered to half staff including, but not limited to flags of the United States of America and State of California in honor of the death of a City employee killed in the line of duty.

City of San José, California

TITLE EXHIBITION OF FEDERAL, STATE, AND CITY FLAGS FROM CITY BUILDINGS – ALL OCCASIONS	PAGE 3 of 3	POLICY NUMBER 2-1
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B. Street Flags

Street flags are defined as flags flown on a guy wire over a city street. The guy wire is generally attached to city streetlights and is oriented perpendicular to the flow of traffic. Street flags may be flown in the downtown area on Veteran's Day and Memorial Day, if requested by a group sponsoring an event on that day and approved by the City Council. Funding for this flag flying may be provided by an outside agency or at the City's expense, depending on the decision of the City Council.

C. Ceremonial Flags

The City's flagpoles are not intended to serve as a forum for free expression by the public. The following flags may be displayed by the City as an expression of the City's official sentiments:

1. Flags of Governments Recognized by the United States. Flags of the governments recognized by the United States may be displayed upon the request of the Mayor, a member of the City Council or the City Manager.
2. Flags of Sister Cities: The flags of official Sister Cities of San Jose may be displayed in conjunction with an event involving the Sister City.
3. Flags Displayed in Conjunction With Official Ceremonial Items: Other flags may be displayed in conjunction with official actions, ceremonial items, or proclamations of the City Council.
4. Flags of Professional Sports Teams: The City Manager may order the display of the flag of a professional sports team in commemoration of a significant achievement involving the City of San Jose.

EXTERIOR PLACEMENT OF FLAGS

Adopted by City Council September 12, 2022.

RESOLUTION OF THE CITY OF MADISON HEIGHTS CITY COUNCIL REGARDING THE DISPLAY AND PLACEMENT OF FLAGS ON CITY-OWNED FLAG POLES OUTSIDE AND/OR INSIDE OF CITY-OWNED BUILDINGS

The Madison Heights City Council determines that the display and placement of flags, on City-owned flag poles, outside and/or inside of City-owned buildings, constitutes government speech only and is not designated or intended as a public forum or limited public forum; and,

The Madison Heights City Council determines that the display and placement of flags, on City-owned flag poles, outside and/or inside of City-owned buildings conveys the policies and values of the City government and has the potential to affect the image and perception of the City;

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

1. This is the policy governing the display and placement of flags, on City owned flag poles, outside and/or inside of City owned buildings and shall supersede all other policies related to flags previously adopted by City Council.
2. The City of Madison Heights may display the United States flag, the State of Michigan flag, the City of Madison Heights flag, and City Departmental flags on City owned flag poles, outside and/or inside of City owned buildings.
3. The City of Madison Heights may also display any flag that, within the last five (5) years from the date of this Resolution, the City has flown on City owned flag poles, outside and/or inside of City owned buildings, any flag that Oakland County has flown on the flag poles outside of the Oakland County Executive and Courthouse Complex in Pontiac, Michigan, any flag that the State of Michigan has flown on the flag poles outside of the State Capitol Building in Lansing, Michigan, or any flag that the U.S. Government has flown on the flag poles on or outside of the White House in Washington, D.C., including but not limited to the POW/MIA flag, the Juneteenth flag and the Pride or Progressive Pride flag.
4. Other governmental flags meeting the above criteria, but not specifically named in paragraph three (3), shall be considered for approval by a committee consisting of the City Manager, Chief of Police, Fire Chief and City Attorney with a right of appeal to City Council, if not approved by the committee.
5. The City of Madison Heights shall honor all the flags, displayed or placed on City-owned flag poles, outside and/or inside of City owned buildings, in compliance with national and state protocols for flag display and etiquette.

6. This policy pertains to the display and placement of flags, on City owned flag poles, outside and/or inside of City owned buildings, and constitutes government speech, only and is not designated or intended as a public forum or limited public forum.
7. Further, nothing herein is intended to prohibit or prevent people, groups, or organizations from bringing, using, and waving their own flags at events held at City owned parks or on City owned property.
8. 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.

ORDINANCE NO. 2025-01

**CITY OF LATHRUP VILLAGE
OAKLAND COUNTY, MICHIGAN**

**AN ORDINANCE TO AMEND THE CITY OF
LATHRUP VILLAGE CODE OF ORDINANCES AT
CHAPTER 77. URBAN REDEVELOPMENT, BY ADDING A NEW ARTICLE
ARTICLE III. WORKFORCE HOUSING PILOT, TO PROVIDE FOR
APPROVAL OF AN EXEMPTION FROM AD VALOREM PROPERTY
TAXES FOR HOUSING, AS AUTHORIZED BY PROVISIONS
OF THE STATE HOUSING DEVELOPMENT AUTHORITY
ACT OF 1966, PUBLIC ACT 346 OF 1966,
AS AMENDED, MCL 125.1401, ET SEQ.**

THE CITY COUNCIL OF THE CITY OF LATHRUP VILLAGE ORDAINS:

PART I. TITLE.

This Ordinance shall be known as the “Workforce Housing PILOT Ordinance”.

PART II. ORDINANCE AMENDMENT.

Chapter 77. Urban Redevelopment, Article III. Workforce Housing PILOT, of the City of Lathrup Village Code of Ordinances is hereby added to read as follows in its entirety:

ARTICLE III. WORKFORCE HOUSING PILOT

Sec. 77-50. TITLE.

This Ordinance shall be known and cited as the “Lathrup Village Workforce Housing PILOT Ordinance.”

Sec. 77-51. PREAMBLE

It is a proper public purpose for the City of Lathrup Village to encourage the development or rehabilitation of workforce housing for persons and families whose household income is not greater than 120% of area median income by exempting such housing from all ad valorem property taxes imposed by any taxing jurisdiction and providing for payment of an annual service charge for public services in lieu of all such taxes. A PILOT, or service charge payment in lieu of taxes, is an effective means of incentivizing the construction of workforce house. A stable and predictable service charge

paid in lieu of all ad valorem property taxes for a fixed period is essential to the determination of the economic feasibility of workforce housing projects developed or rehabilitated in reliance on such tax exemption. The City is authorized by section 15a of Public Act 346 of 1966, as amended, MCL 125.1415a, to establish, or change by any amount it chooses, the service charge to be paid in lieu of all ad valorem taxes in accordance with section 15a with respect to new or rehabilitated workforce housing, but not an amount that exceeds the taxes that would be paid but for this authorization or the other limitations imposed by that section. Because workforce housing for individuals and families whose household income is not greater than 120% of area median income is a public necessity, and because the City will be benefited and improved by such housing, encouraging the same through an ad valorem property tax exemption is a valid public purpose.

Sec. 77-52. DEFINITIONS.

Unless otherwise specified herein, the terms used in this article shall be defined as follows:

Additional Amount. Shall mean an amount equal to the difference between the following:

- (1) the millage rate levied for operating purposes by the County multiplied by the current Taxable Value of a workforce housing project for which a PILOT Resolution has been adopted, and
- (2) the amount of the annual service charge paid in lieu of ad valorem property taxes by the housing project under Sec. 77-53(C) that is distributed to the County pursuant to MCL 125.1415a(5).

Annual Shelter Rent. Shall mean the total collections during an agreed annual period from or paid on behalf of the occupants of a housing project representing rent or occupancy charges, exclusive of charges for gas, electricity, heat, or other utilities furnished to the occupants and paid for by the housing project.

Area Median Income. Shall mean the midpoint of the Detroit-Warren-Livonia, MI HUD Metro FMR (Fair Market Rent) Area's household income distribution as calculated by the U.S. Department of Housing and Urban Development.

Authority. Shall mean the Michigan State Housing Development Authority.

County. Shall mean the County of Oakland.

PILOT Resolution. Shall mean a project-specific resolution adopted by the City Council

that approves a housing project for exemption under this Ordinance.

Restrictive Covenant. Shall mean a recorded agreement between Sponsor and the City running with the land that restricts the use of the housing project to workforce housing, as defined in this Ordinance, for a period not to exceed 15 years, or such greater or lesser period of time as may be authorized by state law and as may be required by the PILOT Resolution.

Sponsor. Shall mean any person or entity applying for a workforce housing exemption under this Ordinance, and includes any person or entity who subsequently owns the housing project.

Taxable Value. Shall mean taxable value as calculated under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

Workforce housing. Shall mean rental units or other housing options that are reasonably affordable to, and occupied by, a household whose total household income is not greater than 120% of the area median income published by the United States Department of Housing and Urban Development.

Sec. 77-53. AUTHORIZATION AND ESTABLISHMENT OF WORKFORCE HOUSING EXEMPTION.

(A) The class of housing projects to which the tax exemption shall apply and for which a service charge may be paid in lieu of all ad valorem property taxes are housing projects being developed or rehabilitated for workforce housing.

(B) Subject to the recording of a Restrictive Covenant, workforce housing and the property on which such housing is or will be located shall be exempt from all ad valorem property taxes as of December 31 of the year in which construction or rehabilitation commences. Construction must start within one year of the date of the Authority's notification of exemption or such longer period of time as may be provided by the PILOT Resolution.

(C) The City will accept payment of an annual service charge in lieu of all ad valorem property taxes for public services from the owner of a housing project for which the City has received a certified notification of exemption from the Authority in accordance with the following:

1. Subject to subsections (D), (E) and (F), for a new construction project, an amount that is not less than the minimum annual amount agreed upon by the parties but not greater than an annual rate up to 10% of the Annual

Shelter Rent obtained from the project as agreed by the parties.

2. Subject to subsections (D), (E) and (F), for a rehabilitation project, an amount that is not less than the minimum annual amount agreed upon by the parties but not greater than an annual rate up to 10% of the Annual Shelter Rent obtained from the project as agreed by the parties.
3. The service charge paid in lieu of taxes shall not exceed the amount in ad valorem taxes that the Sponsor would have otherwise paid if the workforce housing project were not tax exempt.

(D) Notwithstanding the provisions of MCL 125.1415a(3)(b) and 125.1415a(7) to the contrary, upon the adoption of a PILOT Resolution and receipt of a certified notification of exemption from the Authority, a contract shall be deemed effected between the City and the Sponsor, to provide a tax exemption and accept service charge payments in lieu of taxes as previously described by this section.

(E) Notwithstanding subsection (C), the service charge paid each year in lieu of taxes for that part of a workforce housing project that is tax exempt under this Ordinance but not used for workforce housing must be equal to the full amount of the taxes that would be paid on that portion of the project as if the project were not tax exempt. The owner of the project shall allocate the benefits of any tax exemption granted pursuant to this Ordinance exclusively to workforce housing or to the maintenance and preservation of the housing project as a safe, decent, and sanitary workforce housing.

(F) The annual service charge under subsection (C) for a workforce housing project for which a PILOT Resolution has been adopted must be increased by the Additional Amount if both of the following requirements are met:

1. Not later than 45 days after the county treasurer's receipt of the certified notification of exemption, the County Board of Commissioners passes a resolution, by majority vote, that provides that the Additional Amount must be paid.
2. The approval of the resolution described in subparagraph (1) is in accordance with an ordinance or resolution adopted by the County Board of Commissioners establishing the factors to be considered when assessing whether the Additional Amount must be paid.

(G) An Additional Amount received under Section (F) must be distributed to Oakland County.

Sec. 77-54. WORKFORCE HOUSING EXEMPTION APPLICATION, REVIEW AND APPROVAL PROCESS.

(A) An applicant for a workforce PILOT must own the property that is the subject of the application or must be the purchaser under a purchase or option agreement. The property that is the subject of the application must be zoned for the use at the time of applicant.

(B) Prior to applying for a workforce housing PILOT, the applicant is encouraged to meet with the City Manager, Zoning Administrator, and Assessor and any other person as may be designated by the City Manager and present the proposed workforce housing project. The presentation may include a description of the applicant's organizational structure, development experience, scope of the workforce housing project, location, number of units, types of units, typical floor plans, exterior elevations, schedule with projected milestones, and estimated shelter rents.

(C) The applicant shall submit its request for a PILOT using the form provided by the City and include the information identified in subsection (B) above together with zoning approval.

(D) If a complete application is received no less than 30 days prior to the next regularly scheduled City Council meeting, the city clerk will place the request on the agenda of the next regularly scheduled meeting. If the application is received less than 30 days prior to the next regularly scheduled City Council meeting, the application shall be placed on the agenda of the regular meeting that follows the next regularly scheduled meeting or the agenda for a special meeting scheduled by the City Council at the request of the applicant.

(E) When reviewing an application for a workforce housing PILOT, the decision to approve or deny the request shall be guided by the City Council consideration of the following factors:

- (1) Whether the PILOT will increase the number of available workforce housing units in the city.
- (2) Whether the PILOT will reduce the functional obsolescence of an existing building or housing unit(s).
- (3) Whether the PILOT is likely to encourage expansion of the population of city.
- (4) Whether the location of the workforce housing is consistent with the goals and objectives of the city's Master Plan.
- (5) Whether the development or rehabilitation of the workforce housing requires zoning variances and results in the continuation of a nonconforming use.
- (6) Whether the PILOT will result in the provision of housing amenities.
- (7) Whether the PILOT will facilitate provision of an attractive, viable housing

units.

(F) Approval of a PILOT for workforce housing requires a public hearing held by City Council prior to consideration of a resolution.

(G) Approval of a PILOT for workforce housing requires passage of a resolution of approval by 4 members of the City Council that includes the findings with respect to the standards of subsection (E).

(H) If the PILOT application is approved, the city clerk will deliver to the applicant a certified copy of the resolution approving the application.

(I) To defray the administrative cost of processing an applicant for a workforce housing PILOT, the City Council may include a workforce housing application fee in its annually adopted fee schedule.

Sec. 77-55. AUTHORITY AFFIDAVIT AND ASSESSOR NOTIFICATION.

(A) Following adoption of the PILOT Resolution, the Sponsor must submit an affidavit to the Authority in the form required by the Authority for certification by the Authority that the project is eligible for the workforce housing exemption.

(B) Upon receipt of notification from the Authority that the project is eligible for a workforce housing exemption, the Sponsor or the Authority must file the certified notification of exemption with the city assessor before November 1 of the year preceding the tax year in which the exemption is to be effective.

(C) Not later than 5 business days after receipt of the certified notification of exemption, the assessor shall provide a copy of the certified notification of exemption to the County Treasurer.

Sec 77-56. PAYMENT OF PILOT.

(A) The owner of the workforce housing shall remit the annual PILOT payment to the city treasurer no later than February 15th. Any PILOT payment or portion of PILOT payment remaining unpaid as of the due date shall bear interest at [1]% per month and require payment of a [3]% penalty fee. The PILOT payment shall be accompanied by an estimate of shelter rents for the current calendar year and a certified roll of shelter rents for the preceding calendar year.

(B) Except as otherwise provided in this section and Sec 77-53, any payments for public services under this Ordinance shall be distributed to the governmental units levying the general property tax in the same proportion as prevailed with the general

property tax in the previous calendar year.

(C) If the property subject to this PILOT is located within a Downtown Development Authority (DDA) district with an active Tax Increment Financing (TIF) plan, the DDA shall be entitled to capture the portion of the annual service charge that represents the incremental increase above the base taxable value established by the TIF plan, unless the City and the DDA agree otherwise to support workforce housing objectives. Any remaining funds after TIF capture, if applicable, shall be distributed to the governmental units per this section.

(D) The distribution to those governmental units shall be made as if the number of mills levied for local school district operating purposes were equal to the number of mills levied for the purposes in 1993 minus the number of mills levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, for the year for which the distribution is calculated. The amount of payments in lieu of taxes to be distributed to a local school district for operating purposes under this subsection must not be distributed to the local school district but instead must be paid to the state treasury and credited to the state school aid fund established by section 11 of article IX of the state constitution of 1963.

(E) Any PILOT payment or portion of PILOT payment remaining unpaid as of the due date shall bear interest at 1% per month and require payment of a 3% penalty fee. The collection of past due PILOT payments shall otherwise be in accordance with the provisions of Chapter 211 of the General Property Tax Act, Act 206 of 1893, as amended; MCL 211.44 et seq.

Sec. 77-57. DURATION AND RECORDED RESTRICTIVE COVENANT.

(A) A PILOT Resolution shall be for a term of fifteen (15) years, the parties shall have three (3) five (5) year options to extend the PILOT Resolution. The party seeking to exercise an option shall provide the other party written notice ninety (90) days in advance of the expiration of the Resolution. All options require approval of a Resolution by 4 members of the City Council.

(B) A workforce housing project approved for an exemption by a PILOT Resolution shall be encumbered by a Restrictive Covenant recorded in the office of the Register of Deeds for the County.

(C) The Restrictive Covenant shall acknowledge (i) that the economic feasibility of the workforce housing project depends on the approval and continuing effect of the payment in lieu of all ad valorem taxes as approved by the PILOT resolution; (ii) the City's agreement to accept payment of an annual service charge in lieu of all ad valorem taxes in consideration of the Sponsor's offer to construct or rehabilitate workforce housing; and (iii) the amount of the annual service charge to be paid for each operating year.

(D) The Restrictive Covenant shall provide:

- (1) for the reporting and monitoring of the Sponsor's compliance with the Restrictive Covenant by annually submitting compliance reports on or before January 31, including occupancy and rent data to the City Manager, this Ordinance and the PILOT Resolution;
- (2) that the Restrictive Covenant is enforceable by the City and any Tenants to be benefitted at law or in equity;
- (3) shall provide other remedies available to the City for non-compliance, including termination of the exemption and repayment of all prior years' tax savings under the workforce housing exemption after notice and hearing, a hearing shall be scheduled within 30 days of notice; and
- (4) that the Restrictive Covenant cannot be modified or terminated except in a written instrument executed by the Sponsor or then current owner and the City.

PART III. REPEALER.

This ordinance repeals any ordinances in conflict thereof.

PART IV. SEVERABILITY.

If any section, subsection, clause, phrase, or portion of this article is for any reason held invalid by a court of competent jurisdiction, such portion shall be deemed a separate and distinct provision, and such holding shall not affect the validity of the remaining portions.

PART V. 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 where they commenced.

PART VI. EFFECTIVE DATE.

This Ordinance shall be published in the manner required by law and shall become effective ten (10) days after the date of its publication. A copy of the ordinance shall also be made available for public use and inspection in the office of the City Clerk.

MADE, PASSED AND ADOPTED BY THE CITY COUNCIL, CITY OF LATHRUP VILLAGE, OAKLAND COUNTY, MICHIGAN THIS ____ DAY OF _____, 2025.

Alisa Emanuel, City Clerk

Date of Introduction: , 2025
Date of Adoption: , 2025
Date of Publication of
Notice of Adoption: , 2025

CERTIFICATE OF ADOPTION

I hereby certify that the foregoing is a true and complete copy of the ordinance passed at a meeting of the City of Lathrup Village held on the _____ day of _____, 2025.

Alisa Emanuel, City Clerk