



CITY OF MADISON HEIGHTS
CITY HALL - COUNCIL CHAMBERS, 300 W. 13 MILE RD.
CITY COUNCIL REGULAR MEETING AGENDA
OCTOBER 12, 2026 AT 6:30 PM

CALL TO ORDER

ROLL CALL

INVOCATION and PLEDGE OF ALLEGIANCE - COUNCILOR WRIGHT

APPROVAL OF THE AGENDA:

- [1.](#) Additions/Deletions

MEETING OPEN TO THE PUBLIC:

CONSENT AGENDA:

- [2.](#) City Council Regular Meeting Minutes of September 28, 2026

COMMUNICATIONS:

REPORTS:

BID AWARDS/PURCHASES:

ORDINANCES:

- [3.](#) City Planner - Ordinance 2215 - Rezoning Request PRZN 26-02 - City initiated rezoning of 27431 Hales Street from R-3 to N-P - Second Reading
- [4.](#) Police Chief - Cryptocurrency Kiosk Ordinance #2217 – First Reading

UNFINISHED BUSINESS:

MINUTES:

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: October 8, 2026
TO: City Council
FROM: Melissa R. Marsh, City Manager
SUBJECT: Agenda Comments Regular Council Meeting of Monday, October 12, 2026

ORDINANCE

City Planner – Rezoning request PRZN 26-02 – 27431 Hales Street from R-3 to N-P

At its September 22, 2026, meeting, the Planning Commission considered the proposed rezoning of 27431 Hales Street from R-3, One-Family Residential, to N-P, Natural Preservation and Recreation. The property is approximately 1.74 acres and is surrounded by Rosie's Park, which is already owned by the City. The proposed rezoning would allow the property to be purchased and incorporated into the park and preserved for public recreational and natural-resource purposes.

The Planning Commission unanimously recommended approval of the rezoning to City Council. The recommendation is consistent with the City's intent to acquire the property and combine it with Rosie's Park, creating a larger contiguous area for preservation and recreation.

Therefore, staff and I recommend that Ordinance 2215 be approved on second reading.

Police Chief - Cryptocurrency Kiosk Ordinance No. 2217 – First Reading

The City Council is being asked to consider the first reading of Ordinance No. 2217, which would prohibit the installation, placement, operation, and maintenance of cryptocurrency kiosks, commonly referred to as Bitcoin ATMs, within the City of Madison Heights.

The proposed ordinance is intended to protect residents and businesses from fraud, financial exploitation, identity theft, money laundering, and other criminal activity associated with cryptocurrency kiosks. The ordinance recognizes that transactions conducted through these kiosks can involve significant amounts of money, may be difficult to reverse, and generally do not provide the same consumer protections available through traditional financial institutions.

If adopted, any cryptocurrency kiosks currently operating lawfully in Madison Heights would be required to cease operation and be removed within 60 days after the ordinance becomes effective. The ordinance also establishes civil and criminal penalties for violations, including a \$500 civil infraction for a first offense and misdemeanor penalties for subsequent offenses.

Staff and I recommend approval on first reading of Ordinance No. 2217, Cryptocurrency Kiosks Ordinance, and schedule the second and final reading for October 26, 2026. The ordinance would take effect 10 days after adoption and publication.

City Council Regular Meeting
Madison Heights, Michigan
September 28, 2026

A City Council Regular Meeting was held on Monday, September 28, 2026 at 6:30 PM at City Hall - Council Chambers, 300 W. 13 Mile Rd.

CALL TO ORDER

Mayor Haines called the meeting to order at 6:30 pm.

ROLL CALL

PRESENT

Mayor Corey Haines
Mayor Pro Tem William Mier
Councilman Sean Fleming
Councilor Laurie Gerald
Councilor Emily Rohrbach
Councilor Quinn Wright

ABSENT

Councilwoman Toya Aaron

ALSO PRESENT

City Manager Melissa Marsh
City Attorney Larry Sherman
City Clerk Mary Daley

CM-26-204 Motion to excuse Councilwoman Aaron.

Motion made by Mayor Pro Tem Mier, Seconded by Councilor Wright.
Voting Yea: Mayor Haines, Mayor Pro Tem Mier, Councilman Fleming, Councilor Gerald, Councilor Rohrbach, Councilor Wright

INVOCATION and PLEDGE OF ALLEGIANCE - COUNCILOR ROHRBACH

The invocation was given by Councilor Rohrbach and the Pledge of Allegiance followed.

APPROVAL OF THE AGENDA:

CM-26-205 Approval of the Agenda.

Motion to approve the agenda.

Motion made by Councilor Wright, Seconded by Mayor Pro Tem Mier.
Voting Yea: Mayor Haines, Mayor Pro Tem Mier, Councilman Fleming, Councilor Gerald, Councilor Rohrbach, Councilor Wright

Motion carried.

PRESENTATIONS

DPS Director Sean Ballantine presented the 2026 Summer Beautification Awards. This year's first and second place winners are 28727 Dartmouth, and 30725 Hales received certificates and an award.

MEETING OPEN TO THE PUBLIC

Chelsea - Madison Heights resident:

Flock Cameras & Police Accountability: Raised concerns regarding Flock license plate reading cameras, police department funding, local impact and accountability, referencing a recent police incident in neighboring Eastpointe.

Mayor Haines clarified during the meeting that Madison Heights is already administratively canceling its Flock contract and that its City-owned cameras are bagged, covered, and out of operation.

Kimberly Heisler - Executive Director, Madison Heights Community Coalition:

Grant Award Announcement: Celebrated the coalition being awarded a \$625,000, 5-year Drug-Free Communities grant from the CDC, ensuring funding through at least 2031. She thanked the city for its office/meeting space and ongoing partnership.

Kratom Ban (Ordinance 2214): Spoke in strong support of the ordinance prohibiting local Kratom sales, citing FDA health warnings (including risks of seizures, liver toxicity, and substance use disorder) and emphasizing the lack of regulatory oversight or safety standards for Kratom products.

Emailed Public Comments (Entered into Record by the City Clerk)

The City Clerk distributed five written emails to the Mayor and Council prior to the meeting to be added to the public record:

Neil Batson: Opposed Ordinance 2214, asking Council to consider whether a blanket prohibition on Kratom is the right approach.

Ashley Davidson: Opposed Ordinance 2214, sharing her personal experience with Kratom and requesting Council reconsider the ban.

Heidi Sakura (Chief Scientific Officer, International Plant Herbal Alliance): Provided technical information on Kratom and asked Council to distinguish between natural Kratom and synthetic products.

Allison Smith (Director of Government Affairs, Global Kratom Coalition): Submitted comments opposing Ordinance 2214.

Kevin Trabucci: Submitted an email voicing concern about local establishments causing noise/disturbances near his property.

CONSENT AGENDA:**CM-26-206 Consent Agenda**

Motion to approve the consent agenda as presented.

Motion made by Mayor Pro Tem Mier, Seconded by Councilor Rohrbach.

Voting Yea: Mayor Haines, Mayor Pro Tem Mier, Councilman Fleming, Councilor Geraldts, Councilor Rohrbach, Councilor Wright

Motion carried.

CM-26-207 2026-27 RCOC Winter Maintenance Agreement

Motion to approve the motion to approve the 2026-27 Winter Maintenance Agreement with RCOC and authorize the Mayor and City Clerk to sign on behalf of the City.

Motion made by Mayor Pro Tem Mier, Seconded by Councilor Rohrbach.

Voting Yea: Mayor Haines, Mayor Pro Tem Mier, Councilman Fleming, Councilor Geraldts, Councilor Rohrbach, Councilor Wright

Motion carried.

Fire Chief - 2026 Fire Prevention Proclamation

City Council presented a proclamation recognizing October 4–10, 2026, as Fire Prevention Week in Madison Heights. This year’s theme, “Charge into Fire Safety: Safe Charging Is a Superpower,” highlights the growing fire risks associated with lithium-ion batteries in everyday devices and the importance of safe charging practices. The proclamation encourages residents to use approved chargers, charge devices safely, and recognize warning signs such as overheating or swelling batteries.

CM-26-208 City Council Regular Meeting Minutes of September 14, 2026

Motion to approve the City Council Regular Meeting minutes of September 14, 2026, as printed.

Motion made by Mayor Pro Tem Mier, Seconded by Councilor Rohrbach.

Voting Yea: Mayor Haines, Mayor Pro Tem Mier, Councilman Fleming, Councilor Geraldts, Councilor Rohrbach, Councilor Wright

Motion carried.

BID AWARDS/PURCHASES:**CM-26-209 DPS Pavement Repairs**

Motion to approve the project for the DPS Pavement Repairs to DiLisio Contracting, of Clinton Township, in a project amount of \$91,725.00.

Motion made by Mayor Pro Tem Mier, Seconded by Councilor Wright.
 Voting Yea: Mayor Haines, Mayor Pro Tem Mier, Councilman Fleming, Councilor
 Geraldts, Councilor Rohrbach, Councilor Wright

Motion carried.

CM-26-210 Fire Station 1 Pavement Repairs

Motion to approve the proposal for the Fire Station 1 Pavement Repairs to DiLisio
 Contracting, of Clinton Township, in a project amount of \$184,772.00.

Motion made by Mayor Pro Tem Mier, Seconded by Councilor Rohrbach.
 Voting Yea: Mayor Haines, Mayor Pro Tem Mier, Councilman Fleming, Councilor
 Geraldts, Councilor Rohrbach, Councilor Wright

Motion carried.

CM-26-211- Police and Fire Station 1 Carpet Replacement

Motion to award the Police & Fire Carpet Replacement Project to Conventional Carpet, of
 Sterling Heights, for a total project amount of \$139,077.81 through the Sourcewell
 purchasing cooperative.

Motion made by Councilor Wright, Seconded by Councilor Rohrbach.
 Voting Yea: Mayor Haines, Mayor Pro Tem Mier, Councilman Fleming, Councilor
 Geraldts, Councilor Rohrbach, Councilor Wright

Motion carried.

ORDINANCES:

**CM-26-212- Ordinance 2213 - Amendment to Water and Sewer Ordinance for
 Rentals - Second Reading**

Motion to approve amendment to Water and Sewer Ordinance 2213 for Rentals - Second
 Reading as follows:

**ORDINANCE NO. 2213
 CITY OF MADISON HEIGHTS
 OAKLAND COUNTY, MICHIGAN**

AMENDMENT TO THE CODE OF ORDINANCES

An Ordinance to amend Ordinance No. 571, being an Ordinance codifying and adopting a new
 Code of Ordinances for the City of Madison Heights, by amending Chapter 29, titled "Water
 Supply and Sewage Disposal Systems," Article II, titled "Water," Division 3, titled
 "Connection and Use," Section 29-50.1, titled "Lessors requirements to abate lien on
 property," by amending subsection (e) therein by providing further clarification as to a property
 owner/lessor's obligations to pay for water and sewer services provided to owner/lessor's
 tenant, and the penalties for violation thereof.

THE CITY OF MADISON HEIGHTS ORDAINS

SECTION 1. AMENDMENT.

That Chapter 29, titled “Water Supply and Sewage Disposal Systems,” Article II, titled “Water,” Division 3, titled “Connection and Use,” and Section 29-50.1, titled “Lessors requirements to abate lien on property,” specifically being Section 29-25.1(e) is hereby amended in its entirety, to read as follows:

Sec. 29-50.1(e) is amended to read as follows:

If a property owner/lessor fails to comply with the requirements of section 29-50.1(a)-(d), any delinquency in the payment of water or sewer charges shall be the responsibility of the property owner/lessor. If a property owner/lessor complies with the requirements of section 29-50.1(a)-(d), the City shall disconnect water and sewer for non-payment and may apply the deposit to any delinquency in the payment of water or sewer charges. In either case, if the balance used to pay the delinquency is not replenished or the delinquent balance due is not paid, the property will not be in compliance with section 29-50.1(a)-(d) and the city may assess a lien against the subject property for the amount of the delinquency or balance due, plus impose a lawful rate of interest on the unpaid delinquency or balance due, and costs incurred by the city in recording the lien. The city may disconnect the water and sewer service for properties complying with section 29-50.1(a)-(d) for non-payment as a violation of section 29-48 of the code by being deemed a failure of all reasonable means of collection.

SECTION 2. REPEALER.

All remaining sections of Section 29-50.1, not otherwise modified herein, shall remain in full force and effect; provided, however, all other ordinances, or parts of ordinances, in conflict with this amendment are repealed only to the extent necessary to give this amendment 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, in 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. INSPECTION.

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 between the hours of 12:30 p.m. and 4:30 p.m. on regular business days.

Motion made by Mayor Pro Tem Mier, Seconded by Councilor Rohrbach.

Voting Yea: Mayor Haines, Mayor Pro Tem Mier, Councilman Fleming, Councilor Gerald, Councilor Rohrbach, Councilor Wright

Motion carried.

CM-26-213 - Kratom Prohibition Ordinance 2214 - Second Reading

Motion to approve the Kratom Prohibition Ordinance 2214 on second and final reading as follow:

ORDINANCE NO. 2214

CITY OF MADISON HEIGHTS OAKLAND COUNTY, MICHIGAN AMENDMENT TO THE CODE OF ORDINANCES

An Ordinance to amend Ordinance No. 571, being an Ordinance codifying and adopting a new Code of Ordinances for the City of Madison Heights, by amending Chapter 17, Article VIII, Section 17-168 through 17-175 to prohibit the possession, sale, manufacture, creation, delivery and possession with intent to manufacture, create, or deliver Kratom or any Kratom derivative within the City of Madison Heights and to provide criminal penalties and business and non-business license sanctions for violation thereof.

THE CITY OF MADISON HEIGHTS ORDAINS

SECTION 1. AMENDMENT.

That Chapter 17, titled "Miscellaneous Offenses and Provisions," Article VIII, titled "Controlled Substances," Section 17-168 through 17-175, titled "Reserved," of the Code of Ordinances, City of Madison Heights, Michigan, is hereby amended in its entirety, to read as follows:

Sec. 17-168. – Short Title.

This ordinance shall be known and may be cited as the "Kratom Prohibition Ordinance."

Sec. 17-169. – Findings and Purpose.

The purpose of this ordinance is to protect the public health, safety and welfare of persons within the jurisdiction of the city by prohibiting the possession, sale, manufacture, creation, delivery, and possession with intent to manufacture, create, or deliver kratom and kratom derivatives, except as expressly provided in this ordinance and to provide methods of enforcement through the criminal justice system and the licensing system in the city. The Madison Heights City Council finds that kratom and products containing kratom pose risks to public health, safety and welfare of the public and that prohibiting activities specified in this Ordinance are necessary to protect the community, including those who reside, work and visit the city.

Sec. 17-170 – Definitions.

When used in this article, the following words and terms shall have the following meanings:

1. *Kratom* means any part of the plant *Mitragyna speciosa*, including its leaves, stems, roots, extracts, powders, resins, preparations, concentrates, or other material derived from or containing any part of that plant.
 2. *Kratom derivative* means any substance, preparation, compound, extract, concentrate, mixture, product, or other material that is derived from, contains, or is manufactured, created from kratom, whether or not the substance is chemically altered from its naturally occurring form.
- (c) *Manufacture* means the production, preparation, propagation, compounding, processing, extraction, conversion, packaging, repackaging, or other creation of kratom or a kratom derivative, directly or indirectly, by natural, chemical or other means.
- (d) *Creation* means to grow, produce, prepare, formulate, compound, extract, concentrate, process, or otherwise bring into existence kratom or a kratom derivative.
- (e) *Deliver or delivery* means the actual, constructive, or attempted transfer of kratom or a kratom derivative from one person to another, whether or not here is an exchange of money or other consideration.
- (f) *Person* means any individual, natural person, corporation, limited liability company, partnership, limited partnership, limited liability partnership, association, trust, estate, joint venture, cooperative, organization, business, business establishment, entity, firm, company, nonprofit organization, governmental entity, or other legal or commercial entity, whether or not incorporated, and any other entity or combination of individuals or entities capable of owning property, entering into contracts, conducting business, or being subject to legal obligations. The definition of “Person” also includes any officer, director, manager, member, partner, agent, employee, representative, or other person acting on behalf of such entity to the extent permitted by applicable law.
- (g) *Possession* means knowingly or intentionally having actual, constructive, or joint possession of kratom or a kratom derivative.

(h) *Sale* means any transfer of kratom or a kratom derivative for money, property, services, or anything else of value and includes an offer or attempt to sell.

Sec. 17-171. – Prohibited conduct.

Except as expressly authorized by state or federal law and subject to the exceptions in Section 7 below of this ordinance, it shall be unlawful for a person, within the jurisdiction of the city, to:

- (a) Knowingly possess kratom or any kratom derivative;
- (b) Knowingly sell or offer for sale kratom or any kratom derivative;
- (c) Knowingly manufacture kratom or any kratom derivative;
- (d) Knowingly create kratom or any kratom derivative;
- (e) Knowingly deliver kratom or any kratom derivative;
- (f) Knowingly possess kratom or any kratom derivative with the intent to manufacture, create, sell, or deliver it;
- (g) Knowingly advertise, offer, arrange, or facilitate the sale or delivery of kratom or any kratom derivative; or
- (h) Knowingly maintain or operate a location for the purpose, in part, of manufacturing, creating, storing, selling, or delivering kratom or any kratom derivative in violation of this ordinance.

Sec. 17-172. – Possession With Intent.

A person who knowingly possesses kratom or a kratom derivative under circumstances demonstrating an intent to manufacture, create, sell, or deliver kratom or kratom derivative commits a violation of this ordinance. Intent may be established through any evidence permitted by applicable law, including but not limited to the quantity or packaging of the material, communications concerning the material, financial records, equipment, transaction records, or other circumstances surrounding the possession.

Sec. 17-173. – Applicability of Ordinance.

This ordinance applies regardless of the form in which the kratom or kratom derivative exists, including powder, capsule, tablet, liquid, resin, extract, concentrate, plant material, edible product, beverage or other preparation, whether the kratom or kratom derivative is labeled or marketed as a dietary supplement, botanical product, herbal product, food, beverage, wellness product, research chemical or otherwise; whether the product is intended for human consumption; and whether the product contains naturally occurring kratom constituents or constituents that have been chemically modified or concentrated.

Sec. 17-174. – Exceptions.

This ordinance shall not prohibit conduct that is expressly authorized by applicable federal or Michigan law. Nothing in this ordinance shall prohibit possession, handling, manufacture, testing, or use of kratom or a kratom derivative by a federal, state or local governmental agency or law

enforcement agency acting with the scope of its official duties; possession or handling of kratom or a kratom derivative by a person acting pursuant to a valid court order or other specific legal authorization; possession, handling, manufacturing, or testing of kratom or a kratom derivative by an appropriately authorized laboratory, educational institution, or research organization when such activity is expressly permitted by applicable law; or any other conduct that applicable state or federal law expressly exempts from local regulation.

Sec. 17-175 -- Penalties.

- (a) A person who violates this article is guilty of a misdemeanor punishable by imprisonment for not more than 90 days or a fine of not more than \$500.00, or both. Further, each separate act of possession, manufacture, creation, sale, delivery, or possession with intent prohibited by this ordinance shall constitute a separate violation to the extent permitted by law.
- (b) A person who violates this article and who has or possesses a business license or other license issued by the city may be subject to revocation, non-renewal, or denial of said license, subject to the provisions in the city code of ordinances.
- (c) Pursuant to lawful enforcement of this ordinance, the city police department may seize and retain any kratom or kratom derivative, which may be kept, maintained, preserved, tested or transferred to other appropriate government authorities, or otherwise disposed of or destroyed in accordance with applicable law and established evidence-handling procedures.
- (d) Nothing in this article shall prevent the city from pursuing any other remedy authorized by law.

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, in 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. INSPECTION.

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 between the hours of 12:30 p.m. and 4:30 p.m. on regular business days.

Motion made by Mayor Pro Tem Mier, Seconded by Councilor Rohrbach.

Voting Yea: Mayor Haines, Mayor Pro Tem Mier, Councilman Fleming, Councilor Gerald, Councilor Rohrbach, Councilor Wright

Motion carried.

CM-26-214 - Ordinance 2215 - Rezoning request PRZN 26-02 - City initiated rezoning of 27431 Hales Street from R-3 to N-P

Motion to approve the first reading of the ordinance 2215 - Rezoning 27431 Hales Street, Parcel No. 44-25-13-401-021, from R-3, One-Family Residential, to N-P, Natural Preservation and Recreation, and to schedule the second reading and consideration of final adoption for October 12, 2026.

Motion made by Councilor Rohrbach, Seconded by Mayor Pro Tem Mier.

Voting Yea: Mayor Haines, Mayor Pro Tem Mier, Councilman Fleming, Councilor Gerald, Councilor Rohrbach, Councilor Wright

Motion carried.

COUNCIL COMMENTS:

Councilman Fleming noted that October is Fire Prevention Month and reminded residents of the city's free smoke detector program available through the fire department website. He also spoke about Community Connect, a database where residents can submit emergency information (such as medical details and pet counts) to assist first responders on scene.

Councilor Gerald had no comments for the evening.

Councilor Rohrbach voiced strong support for passing the Kratom prohibition ordinance to keep children and the community safe, thanking the Madison Heights Community Coalition for their input. She also noted that absentee ballots had arrived in the mail and urged all residents to vote.

City Clerk Daley reported that over 5,500 absentee ballots were mailed out on Friday. Advised residents on the permanent list or those who requested a ballot to look for a blue and white envelope in their mail and noted that applications can still be submitted online or through the clerk's office.

Councilman Wright expressed gratitude to City staff, the Historical Commission, and volunteers who supported the "Rev'n in the Heights" event despite the rain.

Mayor Pro Tem Mier announced that the Downtown Development Authority (DDA) donated a set of original clock tower hands to the Historical Commission. He also congratulated the Madison Heights Community Coalition on their federal grant award and thanked them for supporting local youth.

City Manager Marsh reminded the Council and public about the Fire Station Open House happening this Saturday and also announced the upcoming Harvest Festival scheduled for Saturday, October 10th, from 12:00 p.m. to 3:00 p.m. at Rosie's Park.

City Attorney Larry Sherman noted no official legal updates, but shared personal news that his daughter, Jolie, got engaged over Labor Day weekend to Matt Finkel, a sports anchor for local news.

Mayor Haines spoke on the following:

Flock Cameras: Clarified that the city's license plate reading cameras have been bagged and covered to block data usage while administrators work to conclude the contract, noting that the camera previously at JARS Cannabis was removed earlier.

Kratom Prohibition: Supported the ban on local Kratom sales, emphasizing that Kratom is unapproved by the FDA and lacks ingredient regulation or transparency.

Event Support: Thanked Councilman Wright for presenting the Mayor's award at the "Rev'n in the Heights" event in his absence.

Made a clarification that City Council does not directly handle employee or police discipline, as personnel decisions and union agreement enforcement fall under the City Manager and administrative team.

ADJOURNMENT:

Having no further business, Mayor Haines adjourned the meeting at 7:30 p.m.

Corey K. Haines, Mayor

Mary Daley, City Clerk



AGENDA ITEM SUMMARY FORM

MEETING DATE: 10/12/26

PREPARED BY: Matt Lonnerstater, AICP

AGENDA ITEM CONTENT: Ordinance 2215 - Rezoning PRZN 26-02 - City-Initiated Rezoning of 27431 Hales St - Second Reading

AGENDA ITEM SECTION: Ordinances

BUDGETED AMOUNT: N/A

FUNDS REQUESTED: N/A

FUND: N/A

EXECUTIVE SUMMARY:

The City of Madison Heights is initiating a rezoning of one (1) parcel of land at 27431 Hales Street (TM# 44-25-13-401-021) from R-3, One-Family Residential, to N-P, Natural Preservation and Recreation. The property is 1.74 acres in size and is surrounded by Rosie's Park, which is owned by the City.

At their September 22nd, 2026 meeting, the Planning Commission unanimously recommended approval of the rezoning.

RECOMMENDATION:

Staff recommends that City Council approve and adopt Ordinance #2215 (PRZN 26-02) upon second reading.



MEMORANDUM

Date: September 29th, 2026
 To: City of Madison Heights City Council
 Meeting Date: October 12th, 2026
 From: Matt Lonnerstater, AICP – City Planner
 Subject: Rezoning Request PRZN 26-02 (Ord. 2215)– City-Initiated Rezoning of 27431 Hales Street [R-3 to N-P] – Second Reading and Adoption

Introduction

The City of Madison Heights is initiating a rezoning of one (1) parcel of land at 27431 Hales Street (TM# 44-25-13-401-021) from R-3, One-Family Residential, to N-P, Natural Preservation and Recreation. The property is 1.74 acres in size and is surrounded by Rosie's Park, which is owned by the City.

The subject property is owned by the Federal Aviation Administration (FAA) of the U.S. government who operated and maintained a small structure/facility on the parcel; this structure has since been demolished. The city is in discussions with the FAA to purchase the property and formally combine it with the adjacent Rosie's Park property. To avoid split-zoning, the City is initiating a rezoning to the N-P, Natural Preservation and Recreation district which is consistent with the remainder of the city-owned Rosie's Park property.

Planning Commission Action and Findings

At their September 22nd, 2026 meeting, the Planning Commission approved the following motion pertaining to the proposed rezoning:

Motion by Mayor Haines, seconded by Commissioner Graettinger, to recommend that City Council approve the rezoning of 27431 Hales Street, parcel # 44-25-13-401-021, from R-3, One-Family Residential, to N-P, Natural Preservation and Recreation, after the required public hearing, based upon the following findings:

Rezoning to N-P satisfies the map amendment review standards contained in Section 15.07 of the Zoning Ordinance. In particular, the Planning Commission finds that a rezoning to N-P satisfies the following standards:

- a. The site is compatible with the physical, geological, hydrological and other environmental features with the uses permitted in the proposed zoning district.*
- b. The uses allowed in the proposed N-P district are compatible with surrounding uses and zoning in terms of land suitability, impacts on the environment, density, nature of use, traffic impacts, aesthetics, infrastructure and potential influence on property values.*
- c. The proposed zoning district is compatible with the goals, policies, and objectives of the Master Plan (including the Future Land Use Plan) and the "Recreation" future land use category.*

- d. *The boundaries of the N-P district will be reasonable in relationship to surrounding zoning districts, and construction on the site will be able to meet the dimensional regulations for the requested zoning district.*
- e. *The proposed district is considered to be more appropriate from the city's perspective than the existing R-3 district.*
- f. *Rezoning the land is considered to be more appropriate than amending the list of permitted or special land uses in the current zoning district to allow the use.*

Motion carries unanimously.

Background

The U.S. Federal Aviation Administration (FAA) owns the subject parcel and operated/maintained a small structure and fenced compound on the parcel. Based on aerial photographs, the structure was demolished sometime between 2020 and 2023, but the fence is currently still standing. With the exception of the area interior to the fence, the remainder of the property acts as an extension of Rosie's Park. As the property is no longer used by the FAA, the City is interested in purchasing the property and formally consolidating it into Rosie's Park. The subject property is currently zoned R-3, One-Family Residential, while Rosie's Park is zoned N-P, Natural Preservation and Recreation. To avoid split zoning and to facilitate the purchase of the property, the City is requesting a rezoning to N-P.

Subject Parcel with Remnants of FAA Compound



Map Amendment (Rezoning) Review Standards

Section 15.07 of the Madison Heights Zoning Ordinance contains standards that the Planning Commission and City Council shall consider when reviewing and acting upon a rezoning request:

- (1) *Compatibility of the site's physical, geological, hydrological and other environmental features with the uses permitted in the proposed zoning district.*
- (2) *Compatibility of all the potential uses allowed in the proposed zoning district with surrounding uses and zoning in terms of land suitability, impacts on the environment, density, nature of use, traffic impacts, aesthetics, infrastructure and potential influence on property values.*
- (3) *Consistency with the goals, policies, and objectives of the Master Plan (including the Future Land Use Plan), and any sub-area or corridor plans. If conditions have changed since such plans were adopted, consistency with recent development trends in the area shall be considered.*

- (4) *The boundaries of the requested zoning district will be reasonable in relationship to surrounding zoning districts, and construction on the site will be able to meet the dimensional regulations for the requested zoning district.*
- (5) *The requested zoning district is considered to be more appropriate from the city's perspective than another zoning district.*
- (6) *If a rezoning is requested to allow for a specific use, rezoning the land is considered to be more appropriate than amending the list of permitted or special land uses in the current zoning district to allow the use.*
- (7) *The requested rezoning will not create an isolated or incompatible zone in the neighborhood.*
- (8) *The capability of the street system to safely and efficiently accommodate the expected traffic generated by uses permitted in the requested zoning district.*
- (9) *That the amendment will not be expected to result in exclusionary zoning.*

Zoning and Land Use Considerations

Per the Zoning Ordinance, the intent of the existing **R-3, One-Family Residential district** is to, “provide for one-family dwelling sites and residentially-related uses in keeping with the Master Plan of residential development in the City of Madison Heights.”

The intent of the proposed **N-P, Natural Preservation and Recreation District** is to:

- *Protect and sustain those lands and water bodies most suitable for public recreational purposes and the preservation of natural features.*
- *Provide for the protection, preservation, proper maintenance and use of trees, woodlands and other natural lands located in the City of Madison Heights in order to minimize disturbance to them and to prevent damage from erosion and siltation, a loss of wildlife and vegetation, and/or from the destruction of the natural habitat.*
- *Protect the woodlands (including trees and other form of vegetation) of this city for their economic support of local property values when allowed to remain uncleared and/or unharvested and for their natural beauty, wilderness, character, or geological, ecological, or historical significances.*
- *Provide for the paramount public concern for those natural resources in the interest of health, safety, and general welfare of the residents of the city.*

While the city intends to purchase the property, combine it with Rosie's Park, and maintain it for park purposes, City Council should consider all of the potential uses that could be developed on this site if it were to be rezoned to N-P. City Council should also consider the list of R-3 residential uses currently allowed on-site which would no longer be permitted in an N-P district. Some of these more intense uses and significant use departures are highlighted in the table on the following page:

Permitted Use Comparison: R-3 and N-P Districts

USE	R-3	N-P
CURRENT USE: De-commissioned FAA compound (Essential Public Utility Services)	P	P
PROPOSED USE: Public Park	P	P
Residential Uses		
One-Family Dwelling	P	S
Child Family Day Care Homes	P	P
Child Group Day Care Homes	S	S
Foster Care Family Homes	P	P
Foster Care Group Homes	S	S
Public & Quasi-Public Uses		
Public Library, Museum, Art Center, Community Center	P	S
Government Office Building, Courthouse, Public Police and Fire Services	P	P
Religious Institutions, Private Clubs and Lodges	S	
K-12 Schools, Public or Private	S	
Public Parks	P	P
Essential Public Utility Services	P	P

P = Permitted by Right S = Special Approval Required Blank = Not Permitted

The full Permitted Use Table is attached to this memorandum. While the list of permitted uses in both districts is limited, it is important to note that one-family dwellings require Special Land Use approval in the N-P district, whereas they are permitted by right in the R-3 district.

Existing Land Use and Zoning

Existing adjacent land uses and zoning designations are denoted in the table below:

Existing Land Uses and Zoning

	Existing Land Use	Existing Zoning
Site	Park/Decommissioned FAA Facility	R-3, One Family Residential
North	Rosie's Park	N-P, Natural Preservation and Recreation
South	Rosie's Park	N-P, Natural Preservation and Recreation
East (across Hales)	Single-Family Residential	R-3, One Family Residential
West	Rosie's Park	N-P, Natural Preservation and Recreation

The property is surrounded by Rosie's Park, zoned N-P. The properties across Hales Street are zoned R-3 and improved with single-family detached homes.

Future Land Use and Master Plan

Adjacent future land uses, as envisioned by the 2021 Madison Heights Master Plan, are denoted in the table below:

Future Land Use

	Future Land Use
Site	Recreation
North	Recreation
South	Recreation
East	Single-Family Residential
West	Recreation

The future land use designation of the subject site is *Recreation*. Per the Master Plan, the Recreation designation is intended to continue the established system of neighborhood parks, community parks and playfields, and the recreation corridor associated with the Red Run Drain. These areas are envisioned to continue as recreation areas and are maintained and improved as noted in the city’s Recreation Plan.

Pertinent Goals & Objectives from the Master Plan include:

Public Services & Facilities

- Expand the range of recreational opportunities and facilities in Madison Heights in accordance with residents’ needs and abilities.
- Replace aging infrastructure, as necessary, with technologically advanced, state of the art infrastructure and materials.

Staff Discussion and Policy Analysis

In practice, the subject parcel currently acts as a part of Rosie’s Park despite its separate ownership. Staff is in support of this city-initiated rezoning to help facilitate the transfer of property ownership to the City, combine the property with Rosie’s Park, and ensure a consistent zoning designation. Further, the rezoning is fully compatible with the property’s recreational future land use designation.

Next Step

Based on the recommendation of approval from the Planning Commission and their pertinent findings, staff recommends that City Council approve and adopt Ordinance #2215 (PRZN 26-02) upon second reading.

Attachments

- Compiled Maps
- Section 3.06 – Permitted Use Table
- Section 3.19 – Natural Preservation and Recreation District – Schedule of Regulations
- Section 15.07 – Zoning Ordinance Amendments (Map and Text)
- Public Hearing Notice

ORDINANCE NO. 2215

AN ORDINANCE TO AMEND ORDINANCE NUMBER 2198, BEING AN ORDINANCE CODIFYING AND ADOPTING A NEW ZONING ORDINANCE FOR THE CITY OF MADISON HEIGHTS, BY AMENDING THE ZONING MAP CONTAINED WITHIN APPENDIX A.

THE CITY OF MADISON HEIGHTS ORDAINS:

SECTION 1. That the Zoning Map in connection with the Zoning Ordinance of the City of Madison Heights shall be amended so that the zoning on the following described property, to-wit:

T1N, R11E, SEC 13, PART OF SE 1/4 BEG AT PT DIST S 87-55-00 E 167.77 FT & N 00-16-38 E 1331.08 FT & E 211.45 FT FROM S 1/4 COR, TH N 249.25 FT, TH E 245.35 FT, TH S 16 FT, TH E 62 FT, TH S 233.25 FT, TH W 307.35 FT TO BEG 1.74 A

PIN 44-25-13-401-021 – 27431 HALES STREET

Shall be changed from R-3, ONE-FAMILY RESIDENTIAL, to N-P, NATURAL PRESERVATION AND RECREATION.

SECTION 2. 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. This ordinance shall take effect ten (10) days after its adoption and upon publication.

Corey K. Haines
Mayor

Mary P. Daley
City Clerk

CERTIFICATION:

I, Mary P. Daley, 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 October 12th, 2026.

Mary P. Daley
City Clerk

FIRST READING: September 28th, 2026

SECOND READING: October 12th, 2026

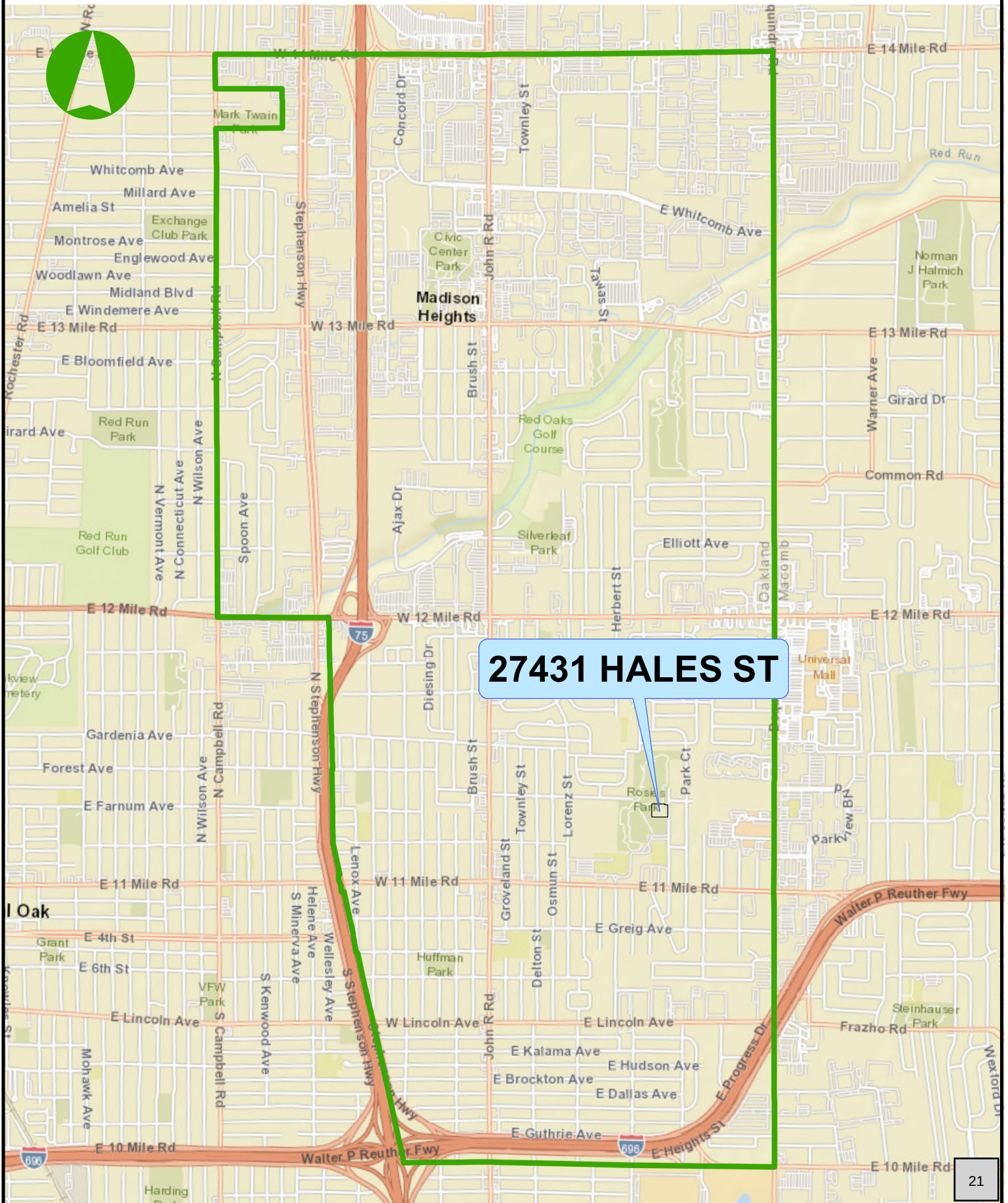
ADOPTED: October 12th, 2026

PUBLISHED:

EFFECTIVE:

PRZN 26-02 : 27431 HALES ST

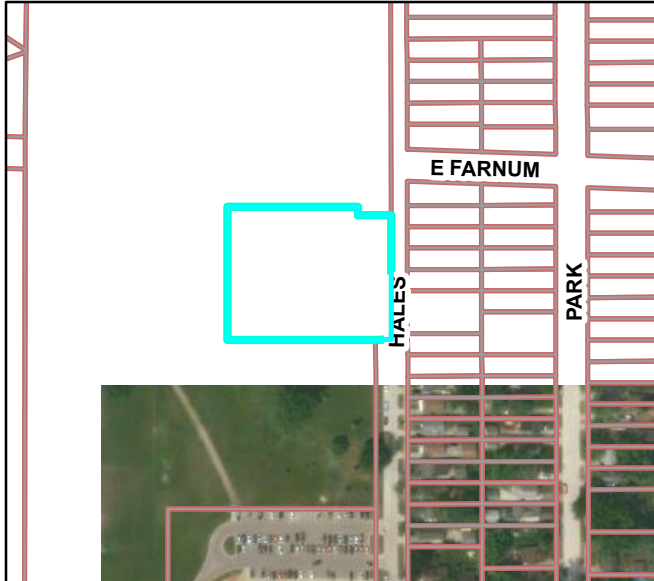
Item 3.



Site Address: 27431 Hales St

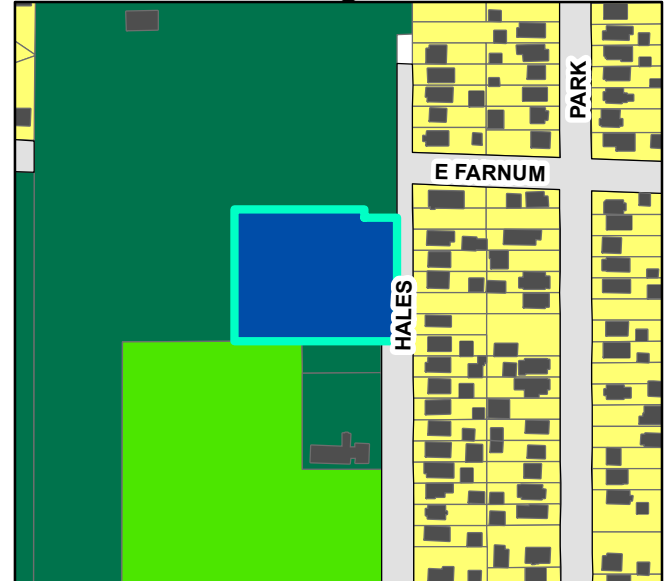
Click for maps

Aerial



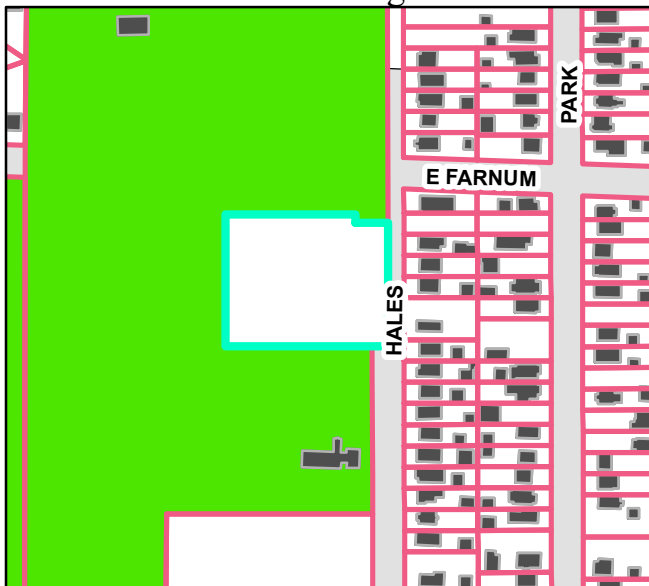
 27431 Hales St Parcels

Existing Land Use



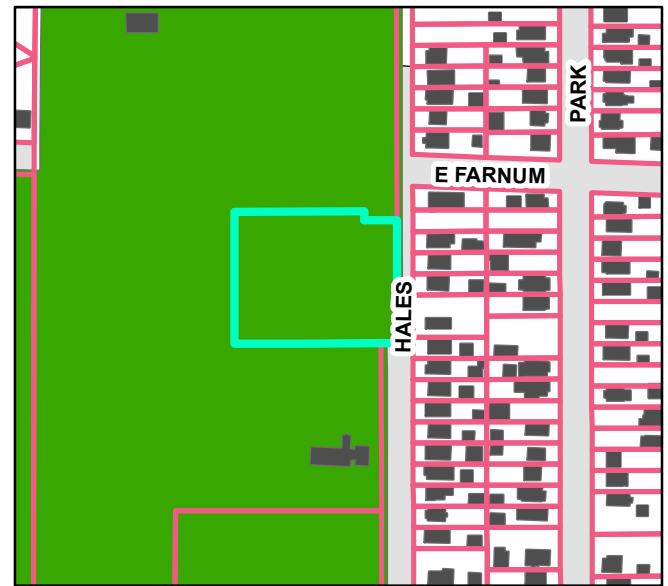
 27431 Hales St Recreation
 Single and Two Family School
 Public

Zoning



 27431 Hales St R-3 Residential
 N-P

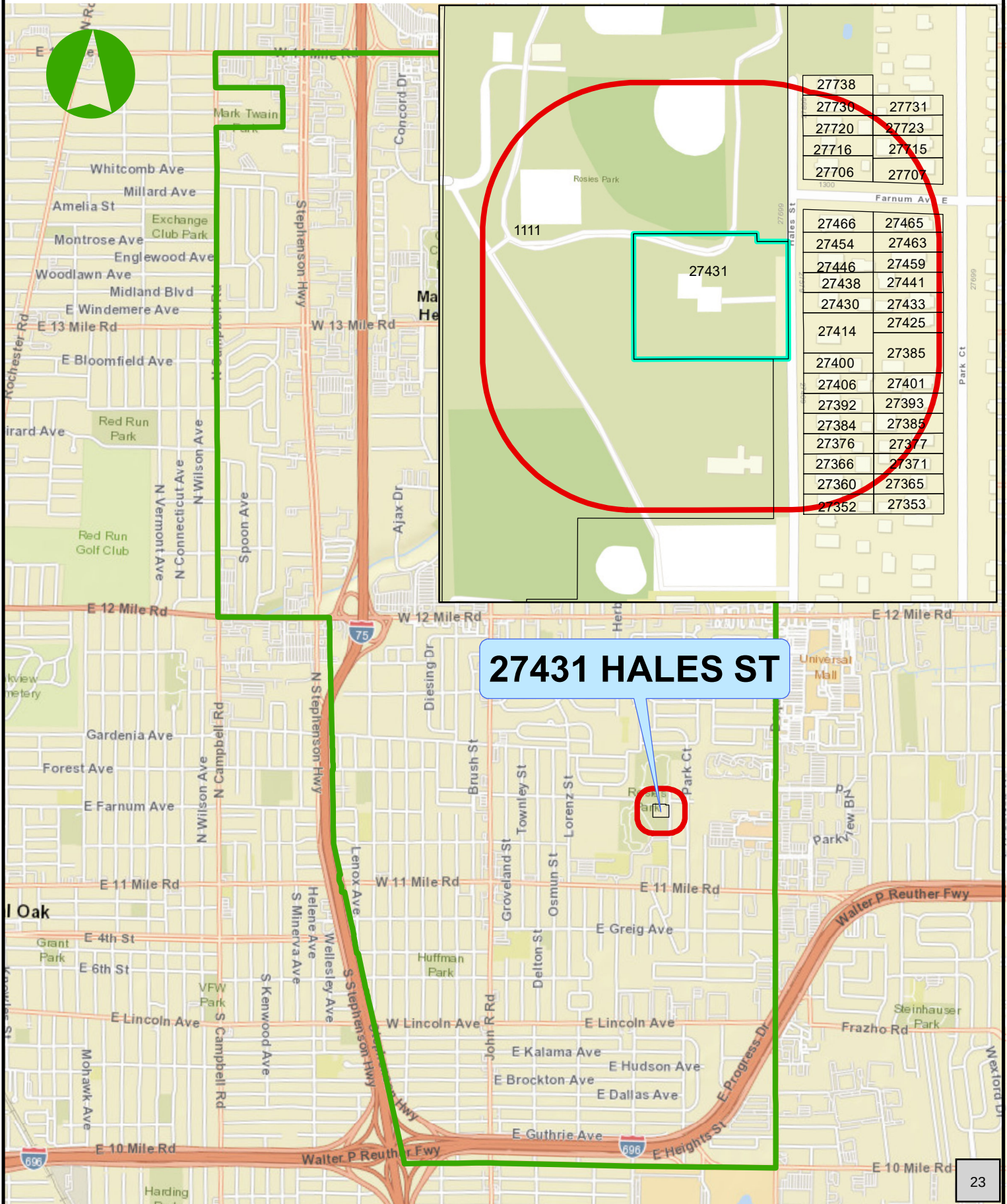
Future Land Use



 27431 Hales St Single Family
 Conservation

PRZN 26-02 : 27431 HALES ST BUFFER 300 FT

Item 3.



Section 3.06 Permitted Use Table

Uses not listed in a particular Zoning District but permitted elsewhere in the Zoning Ordinance shall be considered prohibited in that Zoning District. However, the Planning and Zoning Administrator or their designee may determine that a use which is not specifically mentioned in this Ordinance is comparable to a permitted or prohibited use in any district, either by right or as a Special Land Use. The Planning and Zoning Administrator may refer a use interpretation to the Zoning Board of Appeals.

The City Center Zoning District is regulated in [City Center District, Section 6.02](#)

Key:

P = Principal Uses Permitted By-Right

S = Uses Permitted on Special Land Use Approval

A = Permitted as an Accessory Use

P/S = May be Permitted By-Right or as a Special Land Use. Refer to use-specific standards

A+S = Permitted as an Accessory Use upon Special Land Use Approval

[blank] = Not Permitted

* = Refer to City Center, [Section 6.02](#), for additional use matrix based on building type.

† = Only permitted in Primary Caregiver Marihuana Grow Overlay District, [Section 5.01](#)

Land Use	R-1	R-2	R-3	R-MN	R-MF	O-1	B-1	B-2	B-3	CC*	MUI-1	MUI-2	M-1	M-2	H-M	N-P	Use Standards (Section No.)
Residential Uses																	
Accessory Dwelling Unit	A	A	A	A	A												7.03(1)
Detached One-Family Dwelling	P	P	P	P	P											S	7.03(10)
Townhomes, Attached One-Family Dwellings				P	P						P	P					7.03(45)
Duplexes				P	P												7.03(12)
Multiplexes				P	P												7.03(29)
Multi-Family Dwellings					P					P*		P					7.03(30)
Residential/Commercial Mixed-Use							P	P	P	P*	P	P					7.02(2)
Live/Work				S	S		P				P	P					7.03(23)
Manufactured Homes															P		3.12
Senior Housing, Assisted					S	S						S					7.03(41)
Senior Housing, Independent					P					P*		P					7.03(42)
Child Family Day Care Homes	P	P	P	P	P						P	P				P	7.03(7)
Child Group Day Care Homes	S	S	S	S	S						S	S				S	7.03(7)
Foster Care Family Homes	P	P	P	P	P						P	P				P	7.03(14)
Foster Care Group Homes	S	S	S	S	S						S	S				S	7.03(14)
Commercial Uses																	
Artist Studio						P	P	P	P	P*	P	P	P	P			
Auto Repair and Service (Minor)								S	P		S		S	S			7.03(2)
Auto Repair and Service (Major)								S	S		S		S	S			7.03(2)
Auto Sales (New and Used) and Rental								S	S		S	S	P/S	P/S			7.03(3)
Auto Wash									S								7.03(4)
Banquet/Assembly/Meeting Halls (less than 75 persons)						S	S	P	P	P/S*	P	P	P	P			7.03(5)
Banquet/Assembly/Meeting Halls (greater than 75 persons)								P	P	P/S*	S	P					7.03(5)
Bars and Taprooms							S	P	P	P/S*	P	P	P	P			
Business or Trade Schools						P	S	P	P	P*	S	P	P	P			

Land Use	R-1	R-2	R-3	R-MN	R-MF	O-1	B-1	B-2	B-3	CC*	MU-1	MU-2	M-1	M-2	H-M	N-P	Use Standards (Section No.)
Child/Adult Day Care Center and Preschools	S	S	S	S	S	P	P	P	P	P*	S	P					7.03(6)
Commercial Kennels and Boarding Facilities								S	S			S	S	S			7.03(8)
Drive-Through Facilities						A+S	A+S	A	A		A+S	A					7.03(11)
Financial Institutions						P	P	P	P	P*	P	P	P	P			
Firearm Retail Sales								P	P				A	A			7.03(13)
Funeral Homes						S		S	S			S					7.03(15)
Gasoline/Recharging Stations								S	S								7.03(16)
General Retail, Small to Mid-Format (up to 30,000 sq. ft.)							P	P	P	P*	P	P					
General Retail, Large Format (>30,000 sq. ft.)								P	P		S	S					
Home Improvement Centers and Garden Centers, Small to Mid-Format (up to 30,000 sq. ft.)							P	P	P	P/S*	P	P	S	S			7.03(17)
Home Improvement Centers and Garden Centers, Large Format (>30,000 sq. ft.)								P	P		S	S	S	S			7.03(17)
Hotels and Lodging Facilities								S	P	P/S*	S	P					7.03(20)
Incubator Kitchen or Catering Facility						S	P	P	P	P*	P	P	P	P			
Indoor Recreational Business							P/S	P	P	P/S*	P/S	P/S	P	P			7.03(21)
Indoor Shooting Range									S				S	S			7.03(22)
Medical Office						P	P	P	P	P*	P	P					
Microbreweries, Wineries and Distilleries							S	P	P	P*	P	P	P	P			
Mobile Food Court (Principal Use)										S*	S	S					7.03(27)
Mobile Food Site (Accessory Use)										A*	A	A					7.03(28)
Outdoor Dining and Seating						A	A	A	A	A*	A	A	A	A			7.03(31)
Outdoor Recreational Business								S	S			S					7.03(32)
Outdoor Sales and Display						A+S	A+S	A	A	A*	A	A	A	A			7.03(33)

Land Use	R-1	R-2	R-3	R-MN	R-MF	O-1	B-1	B-2	B-3	CC*	MUI-1	MUI-2	M-1	M-2	H-M	N-P	Use Standards (Section No.)
Personal Service Establishments						P	P	P	P	P*	P	P					
Pharmacy						P	P	P	P	P*	P	P					
Professional Office						P	P	P	P	P*	P	P	P	P			
Restaurant						P	P	P	P	P*	P	P	P	P			
Self-Storage Facility									S				S	S			<u>7.03(40)</u>
Tutoring and Instructional Services						P	P	P	P	P*	P	P					
Tobacco/Smoke Shop or Smoke Lounge								P	P	S*	S	P					<u>7.03(44)</u>
Theater							S	P	P	P*	P	P					
Veterinary Clinic or Animal Grooming						S	S	P	P	P*	P	P					<u>7.03(46)</u>
Industrial Uses																	
Artisan Manufacturing/Makerspace										P*	P	P	P	P			
Contractor's Office						P	P	P	P	P*	P	P	P	P			<u>7.03(9)</u>
Light Industrial, Assembly, Repair and Manufacturing											P		P	P			
Heavy Industrial, Assembly, Repair and Manufacturing														P			
Lumber Yard													S	S			<u>7.03(17)</u>
Fleet Vehicle and Trucking Storage Yard. Commercial Storage of Boats, Trailers, Recreational Vehicles, or other Operable Vehicles or Equipment.													S	S			
Research, Development and Testing Facilities										S*	P		P	P			
General Warehouse and Distribution											P		P	P			
Wholesale Sales/Retail									P		S	S	S	S			
Industrial Tool and Equipment Sales, Rental, Service, Storage and Distribution								P	P	S*	S	P	P	P			
Incubator Workspaces								P	P	P*	P	P	P	P			
Yard Waste Transfer and Composting Facilities														S			
Junk, Tow, or Salvage Yard														S			

Land Use	R-1	R-2	R-3	R-MN	R-MF	O-1	B-1	B-2	B-3	CC*	MUI-1	MUI-2	M-1	M-2	H-M	N-P	Use Standards (Section No.)
Recycling Drop Off Centers													S	S			
Recycling Transfer and Processing Facilities														S			
Public & Quasi-Public Uses																	
Hospital						S		S	S								7.03(19)
Public Library, Museum, Art Center, Community Center	S	S	S	S	S	P	P	P	P	P*	P	P	P	P	S	S	
Government Office Building/Courthouse/Public Police and Fire Services	P	P	P	P	P	P	P	P	P	P*	P	P	P	P	P	P	
Post Office					P	P	P	P	P	P*	P	P	P	P			
Religious Institutions, Private Clubs, and Lodges (less than 75 persons)	S	S	S	S	S	S	S	P	P	P*	P	P	P	P			7.03(39)
Religious Institutions, Private Clubs, and Lodges (greater than 75 persons)	S	S	S	S	S			P	P	S*	S	P					7.03(39)
K-12 Schools, Public or Private	S	S	S	S	S	P	S	S	S	S*	S	S					
Institutions of Higher Learning						P	S	P	P	S*	P	P					
Public Parks	P	P	P	P	P	P	P	P	P	P*	P	P	P	P	P	P	
Cemetery	S	S															
Essential Public Utility Services	P	P	P	P	P	P	P	P	P	P*	P	P	P	P	P	P	
Other Uses																	
Accessory Buildings, Structures and Uses	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	8.03
Temporary Buildings/Uses	P	P	P	P	P	P	P	P	P	P*	P	P	P	P	P	P	7.03(43)
Home Occupation, Minor	A	A	A	A	A					A*	A	A			A	A	7.03(18)
Home Occupation, Major	A+S	A+S	A+S	A+S	A+S					A+S*	A+S	A+S			A+S	A+S	7.03(18)
Parking as a Principal Use	S	S	S	S	S	S	S	S	S	S*	S	S	S	S	S		7.03(34)
Regulated Uses								S	S								7.03(38)
Wireless Communication Facilities	Refer to Section 7.03(47)																
Medical Marihuana Caregiver											P ⁺	P ⁺	P ⁺	P ⁺			7.03(24)
Medical Marihuana and Adult Use Marihuana Safety Compliance Facility						P					P	P	P	P			7.03(25)

Land Use	R-1	R-2	R-3	R-MN	R-MF	O-1	B-1	B-2	B-3	CC*	MUI-1	MUI-2	M-1	M-2	H-M	N-P	Use Standards (Section No.)
Medical Marihuana and Adult Use Marihuana Facilities	Refer to Section 7.03(26)																

Section 3.19 N-P Natural Preservation and Recreation District

PREAMBLE

The purposes of this Zoning District are:

2. To protect and sustain those lands and water bodies most suitable for public recreational purposes and the preservation of natural features.
3. To provide for the protection, preservation, proper maintenance and use of trees, woodlands and other natural lands located in the City of Madison Heights in order to minimize disturbance to them and to prevent damage from erosion and siltation, a loss of wildlife and vegetation, and/or from the destruction of the natural habitat.
4. To protect the woodlands (including trees and other form of vegetation) of this city for their economic support of local property values when allowed to remain uncleared and/or unharvested and for their natural beauty, wilderness character, or geological, ecological, or historical significances.
5. To provide for the paramount public concern for these natural resources in the interest of health, safety, and general welfare of the residents of this city.

REQUIRED CONDITIONS

The following specific standards are hereby established to guide the use and development of woodlands and other natural areas designated as N-P in this city, including the spacing of trees, the clearing of shrubs and brush, the density of vegetation growth and preservation per acre, forestry, and tree replacement practices. However, since the environmental values, soil characteristics, tree growth, and related natural resource parameters will remain unique for each parcel of land and for each development application, each site shall be reviewed on an individual basis. Nonetheless, the following criteria must be considered and balanced with respect to each proposal under this Ordinance:

1. Residential living units shall blend into the natural setting of the landscape for the enhancement of sound, orderly economic growth, and development and for the protection of property values in this city.
2. The preservation of woodlands, trees, similar wood vegetation and related natural resources and values shall take priority over all forms of development.
3. The protection and conservation of irreplaceable natural resources from pollution, impairment or destruction shall remain the paramount factor.
4. No proposal shall be denied solely on the basis that some trees are growing on the private or public property under consideration. Other factors which demonstrate a public need for woodland preservation must be stated.
5. The total acreage of woodlands and other natural areas per capita existing in the city shall be considered.
6. The relationship of streets, highways and other transportation corridors to the natural area shall be considered, along with alternatives for new transportation routes and for the location of the proposed development.

PERMITTED USES	SPECIAL LAND USES	ACCESSORY USES
• Child Family Day Care Homes 7.03(7) • Essential Public Utility Services • Foster Care Family Homes 7.03(14) • Government Office Building/Courthouse/Public Police and Fire Services • Public Parks • Temporary Buildings and Uses 7.03(43)	• Child Group Day Care Homes 7.03(7) • Detached One-Family Dwelling 7.03(10) • Foster Care Group Homes 7.03(14) • Home Occupation, Major 7.03(18) • Public Library, Museum, Art Center, Community Center	• Accessory Buildings, Structures and Uses Section 8.03 • Home Occupation, Major 7.03(18) • Home Occupation, Minor 7.03(18)

The above list is a summary of Principal Permitted Uses, Special Land Uses, and Accessory Uses in the district. Uses provided with a section reference indicates uses that have specific use standards. Refer to [Article 2](#) for definitions of uses.

DIMENSION REGULATIONS			
Lot Standards		Minimum Setbacks	
Min. Lot Area (sq. ft.)	43,560 sq. ft.	Front Yard (ft.)	25 ft.
Min. Lot Width (ft.)	150 ft.	Side Yard (one) (ft.)	10 ft.
Max. Lot Coverage	20%	Side Yard (total of 2) (ft.)	25 ft.
Min. Floor Area/Unit	--	Street Sides (ft.)	10 ft.
Max. Building Height (ft.)	25 ft.	Rear Yard (ft.)	50 ft.
Max. Building Height (stories)	--		
Footnotes: Refer to Section 4.02 wherever a footnote is referenced in parentheses after one of the design regulations.			

- C. That plight of the owner is due to the unique circumstances of the property, such as the shape of the parcel, unique topographic or environmental conditions, or any other physical situation on the land, building or structure deemed by the Zoning Board of Appeals to be extraordinary; and
- D. That the requested variance is the minimum amount necessary to permit reasonable use of the land, building or structure; and
- E. That the authorization of such variance will not be of substantial detriment to adjacent properties and will not materially impair the intent and purpose of this Ordinance or the public health, safety, and general welfare of the community; and
- F. That the need for the requested variance is not the result of actions of the property owner or previous property owners (self-created).

In granting any variance, the Zoning Board of Appeals may prescribe appropriate conditions and safeguards in conformity with this Ordinance, provided that said conditions:

- (1) Are designed to protect natural resources, the health, safety, and welfare and social and economic well-being of the public; and
- (2) Are necessary to meet the intent and purpose of this Ordinance, are related to the standards established in the section for the land use or activity under consideration and are necessary to ensure compliance with those standards.

- 3. **Use Variances Prohibited.** The Zoning Board of Appeals shall not have the authority to grant a use variance to permit a use that is not permitted in a zoning district. However, the Zoning Board of Appeals may consider expansions or alterations of non-conforming uses in accordance with [Section 13.01](#).
- 4. **Approval Period.**
 - A. No order of the Zoning Board of Appeals permitting the erection or alteration of buildings shall be valid for a period longer than one year unless a building permit for such erection or alteration is obtained within such period and such erection or alteration is commenced and proceeds to completion in accordance with the terms of such permit.
 - B. No order of the Zoning Board of Appeals permitting a use of a building or premises shall be valid for a period longer than one year unless such use is established within such period; provided, however, that the use of such permit is dependent upon the erection or alteration of a building, such order shall continue in full force and effect if a building permit for such use, erection or alteration is obtained within such period and such erections or alterations are commenced and proceed to completion in accordance with the terms of such permit.
- 5. **Appeals of Decisions to Circuit Court.** The decision of the ZBA shall be final. An appeal of a decision of the Zoning Board of Appeals shall be taken to the Oakland County Circuit Court within a time period specified in the Michigan Zoning Enabling Act (P.A. 110 of 2006, as amended) and by such persons permitted by State statute and common law. Upon appeal, the court shall review the record and decision of the ZBA to ensure that the decision complies with the constitution and laws of the state, is based upon proper procedure, is supported by competent, material, and substantial evidence on the record and represents the reasonable exercise of discretion granted by law to the ZBA. As a result of this review required by this Section, the court may affirm or modify the decision of the ZBA.
- 6. **Resubmittal.** No application for a variance which has been denied in whole or in part by the Zoning Board of Appeals shall be re-submitted for a period of three hundred sixty five (365) days from such denial, except on the ground of new evidence or proof of changed conditions found by the Zoning Board of Appeals to be valid.

Section 15.07 Zoning Ordinance Amendments (Map and Text)

The City Council may amend, supplement, or change the regulations or the district boundaries of this Ordinance pursuant to the authority and according to the procedure set forth in Act 110, of the Public Acts of 2006, as amended. Changes in the text or zoning district boundaries of this Ordinance may be proposed by the Planning Commission, Planning and Zoning Administrator, other City Staff, or any interested person or organization.

1. **Application for Amendment.** An application for an amendment to the text of this Ordinance or an amendment to change the zoning classification of a particular property shall be commenced by filing an application with the Community and Economic Development Department on the forms provided by the Department and accompanied by the fees specified. The application shall describe the proposed amendment and shall be signed by the applicant. Applications for rezoning of a specific site shall be accompanied by a plot plan or survey which specifies the boundaries and legal description of the site. The Planning and Zoning Administrator, Planning Commission, and City Council may request additional information with the application.
2. **Amendment Review Procedures.** The amendment, be it a text or a map amendment, and application materials shall be prepared in accordance with the provisions of this Article and shall be reviewed in accordance with the following procedure. Amendments or application materials that do not meet the stipulated requirements shall be considered incomplete and shall not be eligible for consideration by the Planning Commission:
 - A. **Technical Review.** Prior to Planning Commission consideration, the proposed amendment and application materials shall be distributed to the Technical Review Committee for review, comment, and recommendations. The proposed amendment and application materials may also be distributed to applicable outside agencies and designated city consultants for review.
 - B. **Public Hearing.** A public hearing shall be held at a Planning Commission meeting in accordance with [Section 15.01](#)
 - C. **Planning Commission Consideration of the Proposed Amendment.** The Planning Commission shall review the proposed amendment, together with any reports and recommendations from staff, consultants, other reviewing agencies, and any public comments. The Planning Commission shall identify and evaluate all factors relevant to the petition, including the appropriate criteria listed in this Section, and shall report its findings and recommendation to the City Council.
 - D. **City Council Action on the Proposed Amendment.** Upon receipt of the report and recommendation from the Planning Commission, the City Council may approve or deny the proposed amendment. If determined to be necessary, the City Council may refer the amendment back to the Planning Commission for further consideration. City Council may, but is not required to, hold an additional public hearing. In the case of an amendment to the official Zoning Map, the City Council shall approve or deny the amendment, based upon its consideration of the criteria contained in this Ordinance.
3. **Standards of Review for Amendments.**
 - A. **Text Amendments.** In considering any petition for an amendment to the text of this Ordinance, the Planning Commission and City Council shall consider the following criteria in making findings, recommendations, and a decision. The Planning Commission and City Council may also take into account other factors or considerations that are applicable to the application but are not listed below.
 - (1) Consistency with the goals, policies and objectives of the Master Plan and any sub-area or corridor plans. If conditions have changed since such plans were adopted, consistent with recent development trends in the area shall be considered.
 - (2) Consistency with the basic intent and purpose of this Zoning Ordinance.
 - (3) Consideration of changing conditions since the Zoning Ordinance was adopted or a finding that there is an error in the Zoning Ordinance that justifies the amendment.
 - B. **Map Amendments.** In considering any petition for an amendment to the Zoning Map, the Planning Commission and City Council shall consider the following criteria in making findings, recommendations, and a decision. The Planning Commission and City Council may also take into account other factors or considerations that are applicable to the application but are not listed below.
 - (1) Compatibility of the site's physical, geological, hydrological and other environmental features with the uses permitted in the proposed zoning district.
 - (2) Compatibility of all the potential uses allowed in the proposed zoning district with surrounding uses and zoning in terms of land suitability, impacts on the environment, density, nature of use, traffic impacts, aesthetics, infrastructure and potential influence on property values.

- (3) Consistency with the goals, policies and objectives of the Master Plan (including the Future Land Use Plan), and any sub-area or corridor plans. If conditions have changed since such plans were adopted, consistent with recent development trends in the area shall be considered.
- (4) The boundaries of the requested rezoning district will be reasonable in relationship to surrounding zoning districts, and construction on the site will be able to meet the dimensional regulations for the requested zoning district.
- (5) The requested zoning district is considered to be more appropriate from the city's perspective than another zoning district.
- (6) If a rezoning is requested to allow for a specific use, rezoning the land is considered to be more appropriate than amending the list of permitted or special land uses in the current zoning district to allow the use.
- (7) The requested rezoning will not create an isolated or incompatible zone in the neighborhood.
- (8) The capability of the street system to safely and efficiently accommodate the expected traffic generated by uses permitted in the requested zoning district.
- (9) That the amendment will not be expected to result in exclusionary zoning.

C. **Rezoning with Conditions.** The Planning Commission and City Council recognize that, in certain instances, it would be an advantage to both the City and to a property owner seeking rezoning if the property owner proposes certain conditions and limitations as part of a petition for rezoning. Therefore, it is the intent of this Section to provide a process consistent with the provision of Section 405 of the Michigan Zoning Enabling Act, Public Act 110 of 2006, as amended, being MCL 125.3405, to permit property owners to offer conditions regarding the use and/or development of land as part of the rezoning request. It is the further intent of this ordinance to accomplish, among other things, the objectives of the Zoning Ordinance and the Master Plan to achieve integration of the proposed land development project with the characteristics of the surrounding area.

(1) **Authorization and Eligibility.**

- (a) The standards of this Section shall grant a property owner the option of voluntarily proposing conditions for the development and use of property in connection with the submission of a petition seeking a rezoning. Such conditions may be proposed at the time the application for rezoning is filed, or at a subsequent point in the process of review of the proposed rezoning.
- (b) In order to be eligible for consideration of a Rezoning with Conditions, a property owner must propose a rezoning of property to a new zoning district classification, and must, as part of such proposal, voluntarily offer certain site-specific conditions (to be set forth in a Rezoning with Conditions Agreement) that are more strict or limiting than the regulations that would apply to the land under the proposed new zoning district. Such conditions may include, but are not limited to, the following:
 - (i) The location, size, height or other measure for and/or of buildings, structures, improvements, setbacks, landscaping, buffers, design, architecture and other physical features of the proposed development.
 - (ii) Specification of maximum density or intensity of development and/or use, expressed in terms fashioned for the particular development and/or use. For example: units per acre, maximum usable floor area, or hours of operation.
 - (iii) Preservation of open space, natural resources and/or natural features.
 - (iv) Improvements to address traffic issues, including paving, substantial improvements to or funding of improvements to major roads to the benefit of the entire City.
 - (v) Site improvements such as signage, lighting, landscaping, building materials for the exterior of some or all structures above and beyond what would otherwise be required by City Ordinance.
 - (vi) Limitations on permissible uses of the property.
 - (vii) Any other conditions that may be voluntarily proposed by the property owner.

(2) **Application and Review Procedures.**

- (a) Application.

- (i) At the time of making application for amendment of this ordinance seeking a rezoning of property, or at a later time during the process of City consideration of such rezoning a property owner may submit a complete application for approval of a Rezoning with Conditions to apply in conjunction with the rezoning.
 - (ii) The application, which may be amended by the applicant during the process of consideration, shall specify the Rezoning Conditions proposed by the applicant, recognizing that Rezoning Conditions shall not authorize uses or development not permitted in the district proposed by the rezoning.
 - (iii) An application for a Rezoning with Conditions shall include a Rezoning with Conditions Agreement ("the Agreement"). The Agreement shall set forth the rezoning conditions and may incorporate a Rezoning with Conditions Plan.
 - (iv) The application shall include a notarized signature of the property owner indicating that the conditions attached to the rezoning are voluntarily offered.
 - (b) Technical Review Committee Review. The proposed Rezoning with Conditions will become an agenda item for the Technical Review Committee, with comments forwarded to the Planning Commission.
 - (c) Planning Commission Review.
 - (i) The proposed Rezoning with Conditions shall be noticed for public hearing in accordance with Section 15.01 before the Planning Commission as a proposed legislative amendment of the Zoning Ordinance.
 - (ii) Following the public hearing, and further deliberations as deemed appropriate by the Planning Commission, the Planning Commission shall make a recommendation to the City Council on the proposed Rezoning with Conditions.
 - (d) City Council Review. Upon recommendation by the Planning Commission, the City Council shall make a final determination to approve or deny the Rezoning with Conditions as offered by the applicant. The City Council may only consider the conditions offered by the applicant and may not attach any other conditions to the rezoning other than those offered by the applicant. Any new conditions voluntarily offered by the applicant shall require Planning Commission review and a new public hearing. The City Council's deliberations shall include, but not be limited to, a consideration of the review criteria for a Rezoning with Conditions.
- (3) **Review Criteria.** A Rezoning with Conditions shall only be approved if it meets the following requirements and standards:
- (a) The proposed Rezoning with Conditions will further the goals and objectives of the City Master Plan.
 - (b) Rezoning conditions shall not authorize uses or development not permitted in the district proposed by the rezoning (and shall not permit uses or development expressly or implicitly prohibited in the Rezoning with Conditions Agreement).
 - (c) The use of the property in question shall be in complete conformity with all regulations governing development and use within the zoning district to which the property is proposed to be rezoned, including, without limitation, permitted uses, lot area and width, setbacks, height limits, required facilities, buffers, open space areas, and land use density; provided, however, the following shall apply:
 - (i) Development and use of the property shall be subject to the more restrictive requirements shown or specified in the Rezoning with Conditions Agreement, and/or in other conditions and provisions set forth in the Rezoning with Conditions Agreement required as part of the Rezoning with Conditions approval. Such Rezoning with Conditions Agreement shall supersede all inconsistent regulations otherwise applicable under the Zoning Ordinance.
 - (d) The proposed Rezoning with Conditions will result in integration of the proposed land development project with the characteristics of the project area, and result in an enhancement of the project area as compared to the existing zoning, and such enhancement would be unlikely to be achieved or would not be assured in the absence of the use of a Rezoning with Conditions.
 - (e) As compared to the existing zoning and considering the site-specific conditions and/or land use proposed by the applicant, it would be in the public interest to grant the Rezoning with Conditions. In determining whether approval of a proposed application would be in the public interest, the benefits

which would reasonably be expected to accrue from the proposal shall be balanced against and be found to clearly outweigh the reasonably foreseeable detriments, taking into consideration reasonably accepted planning, engineering, environmental and other principles, and also taking into consideration the special knowledge and understanding of the City by the City Council and Planning Commission.

- (f) The proposed conditions will not preclude future zoning and planning actions by or on behalf of the municipality.
 - (g) Existing and available public services will be capable of serving proposed or potential development that will occur as a result of the Rezoning with Conditions without negatively impacting the delivery of public services to other properties in the City, or the conditions will ensure that public services will be sufficient to serve both the site and other properties in the City.
 - (h) The offered condition(s) are beneficial to the public good and likely to be enforceable.
 - (i) The condition does not have the same effect as a use variance.
 - (j) The proposed conditions do not relieve the applicant of the responsibility of securing any applicable site plan, plat, condominium, or special land use approvals.
- (4) **Effect of Approval.** Approval of the Rezoning with Conditions and Rezoning with Conditions Agreement confirms only the rezoning of the property, subject to any conditions reflected in the Rezoning with Conditions Agreement. Any applicable site plan, plat, condominium, special land use, or variance approvals shall be required before any improvements to the property may be undertaken.

If approved, the zoning district classification of the rezoned property shall consist of the district to which the property has been rezoned, accompanied by a reference to "CR Rezoning with Conditions". The Zoning Map shall specify the new zoning district plus a reference to "CR" e.g., the district classification for the property might be "B-1, Neighborhood Business District (CR, Rezoning with Conditions)", with a Zoning Map Designation of "B-1/CR." Use of the property so classified and approved shall comply with the conditions set forth in the Rezoning with Conditions Agreement. No development or use of the land inconsistent with the conditions of the Rezoning with Conditions Agreement shall be permitted.

(5) **Compliance with Conditions.**

- (a) Any person who establishes a development or commences a use upon land that has been rezoned with conditions shall continuously operate and maintain the development or use in compliance with all of the conditions set forth in the Rezoning with Conditions Agreement. Any failure to comply with a condition contained within the Rezoning with Conditions Agreement shall constitute a violation of this Zoning Ordinance and shall be punishable accordingly. Additionally, any such violation shall be deemed a nuisance per se and subject to judicial abatement as provided by law.
- (b) No permit or approval shall be granted under this Ordinance for any use or development that is contrary to an applicable Rezoning with Conditions Agreement.

(6) **Period of Approval.**

- (a) The Rezoning with Conditions and Agreement shall expire after a period of one (1) year from the effective date of the Rezoning unless substantial progress towards obtaining site plan and other required approvals has been made, and shall expire after a period of two (2) years unless development of the property is substantially begun within such two (2) year period and proceeds diligently and in good faith as required by ordinance to completion.
- (b) In the event substantial progress towards obtaining site plan and other required approvals has not commenced within one (1) year and bona fide development has not commenced within two (2) years from the effective date of the rezoning, the Rezoning with Conditions and the Rezoning with Conditions Agreement shall be void and of no effect.
- (c) The property owner may apply for a one (1) year extension two (2) times. The request must be submitted to the Community and Economic Development Department before the approval time limit expires. The property owner must demonstrate why the extension should be granted, and must also demonstrate that there is a strong likelihood that the development or use will commence within the period of extension and proceed diligently thereafter to completion, and if the City Council finds that there has not been a change

in circumstances that would render the Rezoning with Conditions incompatible with adjacent or nearby use and zoning of land or is otherwise inconsistent with sound zoning policy.

- (d) An extension request shall be considered by the City Council following a recommendation by the Planning Commission.
- (e) If the Rezoning with Conditions becomes void in the manner provided in this section, the following procedures shall apply:
 - (i) The property owner may seek a new rezoning of the property within thirty (30) days of the expiration of the period of approval.
 - (ii) If no application is made for a new rezoning of the property, the land shall revert to its former zoning classification as set forth in MCL 124.286i (as amended). The City Council shall direct the Planning Commission to proceed with consideration of rezoning the land to its former zoning designation following the standard rezoning procedures set forth in this Zoning Ordinance.
 - (iii) Until such time as a new zoning district classification of the property has become effective, no development shall be undertaken or permits for development issued.
- (7) **Rezoning with Conditions Agreement Requirements.** A Rezoning with Conditions Agreement shall be executed between the applicant and the City at the time of City Council approval of a Rezoning with Conditions.
 - (a) Rezoning with Conditions Agreements shall, at a minimum, contain all of the following items:
 - (i) Identification of the requested zoning district and a listing of the conditions offered by the applicant.
 - (ii) A statement acknowledging that the Rezoning with Conditions was proposed by the applicant, and further agreement and acknowledgment that the conditions and Rezoning with Conditions Agreement are authorized by all applicable state and federal law and constitution, and that the Agreement is valid and was entered into on a voluntary basis and represents a permissible exercise of authority by the City.
 - (iii) Agreement and understanding that the property in question shall not be developed or used in a manner inconsistent with the Rezoning with Conditions Agreement.
 - (iv) Agreement and understanding that the approval and Rezoning with Conditions Agreement shall be binding upon and inure to the benefit of the property owner and City, and their respective heirs, successors, assigns, and transferees.
 - (v) If the City Council grants an extension of approval, a new Rezoning with Conditions Agreement with the new expiration date shall be recorded.
 - (vi) Agreement and understanding that, if a Rezoning with Conditions becomes void, no development shall be undertaken or permits for development issued until a new zoning district classification of the property has been established.
 - (vii) Agreement and understanding that each of the requirements and conditions in the Rezoning with Conditions Agreement represents a necessary and reasonable measure which, when considered with all other conditions and requirements, is roughly proportional to the increased impact created by the use represented in the approved Rezoning with Conditions, taking into consideration the changed zoning district classification and the specific use authorization granted.
 - (viii) A legal description of the property affected by the Rezoning with Conditions.
 - (ix) Development regulations affected by the conditions of rezoning, including but not limited to density, setbacks, height, site coverage, signs, parking, architecture, etc.
 - (x) Revocation of approval provisions returning the property to its original zoning designation if the developer violates the terms of the Agreement. A Rezoning with Conditions Plan may be included as an exhibit to the Agreement.
 - (b) The Rezoning with Conditions Plan may show the conceptual layout of the proposed development or use, along with any other information deemed relevant by the applicant. Inclusion of a Rezoning with Conditions Plan as an exhibit to a Rezoning with Conditions Agreement shall not replace the

requirement for preliminary and final site plan, subdivision, condominium, special land use or variance review and approval.

- (8) **Amendment of Rezoning with Conditions Agreement.** Amendment of a Rezoning with Conditions Agreement shall be proposed, reviewed and approved in the same manner as a new Rezoning with Conditions.
 - (9) **Recordation of Rezoning with Conditions Agreement.** A Rezoning with Conditions shall become effective following publication in the manner provided by law, and, after recordation of the Rezoning with Conditions Agreement, whichever is later.
 - (10) **Termination.** The City Council shall be the only body with the authority to terminate a Rezoning with Conditions agreement. The consideration to terminate the agreement shall be for reasons of expiration of the agreement, discovery of false information upon which the initial approval was based, or the existence or discovery of new information that alters the viability of the approved rezoning. The Termination shall comply with any applicable provisions of this ordinance or the Rezoning with Conditions Agreement.
 - (11) **City Right to Rezone.** Nothing in the Rezoning with Conditions Agreement or in the provisions of this Section shall be deemed to prohibit the City from rezoning all or any portion of land that is subject to a Rezoning with Conditions to another zoning classification. Any such rezoning shall be conducted in compliance with this Ordinance and the Michigan Zoning Enabling Act.
 - (12) If land that is subject to a Rezoning with Conditions Agreement is thereafter rezoned to a different zoning classification or to the same zoning classification but with a different or no Rezoning with Conditions Agreement, the Rezoning with Conditions Agreement attached to the former zoning classification shall cease to be in effect.
4. **Notice of Adoption of Amendment.** Following adoption of an amendment by the City Council, one (1) notice of adoption shall be filed with the City Clerk and one (1) notice shall be published in a newspaper of general circulation in the City within fifteen (15) days after adoption, in accordance with the Michigan Zoning Enabling Act, Public Act 110 of 2006, as amended. A record of all amendments shall be maintained by the City Clerk. A Zoning Map shall be maintained by the City Clerk, which shall identify all map amendments. The required notice of adoption shall include all of the following information:
- A. In the case of a newly adopted Zoning Ordinance, the following statement: "A zoning ordinance regulating the development and use of land has been adopted by the City of Madison Heights."
 - B. In the case of an amendment(s) to the existing Zoning Ordinance, either a summary of the regulatory effect of the amendment(s), including the geographic area affected, or the text of the amendment(s).

Section 15.08 Temporary Use Permits

1. **Purpose.** This section sets forth the requirements for the application, review, approval, and enforcement of temporary use permits in the City of Madison Heights. Temporary use permits may be reviewed and acted upon by the Planning and Zoning Administrator, Technical Review Committee, or Planning Commission.
2. **Use-Specific Standards.** Temporary uses are subject to the use-specific standards of [Section 7.03\(43\)](#)
3. **Planning and Zoning Administrator/Technical Review Committee Review.** The Planning and Zoning Administrator may review and approve certain temporary uses addressed in Section 7.03(XXXX). The Planning and Zoning Administrator reserves the right to refer any request for a temporary use permit to the Technical Review Committee or Planning Commission for review and approval.
4. **Planning Commission Review.** The Planning Commission shall review and act upon temporary use permit requests where the applicant seeks approval for a time period longer than otherwise allowed by [Section 7.03\(43\)](#) or for a temporary use not specifically permitted in [Section 7.03\(43\)](#) nor deemed similar by the Planning and Zoning Administrator; provided, that the temporary use complies with all other relevant development and operational standards for the use as provided in this Zoning Ordinance.



AGENDA ITEM SUMMARY FORM

MEETING DATE: 10/12/2026

PREPARED BY: Brent LeMerise, Police Chief

AGENDA ITEM CONTENT: Cryptocurrency Kiosk Ordinance #2217 – First Reading

AGENDA ITEM SECTION: Ordinances

BUDGETED AMOUNT: N/A

FUNDS REQUESTED: N/A

FUND:

EXECUTIVE SUMMARY:

Cryptocurrency kiosks have become a significant tool used by criminals to facilitate fraud, particularly scams targeting elderly and vulnerable residents. The Michigan Attorney General and FBI have issued repeated warnings regarding these machines, noting that transactions are difficult or impossible to reverse and generally lack the consumer protections associated with traditional financial institutions. Given the documented financial losses associated with cryptocurrency kiosks and the resulting burden on local law enforcement and residents, the City should consider the proposed Cryptocurrency Kiosk Ordinance #2217 ordinance prohibiting their operation within Madison Heights. The ordinance is also narrowly focused on cryptocurrency kiosks, not cryptocurrency itself. Residents and businesses would still be able to legally own, buy, sell, transfer, and accept cryptocurrency through other means.

RECOMMENDATION:

Police Chief Brent LeMerise recommends approval of the first reading and scheduling the second and final reading at the City Council meeting scheduled for October 26, 2026.

ORDINANCE NO. 2217**CITY OF MADISON HEIGHTS
OAKLAND COUNTY, MICHIGAN****AMENDMENT TO THE CODE OF ORDINANCES**

An Ordinance to amend Ordinance No. 571, being an Ordinance codifying and adopting a new Code of Ordinances for the City of Madison Heights, by amending Chapter 7, titled “Business Regulations and Licenses, by adding a new Article XVIII titled, “Cryptocurrency kiosks,” and by adding new Sections 7-500 through 7-515, to protect the public health, safety, and welfare by prohibiting the installation, placement, operation and maintenance of cryptocurrency kiosks within the City of Madison Heights and to provide civil and criminal penalties and business license sanctions for violation thereof.

THE CITY OF MADISON HEIGHTS ORDAINS**SECTION 1. AMENDMENT.**

That Chapter 7, titled “Business Regulations and Licenses,” of the Madison Heights Code of Ordinances, shall be amended by adding a new Article XVIII, titled “Cryptocurrency kiosks,” and by adding new Sections 7-500 through 7-515, to protect the public health, safety, and welfare by prohibiting the installation, placement, operation and maintenance of cryptocurrency kiosks within the City of Madison Heights, and to provide penalties and license sanctions for violation thereof and thereby amending the code of ordinances as follows:

Sec. 7-500. – Short Title.

This ordinance shall be known and may be cited as the “Cryptocurrency kiosks ordinance.”

Sec. 7-501. – Findings and Purpose.

The purpose of this ordinance is to protect the public health, safety and welfare of persons within the jurisdiction of the city by prohibiting the installation, placement, operation and maintenance of cryptocurrency kiosks within the city, except as otherwise stated in this ordinance, and to provide methods of enforcement through civil and criminal penalties and business licensing sanctions. The Madison Heights City Council finds and determines the following:

- (a) Cryptocurrency kiosks, sometimes commonly referred to as Bitcoin ATMs, are electronic machines that permit members of the public to purchase, sell, exchange or otherwise transact in cryptocurrency.
- (b) Cryptocurrency kiosks may facilitate transactions involving substantial amounts of money and may present risks of fraud, financial exploitation, identity theft, money laundering, and other unlawful or fraudulent activity.
- (c) Cryptocurrency kiosks may be particularly susceptible to exploitation because transactions conducted through such kiosks may be difficult for consumers to reverse and may involve anonymous or pseudonymous digital transactions.

(d) The city has an interest in protecting its residents, businesses, property owners, and visitors from criminal and fraudulent activity and in protecting the public health, safety, and welfare of the community, including those who reside, work and visit the city.

(e) The City Council further finds that regulation of cryptocurrency kiosks is distinct from regulation of cryptocurrency itself. This ordinance is intended to regulate the installation, operation and maintenance of cryptocurrency kiosks within the city and is not intended to prohibit the lawful ownership, possession, purchase, sale, or use of cryptocurrency by individuals or businesses except to the extent that such activity requires or involves the operation of a cryptocurrency kiosk prohibited by this ordinance.

(f) The purpose of this ordinance is to protect the public health, safety, and welfare by prohibiting the installation, placement, operation and maintenance of cryptocurrency kiosks within the city as defined below.

Sec. 7-502. – Definitions.

When used in this article, the following words and terms shall have the following meanings:

(a) *Cryptocurrency* means digital or virtual currency or digital assets that uses cryptography for security and that is designed to function as a medium of exchange, store of value, or unit of account, including, but not limited to, Bitcoin, Ethereum, Tether, BNB, XRP, and similar or equivalent digital currencies or assets.

(b) *Cryptocurrency kiosk* means an electronic terminal, machine, device, or other automated apparatus that is used to facilitate the purchase, sale, exchange, transfer, or other transaction involving cryptocurrency or digital assets by members of the public, whether or not the machine is connected to or resembles a conventional automated teller machine. This term includes, without limitation, any Bitcoin ATM, Bitcoin kiosk, Cryptocurrency ATM, digital-currency kiosk, or a substantially similar or equivalent device.

(c) *Operator* means any individual, person, corporation, limited liability company, partnership, association, financial institution, organization, cryptocurrency business or exchange, or other entity that owns, leases, manages, controls, operates, maintains, or provides services through a cryptocurrency kiosk, or anyone acting by or through or on behalf the entities named herein.

(d) *Person* means any individual, human being, corporation, limited liability company, partnership, association, financial institution, organization, cryptocurrency business or exchange, or other entity, or anyone acting by or through or on behalf the entities named herein.

Sec. 7-503. – Prohibited conduct.

(a) No person shall install, place, locate, maintain, operate, or permit the operation of a cryptocurrency kiosk or kiosks anywhere within the City of Madison Heights.

(b) No person who owns, leases, occupies, manages, or controls real property with the city shall knowingly permit a cryptocurrency kiosk or kiosks to be installed, placed, maintained, or operated upon such property.

(c) The prohibition in this section applies regardless of whether the cryptocurrency kiosk is located:

1. Within a commercial establishment;
2. Within a gas station or convenience store;
3. Within a restaurant or other food-service establishment;
4. Within a shopping center or other retail establishment;
5. Within an office or other private business;
6. Within a lobby or common area;
7. Within a parking area or other exterior location; or
8. At any other public or private location within the city.

(d) No person shall reactivate, relocate, replace, expand, fix, repair, or otherwise continue the operation of a cryptocurrency kiosk or kiosks after the effective date of this ordinance, except as otherwise stated herein.

Sec. 7-504. – Existing cryptocurrency kiosks.

(a) Any cryptocurrency kiosk or kiosks lawfully located with the city before the effective date of this ordinance shall cease operation and shall be removed from the city within sixty (60) days after the effective date of this ordinance.

(b) During the sixty (60) day period provided for in subsection (a), an existing cryptocurrency kiosk or kiosks shall not be relocated, replaced, expanded, fixed, repaired, or reactivated at another location within the city.

(c) After expiration of the sixty (60) day period, the continued operation or maintenance of any cryptocurrency kiosk or kiosks within the city shall constitute a violation of this ordinance.

Sec. 7-505. – Lawful cryptocurrency.

Nothing in this ordinance shall be construed to prohibit:

- (a) The lawful ownership or possession of cryptocurrency;
- (b) The lawful purchase, sale, transfer, or use of cryptocurrency through a computer, mobile telephone, or other personal electronic device, that does not involve the installation, placement, maintenance, or operation of a cryptocurrency kiosk within the city.
- (c) A person or business from accepting cryptocurrency as payment for lawful goods or services; or
- (d) Any other lawful activity involving cryptocurrency that does not involve the installation, placement, maintenance, or operation of a cryptocurrency kiosk or kiosks within the city.

Sec. 7-506.-State and Federal law.

This ordinance shall be interpreted and enforced to the maximum extent permitted by applicable federal and state law. Nothing in this ordinance shall be construed to prohibit conduct that the city is expressly preempted from regulating or prohibiting by federal or state law. If any provision of this ordinance is determined to be preempted, invalid, or unenforceable, the remaining provisions shall remain in full force and effect to the maximum extent permitted by law.

Sec. 7-507. Penalties.

(a) For a first offense, a person who violates this ordinance shall be guilty of a civil infraction, subject to a fine of \$500.00, for each cryptocurrency kiosk, together with such costs as may be authorized by law or imposed by the court.

(b) For a second offense or any subsequent offense, a person who violates this ordinance shall be guilty of a misdemeanor punishable by imprisonment for not more than 90 days or a fine of not more than \$500.00, or both. A second violation shall be defined as a violation that occurs within two (2) years of a first violation. A subsequent offense shall be defined as a violation that occurs within two (2) years after a second offense or any subsequent offense.

(c) For a second offense or any subsequent offense, a person who violates this article and who has or possesses a business license issued by the city may be subject to revocation, non-renewal, or denial of said business license, subject to the provisions of the city code of ordinances.

(d) Pursuant to lawful enforcement of this ordinance, the city police department may seize and retain any cryptocurrency kiosk or kiosks, which may be kept, maintained, preserved, tested or transferred to other appropriate government authorities, or otherwise disposed of or destroyed in accordance with applicable law and established evidence-handling procedures.

(e) Each day that a violation continues shall constitute a separate violation.

(f) Nothing in this article shall prevent the city from pursuing any other remedy authorized by law.

Sec. 7-508 to 7-515.-Reserved.

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 a court of law to be invalid, the validity of the ordinance, in 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. INSPECTION.

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 between the hours of 12:30 p.m. and 4:30 p.m. on regular business days.