

**WORK SESSION AGENDA
WYOMING CITY COUNCIL MEETING
CITY COUNCIL CHAMBERS**

Monday, August 9, 2021, 5:30 P.M.

- 1) Call to Order**
- 2) Student Recognition**
- 3) Public Comment on Agenda Items (3 minute limit per person)**
- 4) Board and Commission Reappointments**
- 5) Gezon Park Phase One Development Project**
 - Construction Contract**
 - Construction Administration and Inspections Services**
- 6) Electric Vehicle Charging Station Discussion Update**
- 7) Future Police, Fire, and Parks Funding Discussion**
- 8) Any Other Matters**
- 9) Acknowledgement of Visitors/Public Comment (3 minute limit per person)**
- 10) Closed Session (City Manager's Performance Evaluation)**

STAFF REPORT

Date: August 4, 2021
Subject: Board and Commission Reappointments
From: Kelli A. Vandenberg, City Clerk
Meeting Date: August 9, 2021

BACKGROUND:

The Clerk's Office continues to navigate changes and improvements to the board and commission application and review process, while being mindful of the policies that guide this process and the role of the City Council in making appointments. Staff will continue to present information on a monthly basis to meet the needs of Council and this process.

RECOMMENDATION:

It is recommended the City Council appoint members presented for open positions on boards and commissions.

COMMUNITY, SAFETY, STEWARDSHIP:

Community – Community is served when (i) community members serve on city boards and commissions, (ii) when board and commission members have needed qualifications and desired abilities and characteristics, and (iii) when boards and commissions broadly reflect the community.

Safety – This resolution will have no impact on safety.

Stewardship – This resolution will not affect stewardship issues.

DISCUSSION:

The following board and commission members have been recommended for appointment to vacancies on the Downtown Development Authority and Historical Commission :

Board/Commission	Appt'd by:	Member	Term Ends
Downtown Development Authority	Mayor	Jaylyn McCloy	01/01/2024
Historical Commission	Mayor	Kristian Daniel	06/30/2024
Historical Commission	Mayor	Tom DeGennaro	06/30/2022

Mayor Poll and staff are recommending appointment of Jaylyn McCloy to the DDA. Of the three current vacancies on the DDA, all but one require the applicant to own property or operate a business within the district. Staff is reviewing the remaining applicants and will provide feedback for the Mayor's consideration.

The Mayor and the Historical Commission also support the appointment of Kristian Daniel and Tom DeGennaro to the Historical Commission. There are currently three vacancies and two applications on file for the Historical Commission.

I look forward to discussing these with you at the City Council Work Session on Monday, August 9 and addressing any questions or concerns that you might have. If Council supports moving these appointments forward, they will be presented for consideration at the August 16 City Council meeting.

ATTACHMENT: Report of Board and Commission Membership and Applications

Downtown Development Authority

Number of Members: 9

Length of Term: 4 years, maximum 2 terms or 8 years

Term Expiration Date: January 1

Appointed by: Mayor, confirmed by Council

Membership

Member Name	Original Appt	Current Appt	Expires	Term Limit*
1. Jack Poll	11/09/2009	11/09/2009	NA	Mayor
2. Jeff Baker	05/19/2014	01/15/2018	01/01/2022	2022
3. Lillian VanderVeen	01/11/1999	01/15/2018	01/01/2022	2007
4. Steven Harkema	01/11/1999	01/15/2018	01/01/2023	2007
5. Jennie VanHorn	07/15/2019	12/21/2020	01/01/2025	2028
6. Daniel Lynema	02/06/2017	12/21/2020	01/01/2025	2025

Vacancies and Applications

Vacancies: 3

Applications on File: 5

Applicant Name	Date Received	Qualified?	Notes
1. Aaron Thelenwood	08/19/2020	Unknown	Appt'd to CDC
2. LeighAnn TeBos	09/01/2020	Unknown	Appt'd to CEC
3. Ryan Vandergraaf	04/01/2021	Unknown	Routing for consideration
4. Renee Hill	05/04/2021	Unknown	Appt'd to CEC
5. Jaylyn McCloy	07/29/2021	Yes	Supported by Mayor & staff

Historical Commission

Number of Members: 9

Length of Term: 3 years, maximum 3 terms or 9 years

Term Expiration Date: June 30

Appointed by: Mayor, confirmed by Council

Membership

Member Name	Original Appt	Current Appt	Expires	Term Limit*
1. Ronald Strauss	02/15/1999	06/18/2018	06/30/2024	2018
2. Jackie Moore	06/01/2015	06/18/2018	06/30/2024	2024
3. David Britten	01/04/2021	01/04/2021	06/30/2022	2030
4. Bill Branz	07/03/2006	06/15/2020	06/30/2023	2015
5. Dan Farkas	03/21/2016	07/06/2020	06/30/2023	2025
6. Steve Chwalek	01/18/2021	01/18/2021	06/30/2023	2030

Vacancies and Applications

Vacancies: 3

Applications on File: 2

Applicant Name	Date Received	Qualified?	Notes
1. Kristian Daniel	04/15/2021	Yes	Supported by Mayor & HC
2. Tom DeGennaro	07/06/2021	Yes	Supported by Mayor & HC

City of **Wyoming** Michigan

BOARD/COMMISSION APPLICATION

Board(s) or Commission(s) applying for:

Downtown Development Authority

Name: Jaylyn McCloy Home phone: [REDACTED] Cell phone: _____

Home Address: [REDACTED]

Email Address: [REDACTED]

Business/Occupation: HOM Flats Position: Marketing Coordinator

Business Address: 1401 Prairie Pkwy SW

Business Phone: [REDACTED]

Name of Immediate Supervisor: [REDACTED]

Work Experience:

- HOM Flats - Marketing Coordinator
- Fifth Third Bank - Personal Banker
- Grand Rapids After Hours - Social Media Relations Intern
- Lucas Howard Group - Marketing and Events Intern

Volunteer Experience and Involvement:

- Kids Food Basket
- Decorated paper bags and dropped them off to one of the designated locations
- PRSSA
- Attended meetings where presentations were given about different topics/expertise in the field of Public Relations.

Educational Background:

- West Ottawa High School - High School Diploma
- Grand Valley State University - B.A. Advertising and Public Relations

Reason(s) for wanting to serve on this board or commission:

I am passionate about making a difference in my community and building relationships among other areas businesses. I believe it is important for businesses to invest back into their communities to help them flourish.

Are you able to take time off from your business/occupation to attend a meeting or meetings of a City Board or Commission if it is scheduled during your regular working hours (Y/N)? Yes

Are you a registered voter in the City of Wyoming (Y/N)? No

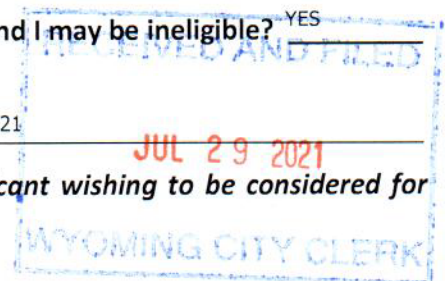
I have resided continuously in the City of Wyoming since: _____

What school district do you reside in? Other

I agree my application will be reviewed against City records for dues owed and I may be ineligible? YES

Signature: Jaylyn McCloy Date: 07/29/2021

This application will be active for no more than two (2) years. Any applicant wishing to be considered for appointment beyond this time must complete a new application.



City of **Wyoming** Michigan

BOARD/COMMISSION APPLICATION

Board(s) or Commission(s) applying for:

Historical Commission

Name: Kristian Joseph Daniel Home phone: [REDACTED] Cell phone: [REDACTED]

Home Address: 705 Den Hertog St SW Wyoming Michigan 49509

Email Address: [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Business/Occupation: CU*Answers/Financial Technology Position: Vice President of Mobile Technologies Group

Business Address: 6000 28th St SE, Grand Rapids, MI, 49548

Business Phone: [REDACTED]

Name of Immediate Supervisor: [REDACTED]

Work Experience:

CU*Answers - 8 years
Western Michigan University -

Volunteer Experience and Involvement:

Kent County Credit Union Board of Directors
Michigan Maritime Museum - Internship

Educational Background:

Western Michigan University - Bachelor of Arts in Public History



Reason(s) for wanting to serve on this board or commission:

I graduated in 2010 from Western Michigan University with a bachelors degree in Public History and truly miss working with history and want to continue to learn more. I also have lived in the Grand Rapids area my entire life and have always been interested in local history.

Are you able to take time off from your business/occupation to attend a meeting or meetings of a City Board or Commission if it is scheduled during your regular working hours (Y/N)? Yes

Are you a registered voter in the City of Wyoming (Y/N)? Yes

I have resided continuously in the City of Wyoming since: 9/1/2020

What school district do you reside in? Wyoming Public Schools

I agree my application will be reviewed against City records for dues owed and I may be ineligible? YES

Signature: Kristian Daniel Date: 4/7/2021

This application will be active for no more than three (3) years. Any applicant wishing to be considered for appointment beyond this time must complete a new application.

RESOLUTION NO. _____

RESOLUTION TO AWARD A BID FOR THE
GEZON PARK PHASE ONE DEVELOPMENT PROJECT

WHEREAS:

1. As detailed in the attached staff report, bids were received for the Gezon Park phase one development project.
2. It is recommended the City Council accept the lowest bid from Katerberg Verhage, Inc. in the amount of \$2,091,500.
3. It is further recommended that the City Council authorize an additional 13%, or \$271,895 of the bid value for construction contingency.
4. Funds for the Gezon Park development project were authorized in the FY 2022 budget in account number: 401-267-75600-975.000.

NOW, THEREFORE, BE IT RESOLVED:

1. The City Council does hereby award the general contractor bid for the Gezon Park phase one development project in the amount of \$2,091,500 and authorizes a construction contingency amount of \$271,895.

Moved by Councilmember:

Seconded by Councilmember:

Motion Carried Yes
 No

I hereby certify that the foregoing Resolution was adopted by the City Council for the City of Wyoming, Michigan at a regular session held on:

Kelli A. VandenBerg, Wyoming City Clerk

Resolution No. _____

STAFF REPORT

Date: July 27, 2021

Subject: Gezon Park Phase One Improvements Project
Approval of Contractor (Lowest Bidder)

From: Rebecca Rynbrandt, Director of Community Services

Meeting Date: August 9, 2021 Work Session
August 16, 2021 Regular Meeting

RECOMMENDATION:

That the City Council award the Gezon Park Phase One Improvements Project to the lowest bidder, Katerberg Verhage, Inc., in the amount of \$2,091,500 with a related construction contingency of 13% or \$271,895.

COMMUNITY, SAFETY, STEWARDSHIP:

The City of Wyoming strives to provide a safe, convenient, and pleasant living environment, with minimal burden to the taxpayer. Well-maintained park lands and recreation facilities directly impact property values, community aesthetics and the economic vitality of the city. As the City is committed to providing leisure and recreation opportunities by developing and maintaining green spaces, facilities, and programs to enrich the quality of life for the residents of the city, the improvement of Gezon Park increases our ability to equitably provide for recreation and leisure services to a significant, residentially dense geographic area of our community.

DISCUSSION:

Gezon Park is a 94.04-acre parcel with entries located at 5651 Gezon Ct. to the south, and 1940 52nd Street to the north. It borders a densely populated residential area of our community which includes multi-family and single-family homes. It is across the street from the community's Health PUD, and within a quarter mile of our I-3 zoned district. The large-scale park is expected to serve as a regional recreational resource for the entire community. The City of Wyoming seeks to develop contemporary, accessible facilities with improved functional relationships related to programmed and passive uses.

On April 2, 2018, the City Council approved a master development plan for Gezon Park (Resolution #26034). On April 6, 2020 the City Council authorized staff to engage Johnson Hill Land Ethics Studio (JHLES) to develop construction plans and bid documents for the development of phase one of the new master plan. In the spring of 2021, the construction plans were completed, and bidding occurred with bids returned on Tuesday, July 13, 2021.

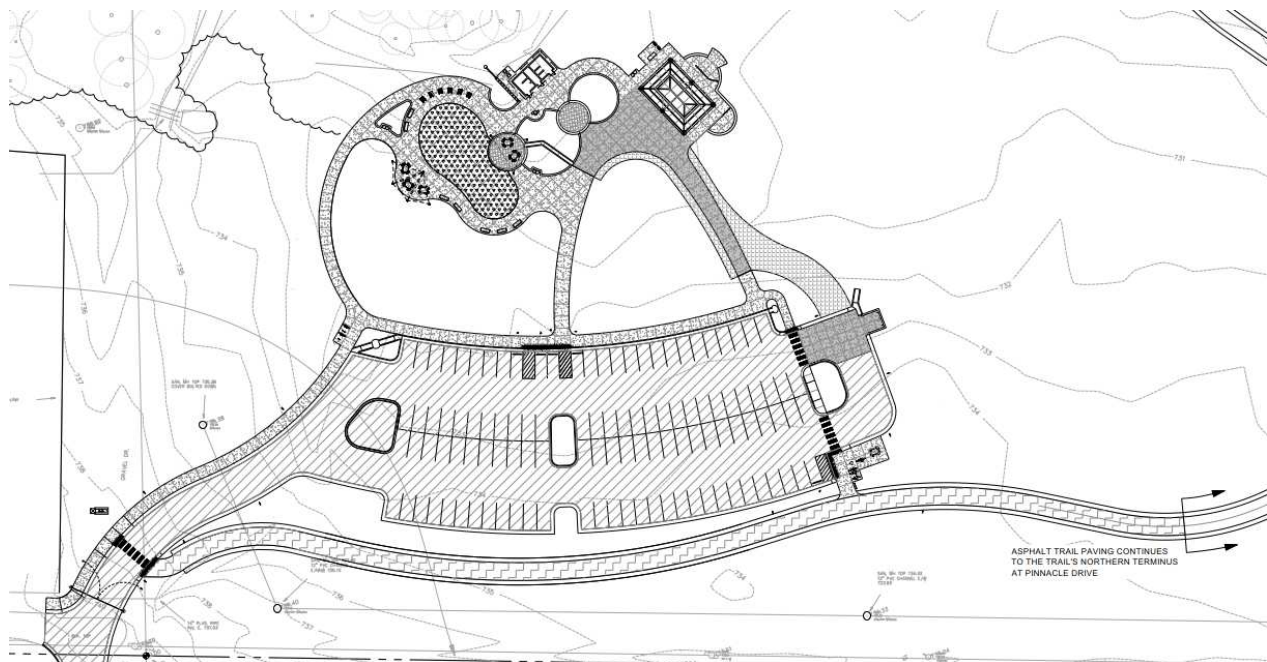
City Council Adopted Master Plan (Resolution #26034)

GEZON PARK MASTER PLAN

FEBRUARY 2018
Approved by City Council April 2, 2018



Phase One Improvements



Scope Items: Splash pad, Restroom, Shelter, Site Lighting, Parking, Walk/Bike Path, Site furnishings, Irrigation & Landscaping.

Bid Advertising:

The City of Wyoming advertises bid opportunities via its website. Registered contractors, vendors, and plan review houses are notified electronically of opportunities. This includes several plan houses, such as BidClerk, Bidnet, Builders Exchange of Michigan, North America Procurement Council, Envisobidnet, and Bid Ocean which distribute bid opportunities to a wide audience. Additionally, our primary project consultant, JHLES, also distributed the bid documents throughout the construction community.

Three complete bids were received:

		Katerberg VerHage	Miller Davis	Cross Construction
Base Bid	Base Bid - Total Price	\$2,091,500.00	\$2,155,000.00	\$2,645,000.00
	Base Bid - Allowance No. 1	\$4,000.00	\$3,036.00	\$7,500.00

As is the case for all City projects and bid awards, City staff and consultants engaged in a review to award the contract in the best interests of the City and the project. The process of review was thorough, duly careful and diligent, and fair to all bidders.

It is recommended that the bid be awarded to the lowest bidder Katerberg Verhage. Through their recent work on the Ideal Park and Jackson Park development project, they have proven themselves to be quality general contractors.

BUDGET IMPACT:

This project was planned for, with a set aside of \$2.4 million approved by City Council within the FY 2022 budget, account number 401-267-75600-975.000, for general construction contractor award, and engagement of consultant services for construction inspection, administration, and project management.

Attachments: JHLES recommendation of bid award, Resolution

RESOLUTION NO. _____

A RESOLUTION TO AUTHORIZE THE MAYOR AND CITY CLERK TO EXECUTE AGREEMENTS FOR PROFESSIONAL SERVICES WITH JOHNSON HILL LAND ETHICS STUDIO FOR THE GEZON PARK DEVELOPMENT PROJECT AND AUTHORIZE THE RELATED BUDGET AMENDMENT

WHEREAS:

1. The City of Wyoming has, through citizen survey and visits to other facilities, identified areas for facility and programming improvement of Gezon Park necessary to respond to the needs of the community.
2. Following an open bid process, the City of Wyoming engaged with Johnson Hill Land Ethics Studio (JHLES) as the architectural firm for the design of the Gezon Park master plan as well as to secure professional services to obtain necessary surveys, prepare and obtain permits, and prepare construction documents (plans, specifications, and bid documents). (Resolutions numbers 25942, 26034, 26644).
3. To ensure the success of the construction of the Gezon Park Phase One Improvement project following bid award for a general contractor, it is important for us to secure professional services for construction administration and inspections services.

NOW, THEREFORE, BE IT RESOLVED:

1. The Wyoming City Council authorizes the Mayor and City Clerk to execute an agreement for professional services with Johnson Hill Land Ethics Studio in the amount of \$78,425 to provide for construction administration and inspections services.
2. The Wyoming City Council authorizes the attached budget amendment for account number 401-267-75600-975.000 in an amount of \$41,820.

Moved by Councilmember:

Seconded by Councilmember:

Motion Carried Yes
 No

I hereby certify that the foregoing Resolution was adopted by the City Council for the City of Wyoming, Michigan, at a regular session held on:

Kelli A. VandenBerg, Wyoming City Clerk

ATTACHMENTS:

Budget Amendment
Staff Report
Agreement

Resolution No. _____

STAFF REPORT

Date: July 27, 2021

Subject: Agreement for Professional Services in Connection with the 2021 Gezon Park Phase One Improvement Project

From: Rebecca Rynbrandt, Director of Community Services

Council Meeting Date: August 9, 2021 Work Session
August 16, 2021 Regular Meeting

RECOMMENDATION:

1. To authorize the Mayor and City Clerk to execute an agreement for professional services with Johnson Hill Land Ethics Studio in the amount of \$78,425 for construction administration and inspections for the Gezon Park Phase One Improvements Project.
2. To authorize the related budget amendment in the amount of \$41,820 increasing funds available in account 401-267-75600-975.000 for the Gezon Park Phase One Improvement Project.

COMMUNITY, SAFETY, STEWARDSHIP:

Gezon Park is a 94.04-acre parcel with entries located at 5651 Gezon Ct. to the south, and 1940 52nd Street to the north. It borders a densely populated residential area of our community which includes multi-family and single-family homes. It is across the street from the community's Health PUD, and within a quarter mile of our I-3 zoned district. The large-scale park is expected to serve as a regional recreational resource for the entire community. The southernmost portion of the park has been developed as an athletic complex featuring ballfields (baseball, softball, and football). The northernmost portion has been developed with a small shelter, playground and basketball court. The interior of the park is undeveloped. This pending project will provide improvement of the central undeveloped area, increasing our ability to equitably provide for recreation and leisure services to a significant portion of our community.

DISCUSSION:

HISTORY OF JHLES ENGAGEMENT ON PROJECT

Following a competitive bid process the City Council approved Resolution # 25942 to engage Johnson Hill Land Ethics Studio, JHLES, a landscape architectural and engineering firm, to develop a master plan for development of Gezon Park. Subsequently, the City Council approved a master development plan for Gezon Park (Resolution #26034).

It is expected that the City Council will approve a contract with Katerberg Verhage, Inc. on August 16, 2021 to provide for the construction of the Gezon Park Phase One Improvements Project. This general contractor bid is being reviewed by the City Council at the August 9th work session.

To ensure the success of the construction of the Gezon Park Phase One Improvement project, it is important for us to secure professional services for General Construction Administration and Inspections services.

As the initially approved landscape architect on the Gezon Park project, again obtained through a competitive bid process, it is in the city's best interest to retain their continued professional services for construction project administration. Please review the attached proposal, dated June 29, 2021 from JHLES and the contract now presented dated August 17, 2021.

BUDGET IMPACT:

This professional services contract was planned for within the value of the FY 2022 budget set aside of \$2.4 million approved by City Council for the Gezon Park Phase One Improvement Project. Funds were planned for these professional services in account number 401-267-75600-975.000 (Library and Park Maintenance Fund). However, when expenses are combined with both the construction general contractor bid award, as well as construction contingency, an additional \$41,820 is necessary. Funds are available in the dedicated Library and Park Maintenance Fund to ensure the success of this project.

BUDGET AMENDMENT CALCULATION	
Current Approved Project Budget	\$2,400,000
Contractor Bid Award (8/16/2021)	(\$2,091,500)
Construction Contingency (8/16/2021)	(\$271,895)
Net Project Account Balance If General Construction Contractor Bid Is Awarded 8/16/2021	\$36,605
JHLES Professional Services Contract	(\$78,425)
Budget Amendment Request:	\$41,820

ATTACHMENTS:

- Resolution
- Contract
- Proposal
- Budget Amendment

###

CITY OF
Wyoming
MICHIGAN

STANDARD CITY PROFESSIONAL SERVICES CONTRACT
CITY OF WYOMING, MICHIGAN
(CONTRACT OVER \$8,500)

This Contract is made as of the Effective Date between the City and the Professional.

"City" means: City of Wyoming
A Michigan municipal corporation
1155 28th Street SW
Wyoming, MI 49509

"City Professional Services Contract Standard Terms and Conditions" means the 2-page document attached as Exhibit A entitled "City of Wyoming, Michigan City Professional Services Contract Standard Terms and Conditions."

"Effective Date" means: August 17, 2021.

"Professional" means: Johnson Hill Land Ethics Studio

[Name of professional entity]

Corporation
A _____
[State and type of entity, e.g., corporation, limited liability company, etc.]
412 Longshore Drive

[Professional's street address]
Ann Arbor, MI 48105

[Professional's city, state & zip]

"Proposal" means the Professional's proposal for the Services attached as Exhibit B.

"Services" means: Gezon Park construction administration, project management, inspections, etc.

[Detail the work: e.g., "design and construction services for . . .," "appraisal of . . .," "delineate wetlands at . . .," etc.]

TERMS AND CONDITIONS

In exchange for the consideration in and referred by this Contract, the parties agree:

1. The Professional will perform the Services as detailed in the Proposal. Except as otherwise provided in the Proposal, the Professional will provide all qualified personnel, supplies and tools needed to perform the Services as described in the Proposal.
2. The City will pay the Professional in accordance with the Proposal. The City will, on a timely basis, provide any information and services the Proposal identifies as being provided by the City so the Professional can perform the Services as described by the Proposal.
3. The Professional represents and warrants, except for those specifically waived in this paragraph it is complying with and will comply with the City Professional Services Contract Standard Terms and Conditions. Waived conditions are as follows:
None

[Identify those the City Attorney have agreed may be waived or write "None."]

4. This is the only agreement between the parties regarding the Services that are the subject of the Proposal and there are no other agreements, representations or warranties except as are stated in the Proposal. This contract can be amended only in writing signed by both the City and Professional.

The City and Professional have signed this Contract as of the Effective Date.

City of Wyoming

By: _____
Jack A. Poll, Mayor

By: _____
Kelli A. Vandenberg, City Clerk

Date signed: _____, 20__

Approved as to form:

Scott G. Smith, City Attorney

Mark G. Robinson

[Professional's name]

By: _____
[Signature officer, director or principal of Professional]

Mark G. Robinson, President

[Typed/Printed Name & Title of Person Signing for Professional]

Date signed: 7/27, 2021

CITY PROFESSIONAL SERVICES CONTRACT STANDARD TERMS AND CONDITIONS

1. **Applicability.** These Standard Terms and Conditions apply to all professional services contracts to which the City of Wyoming (the "City") is a party ("City Contracts") except as expressly modified in writing signed by the Mayor and City Clerk or the City Manager. By signing a City Contract or acknowledging below, the party contracting with the City ("Professional") attests it complies with and will comply with these Standard Terms and Conditions.
2. **Legal Compliance.** Professional will comply with all applicable (i) laws, rules, regulations, codes, and ordinances, (ii) license and permit requirements, and (iii) orders of any governmental agency, official or court of competent jurisdiction. This includes, for example and without limitation, complying with federal Occupational Safety and Health Administration (OSHA) and Michigan Occupational Safety and Health Act (MIOSHA) safe practices.
3. **Approvals.** Unless the City Contract or the Proposal states otherwise, Professional will, without expense to the City, obtain all permits and other approvals required to lawfully perform the services under the City Contract and, upon the City's request, will furnish copies of them to the City.
4. **Grant Compliance.** If state or federal grant funds have been identified to Professional as a source of payment for any part of the services, by signing the contract, Professional (i) represents Professional has reviewed the grant agreement and (ii) agrees to comply with any grant agreement terms and conditions that are applicable to the City Contract.
5. **Qualifications.** Professional represents and promises that:
 - A. Professional has and will maintain and any personnel Professional engages to provide services under the City Contract have and will maintain (i) any needed licenses, registrations, certifications, memberships, or other approvals needed to perform such services or work in Michigan and (ii) the experience and other qualifications stated in the Proposal.
 - B. Neither Contractor nor any subcontractor or their respective principals, owners, officers, shareholders, key employees, directors or member partners: (i) are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency; (ii) have within 3-years preceding this Contract been convicted of or have a judgment against them for fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; (iii) are presently indicted for or otherwise criminally charged by a governmental entity with commission of any of the offenses enumerated in this certification; and (iv) have within 3-years preceding this Contract had one or more public transactions terminated for cause or default.
 - C. If the City Contract is for a CDBG, federal and/or state funded project, Professional and any subcontractors are not listed on the US-HUD listing of debarred and suspended participants.
- D. Contractor and any subcontractor are not on and will remain off the Federal System for Award Management list of persons and entities ineligible for federal contracts.
- E. Neither Professional nor any subcontractor is an "Iran linked business" under Michigan's Iran Economic Sanctions Act, 2012 PA 517.
6. **Diversity and Inclusion.** Professional and subcontractors shall not discriminate against an employee or applicant for employment with respect to hiring, tenure, terms, conditions, or privileges of employment, or directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status, mental or physical disability, or any other reason prohibited by law (e.g., Elliott-Larsen Civil Rights Act, 1976 PA 453, Persons with Disabilities Civil Rights Act, 1976 PA 220, and <https://www.eeoc.gov/>).
7. **Ethical Standards.** Professional and its directors, members, partners, officers and employees, as well as any parent, affiliate, or subsidiary organization or subcontractor of Professional has not engaged in and shall refrain from: (i) holding or acquiring an interest that would conflict with the City Contract; (ii) engaging in any act that creates an appearance of impropriety with respect to the award or performance of the City Contract; (iii) attempting to influence or appearing to influence any City elected or appointed officer or employee by a direct or indirect offer of anything of value; or (iv) paying or agreeing to pay any person, other than its employees and consultants, any consideration contingent upon the award of the City Contract. No owner, director, officer, member, partner or key employee of Professional and no owner, director, officer, member, partner or key employee of any parent, affiliate, or subsidiary organization or subcontractor of Professional is a spouse, parent, child, grandchild, or sibling of the mayor, city council member, or any other elected or appointed officer or board/commission member of the City except as already disclosed in writing to the City when submitting its proposal. Professional will immediately notify the City of any violation of these standards.
8. **Media Releases.** Media releases (including promotional literature and commercial advertisements) pertaining to the City Contract or a project to which it relates shall not be made without the City Manager's prior written approval and only in accordance with the written terms provided in that approval.
9. **W-9.** Professional and all its subcontractors will, before beginning work complete and return by email to the City Finance Department at accountspayable@wyomingmi.gov an IRS W-9 form (available at www.IRS.gov).
10. **Document Ownership and Use.** All documents Professional generates as part of its services under the City Contract, whether in paper, electronic or other media or format, including for example and without limitation, any plans, specifications, bid documents, drawings, designs, and manuals, shall belong to the City upon the City's payment of any amounts due the Professional under the City Contract. The City will hold Professional harmless from and indemnify Professional for any liability that results from the use of those documents for any purpose or project beyond those purposes and projects for which they were provided to the City.
11. **Intellectual Property Guaranty.** Professional guarantees the sale or use of software, records or other intellectual property

provided under or used to perform the City Contract will not infringe any copyright, patent, trademark or other intellectual property rights. Professional will, without expense to the City, defend every action brought against the City or the City's officers or employees for any alleged infringement of any intellectual property rights by reason of their use as part of the City Contract and will pay all costs, damages, and profits recoverable in any such action.

12. Taxes. The City is generally exempt from federal and state taxes and a copy of its Tax Certificate of Exemption can be requested by contacting the City Finance Department.

13. Disposal. Unless the City Contract or Proposal expressly states otherwise, Professional will remove and dispose of all materials, equipment or other items demolished, removed or replaced during the work and cleanup and remove all debris resulting from the work. Disposal will comply with applicable laws, rules and regulations and Professional will retain and, upon request, provide the City copies of any required manifest or other required disposal documentation.

14. Restoration. Professional shall restore, without expense to the City, any property damaged as a result of any services under the City Contract to a condition similar to and equal to that existing before such damage. If Professional fails to make such repairs or restorations, the City, after 48-hours' notice to Professional, may do so and deduct the cost the City incurs to do so from any amounts due Professional.

15. Risk Allocation. Professional is solely responsible for (i) the means and methods of services provided under the City Contract, (ii) the conduct of its officers, employees, subcontractors and consultants, and (iii) any injuries or property damage during the Professional's performance of services under the City Contract. Professional shall hold the City and the City's officers and employees harmless from, indemnify them for, and defend them (with legal counsel reasonably acceptable to the City) against any claims made by persons other than the City for personal injuries or property damage occurring during and as a result of Professional's performance of services under the City Contract, but not for any negligence or wrongdoing of the City or the City's officers or employees.

16. Professional Responsibility. Unless the Proposal provides a higher standard of care, Professional will perform Professional's services under the City Contract consistent with the standard of practice and care of other, similar professionals performing similar services in Michigan.

17. Insurance.

COMMERCIAL GENERAL LIABILITY
Minimal Limits: \$1,000,000 Each Occurrence Limit \$2,000,000 General Aggregate Limit Coverage shall include the following: (A) Contractual Liability; (B) Independent Contractors Coverage; (C) Broad Form General Liability Extensions or equivalent, if not already included; (E) Deletion of all Explosion, Collapse, and Underground (EXU) Exclusions, if applicable.
AUTOMOBILE LIABILITY INSURANCE
Minimal Limits (hired and non-owned automobile coverage): \$1,000,000 per person \$1,000,000 per occurrence
WORKERS' DISABILITY COMPENSATION
Coverage shall be in accordance with applicable Michigan statutes. Waiver of subrogation, except where waiver is prohibited by law.
PROFESSIONAL LIABILITY INSURANCE

Professional liability insurance shall be in a minimum amount of the greater of \$250,000 or the amounts to be paid Professional for services under the City Contract.
EXCESS/UMBRELLA INSURANCE
Required liability limits may be obtained using an Excess-Umbrella Liability policy in addition to primary liability policy(ies). If Excess and/or Umbrella policy used to satisfy coverage limits, coverage must follow the form of the primary liability policy(ies).

Upon the City's request, Professional will provide to the City's Purchasing Department copies of certificates of insurance, policies and endorsements.

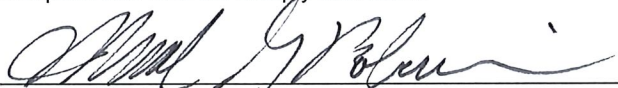
18. Records. Because the City is a public entity and because it receives funds from other governmental agencies, the City is required to retain, be able to obtain, and/or audit records related to City contracts. Professional will retain copies of all records related to the City Contract for at least 6 years after completion of the City Contract. Professional will, upon the City's request, allow inspection, auditing and copying of all retained records.

19. Assignment/Beneficiaries. Unless otherwise provided in the City Contract, (i) no right or duty of Professional under the City Contract may be assigned or delegated without the City's prior written consent and (ii) no other individuals or entities are intended to be beneficiaries of the City Contract.

20. Independent Contractor. Professional is wholly independent of the City and none of Professional's personnel shall be or be represented to be City officers or employees. Professional is solely responsible for the acts, omissions and statements of Professional's personnel. Professional is solely responsible for any compensation and benefits to be provided Professional's personnel for services or work provided under the City Contract. The City has no responsibility to supervise, compensate or insure Professional or Professional's personnel.

ACKNOWLEDGEMENT

Professional acknowledges receipt of these Standard Terms and Conditions and acknowledges that, unless modified by the City Contract, (i) they apply to the City Contract and (ii) Professional complies with and will comply with them.


[Signature]

Mark G. Robinson, President
[Printed Name and Title of Person Signing]

Mark G. Robinson
[Printed Name of Professional]

Date signed: 7/27/2021

**Exhibit B
Proposal**



PROPOSAL

June 29, 2021

Gezon Park – Phase 1

Professional Services for Construction Administration and Observation

Scope of Work and Associated Fees

Overview

We have reviewed the scope of work for Construction Administration and Observation. There are two primary changes we anticipate. One, the site is quite flat and many of the proposed slopes are minimal. We expect to monitor this aspect of the work particularly closely. Second, we anticipate that the project will extend to 8 months due to labor and material issues being experienced in the construction industry. These items in particular have contributed to a slight increase in our proposed fee for Construction Administration and Observation.

Project Team

Johnson Hill Land Ethics Studio, Landscape Architecture, Lead Consultant

Exxel Engineering, Inc., Civil Engineering

Geotech, Inc., Electrical Engineering

Graber & Associates, LLC, Irrigation Design

Construction Period Services

\$78,425.00

This work will include:

(3.27% as a percent of the anticipated construction budget)

- Pre-construction meeting
 - Prepare agenda
 - Prepare summary report
- Review and process submittals and shop drawings
- Review and process requests for information
- Conduct progress meetings – one every two weeks
 - Anticipate 8 month construction period (14 progress meetings)
 - Prepare report and action items for each meeting
- Coordinate construction period work as performed by civil engineer, electrical engineer, and irrigation designer
- Coordinate with architect as appropriate
- Coordinate and review construction and materials testing as performed by others and as required for the project
- Review and certify payment applications
- Prepare bulletins, change directives, and change orders
- Confirm acquisition of specified products and materials
- Confirm soil organics for amended soils
- Anticipate inspections at the rate of 3 per week, with additional inspections based on specific issues or requests. Work will include inspections and reports as follows, but will not be limited to:

- Utility line installation
- Electrical lines, lighting, and associated components installation
- Irrigation installation
- Storm water lines, structures, and detention areas
- Layout staking
- Slope/grade staking
- Subgrade preparations
- Pavement base and surface sections
- Others as conditions, plans, and specifications require
- Punch List inspection and report
- Final inspection and report
- Close-out documentation

If the project is performed under Davis-Bacon requirements, the proposed fee will increase by \$6,400.00 if the City requires or requests that we assist in reviewing and processing the weekly documentation required by Davis-Bacon.

This fee quote is submitted to the City as a lump sum. The fee quotes from our consultants were submitted to us as lump sums. If the City prefers that this work be performed on a time and expense basis, please so advise and we will revise accordingly.

Expenses are included in the lump sum fee quoted above.

Closing Statement

Please advise regarding the form of contract amendment we will need to finalize our agreement.

We thank the City of Wyoming for the opportunity to submit this proposal and for the opportunity to continue our work with the City on Gezon Park. As Principal and President of Johnson Hill Land Ethics Studio, a corporation registered in the State of Michigan, I am duly authorized to submit this proposal on behalf of the company.

Please contact me with any questions regarding any aspect of this proposal.

Sincerely,

Johnson Hill Land Ethics Studio



Mark Robinson, PLA, President

Date: June 29, 2021

Accepted By: **City of Wyoming**

Name and Title

Date: _____

MEMORANDUM

DATE: August 4, 2021

TO: Curtis Holt, City Manager

FROM: Nicole Hofert, Director of Planning and Economic Development

RE: Electric Vehicle Charging Station Discussion Update

Wyoming's Planning and Economic Development staff has been working with Westside Solutions, a regional electric vehicle charging station installer, and Consumers Energy's Commercial Electric Vehicle Team to better understand the financial commitments that would be associated with installing an EV charging station at Wyoming City Hall. After providing an initial quote from West Side Solutions to City Hall at their June work session meeting, City Council had requested further information regarding maintenance and network plans, expected electrical consumption costs, and potential user fees. This information was provided at the July 19th City Council meeting. Staff is now looking for direction on if City Council would like to proceed with the purchase and installation of the Level 2 Charging Station at City Hall.

Please find the attached documents to support the above:

1. A quote for the purchase and installation of an EV charging station at City Hall from Westside Solutions, a partner of Consumers Energy.
2. A map of the proposed location for an EV charging station at City Hall (based on the attached quote).
3. A copy of "Electric Vehicle Charging Station Quotes and Costs," the presentation provided at the July 19th meeting.

Staff looks forward to joining with you in presenting this information at the August 9, 2021 City Council Work Session.

###



Date: May 20, 2021

Prepared by:

Kyle Andrzejewski
kyle@westside-solutions.com
 (989) 464-8346

Prepared for:
 City of Wyoming
 1155 28th St SW
 Wyoming, MI 49509
 Attn: Nicole Hofert
 Ph: 616-530-3170

Item	Model	Description	Qty	Cost	Total
Charging Station Model	CT4021-GW1	Level 2 Commercial Charging Station w/ 2 ports - 18' cords	1	\$7,210	\$7,210
Commercial Cloud Plan	CPCLD-COMMERCIAL-5	Cloud Plan for 5 years (price per port)	2	\$1,319	\$2,638
Assure Warranty	CT4000-ASSURE5	ASSURE warranty program for 5 years (price per unit)	1	\$2,495	\$2,495
Install Validation	CTSUPPORT-SITEVALID	ChargePoint Validation that site is installed correctly	1	\$0	\$0
Initial Station Activation and Configuration	CP SUPPORT-ACTIVE	Activation of charging station (price per charger)	1	\$0	\$0
Shipping		Freight to Contractor or Site	1	\$225	\$225
Estimated Construction/Installation Cost	100' Directional Boring, Conduits, Concrete bases, 2 Steel Bollards, placing charger, permits and cleanup				\$19,800
Total					\$32,368
<i>*Applicable taxes not included</i>					
Estimated Rebate	Consumers Energy Level 2 Charging Station Rebate				(\$5,000)
*Customer Net Total After Rebate					\$27,368

Commercial Cloud Plan	Includes Secure Network Connection, On-going Station Software updates, Station Inventory, 24X7 Driver Support, Host Support, Session Data and Analytics, Power Management, Scheduled Charging, Driver Access Control, Pricing and Automatic Funds Collection, Waitlist and Videos on screen
------------------------------	---

Assure Warranty Plan	Assure is the most comprehensive parts and on-site labor warranty. Parts and On-Site Labor to repair or replace any manufacturing defect and includes station management, remote monitoring of station and proactive repair dispatch.
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Install Validation	On-site validation of electrical capacity, transformers, panels, breakers, wiring, cellular coverage and that the station installation meets all ChargePoint published requirements and local codes.
---------------------------	--

Initial Site Activation & Configuration	Initial Station Activation & Configuration Service includes activation of cloud services and configuration of radio groups, custom groups, connections, access control, visibility control, pricing, reports and alerts.
--	--



Proposed EV Charging Station Location

- Red line indicates preferred power source location (Inspections Dept. Utility Closet).
- Yellow line indicates alternative power source location (near City Hall entrance).
- Proposed location creates minimal interference for snowplowing or tripping hazards, while also being placed in close proximity to ADA accessibility ramp.
- This location was used in the provided quote from Westside Solutions.



Electric Vehicle Charging Station Quotes and Costs

**Prepared by Wyoming Planning and Economic
Development Staff**

For Wyoming City Council

July 19, 2021

Objectives

Following City Council's previous discussion at their June work session regarding electric vehicle charging stations, PED staff was asked to provide an update on the following information:

1. Pricing for maintenance and cloud plans
2. The average amount of electricity needed to fully charge an EV with a level 2 charger
3. The cost of consumption that Consumers Energy charges for EV usage
4. The total annual commitment from the City to pay for the installation, maintenance/network plans, and electrical consumption for an EV charging station at City Hall
5. Further information on user fees that can be assessed at a charging station

Pricing for Maintenance and Cloud Plans

- Pricing for maintenance and cloud plans from Westside Solutions can be found in the adjacent table.
- These figures are based on current prices and are subject to change over time.
- Following the expiration of a plan, the City would have the opportunity to renew any of these plans.

Network Plans		Maintenance Plans	
1 Year Subscription	\$658.00	1 Year Subscription	\$740.00
2 Year Subscription	\$1,258.00	2 Year Subscription	\$1,410.00
3 Year Subscription	\$1,778.00	3 Year Subscription	\$2,064.00
4 Year Subscription	\$2,238.00	4 Year Subscription	\$2,460.00
5 Year Subscription	\$2,638.00	5 Year Subscription	\$2,495.00

How Much Electricity is Needed for a Full Charge?

- Amount of electricity needed varies per make and model.
- Average level 2 charging station delivers 7.2 kW of power
- It is unlikely for an EV to arrive at a commercial charging station with 0% battery. Charging is mainly performed while user is shopping, dining, etc. Most vehicle charging is performed at home with the user's own personal charging port.
- In the unlikely scenario that an EV with a typical 66kW battery docks at a charging port on a 0% charge, it is expected that it would take **9 hours** to fully charge the battery.
 - $66\text{kW} / 7.2\text{kW} = 9 \text{ hours}$



Cost of Consumption for EV Usage

Power

- The average Level 2 charging station uses **7.2 kW** of electricity

Rate

- Rate is based on City's commercial electric plan.
- Over past 12 months, City paid \$136,287.52 for 972,590 kWhs of energy.
- $\$136,287.52 / 972,590 \text{ kWhs} = \text{\$0.14 per kWh}$

Time

- For this example, time spent will be **15 minutes**, or the amount of time that a resident may spend in City Hall to pay a bill.

Cost of Consumption for EV Usage

Power

7.2 kWh X

Rate

\$0.14 X

Time

0.25 Minutes = **\$0.25**

Total Project Costs Over 20 Years

Charging Station Costs (A)

- Model= \$7,210.00
 - Installation= \$19,800.00
 - Shipping= \$225.00
 - Rebate= -\$5,000.00
- Total cost = \$22,235.00**

Per next 20 years= \$1,111.75/year

Cloud/Warranty Plan Costs (B)

- 5-year Network Plan= \$2,638.00
 - 5-year Maintenance Plan= \$2,495.00
- Total Cost = \$5,133.00/five years**

Per next 20 years= \$1,026.60/year

Yearly Cost of Electricity (C)

- Average 24kWh consumed /day* at charging station
 - 24kWh x \$.14 = \$3.36 in consumption/day
- Total Cost/year = \$1,226.40**

Per next 20 years= \$1,226.40/year

- Total annual commitment over next 20 years: (A+B+C) = \$3,364.75/year
- Ongoing commitment after 20 years (B+C) = \$2,253.00/year
- *24kWh consumed/day based on Consumers Energy data from Downtown Muskegon

Sample User Fee Schedules

- User fees can be customized by the City
- Rate can be set as a free amenity, at a rate to cover the cost to charge, or at a rate to earn revenue.
- Rates can be set at either \$/hour or \$/kWh
- Sample pricing strategies from around the State of Michigan can be noted in this table provided by Consumers Energy in their PowerMIDrive Program Annual Report (May 2021).

Level 2 Site Host Pricing & Accessibility Strategy	Total # of Sites With Strategy
Free for Public Use	56
Public Use: Free During Charge	1
• \$2/hour 60 Minutes After Charging Stops	
Public Use: First 8 Hours Free	1
• \$5/hour thereafter	
Public Use: First 4 Hours Free	1
• \$0.50/hour thereafter	
Public Use: First 3 Hours Free	1
• \$0.08/minute thereafter	
Public Use: First 1 Hour Free	3
• \$2/hour thereafter	
Public Use: First 30 Minutes Free	1
• \$2/hour thereafter	
Public Use: \$0.12/kWh	1
Public Use: \$0.25/hour	2
Public Use: \$0.29/kWh	6
Public Use: \$0.29/kWh	1
• \$0.25 fee per session	
Public Use: \$0.35/kWh	2
Public Use: \$0.40/kWh	1
Public Use: \$0.80/hour	1
Public Use: \$1.00/hour	1
Public Use: \$1.00/hour for first 2 Hours	1
• \$5.00/hour thereafter	
Public Use: \$1.50/hour	2
Public Use: \$2.00/hour	3
Public Use: \$2.00/hour for first 5 hours	1
• \$5.00/hour thereafter	
Public Use: \$8.00 per charge	1
Free for Employees	
Public Use:	1
• \$2/hour During Charge	
• \$3/hour 10 Minutes After Charging Stops	
Free for School Buses Only	2
Free for Customers and Employees Only	2
Free for Hotel Guests Only	5
Free for Employees Only	7
Free for Tenants Only	1
Tenant Use Only	1
• \$0.66/hour	

Figure 6: Level 2 Site Host Pricing & Charger Accessibility – May 2021

5x5 Funding Scenarios

Notes

July 27, 2021

Information Included:

- A. Notes on each 5x5 prepared by Kate Balfoort
- B. 5x5 analysis which includes 7 additional firefighters
- C. 5x5 analysis which includes 12 additional firefighters
- D. Income Tax Scenario and Notes
- E. Timeline for proposed Council action
- F. Proposed Income Tax Ordinance
- G. Proposed millage reduction charter amendment resolution

These 5x5 scenarios still do not address the following which would also need to come out of fund balance or ARPA funds.

- Additional fire vehicles and related monthly motor pool
- City Facilities Asset Management Cost Study

Concerns: Sustainability...

- Best case scenario with 7 FFs (ignoring ARPA) is that the City has funds until likely early in FY 2025 – around 2.5 years of funding, then layoffs. It will be even less time after making fire vehicle purchases and other capital improvements.
- Overtime may go down. Although we hope that overtime will go down, because of injuries, days off and other obstacles, historically this has not occurred when adding personnel. Chief Koster and Chief Bennett will work hard to make this happen and we hope it works.
- Hiring 12 FFs, our fund balance would drop below the 15% target at the end of FY 2024, so the City would only be able to fund the positions less than 2.5 years. It will be even less time after making fire vehicle purchases and other capital improvements.

To the point of staff asking for more than needed, the presentations given did not include the following, if we had done so, the numbers would have been even higher.

- Wages were calculated at mid-range, not the top of the range as we usually do when proposing additional staff. Historically we have presented at the top of the range in case we have had to hire at the higher steps to attract talent. We used mid-range to reflect an average of hiring at top and hiring at the entry level.
- Items such as EMT annual bonuses, longevity, etc. were not included as they do not typically begin immediately. This will likely be offset by average health insurance – not everyone selects family coverage.
- Additional supplies for running another unit in fire were not provided by fire. (Turnout gear was the only additional fire expense provided.)
- Additional sergeants and lieutenants (police), equipment operators and lieutenants (fire) were not included – likely to be funded with vacancy savings (or fund balance).
- No additional administrative support was added in to support additional hiring/turnover.

Fund Balance:

- Because of the timing issues related to millage funding versus implementing an income tax model, we will need to step down the millage over 2 years to maintain operations if an income tax is passed.
 - July 2022: reduce the millage rate to 7.545 mills. Approximately \$10,200,000 reduction in revenue.
 - January 2023: start income tax. Collect for one half of fiscal year approximately \$11,500,000 (Jan-Jun 2023).
 - July 2023: reduce millage to 5 mills. Approximately \$6,000,000 reduction in revenue.
 - July 2023: collection of income tax for full fiscal year approximately \$23,000,000
 - Overall reduction in fund balance to support transition to income tax of \$6,000,000.
- “Pre-hiring” of added personnel in the current year could put our ability to fund this transition in jeopardy.
- The Council Policy Manual provides the follow guidance on “minimum unassigned fund balance”.
 - The City will seek to maintain an Unassigned Fund balance between sixteen-point-seven percent (16.7%) and thirty-three-point four percent (33.4%) of General Fund operating expenditures as reflected in the current year’s budget, i.e., a minimum amount equal to two (2) months operating expenditures from the current budget.

7 Additional Firefighters

5x5 Analysis and Impact

This table shows the impact of spending down fund balance with no additional revenue.

	Estimate <u>2021</u>	Budget <u>2022</u>	Projected <u>2023</u>	Projected <u>2024</u>	Projected <u>2025</u>	Projected <u>2026</u>
Beginning Fund Balance	13,398,286	15,841,245	13,532,087	11,015,544	7,705,018	4,076,781
Revenues	37,762,809	36,470,294	36,906,404	37,280,554	37,838,921	38,306,763
COPS Grant (6 police)		446,187	303,813			
Expenditures	35,319,850	36,586,483	37,454,422	38,224,081	39,030,775	39,857,797
Additional 7 Firefighters		813,027	837,903	863,582	890,092	917,460
Set up for 10 Police Officers		868,030				
Additional 10 Police Officers	-	958,098	1,434,436	1,503,417	1,546,291	1,590,509
Surplus (Deficit)	2,442,959	(2,309,158)	(2,516,543)	(3,310,526)	(3,628,237)	(4,059,003)
Ending Fund Balance	15,841,245	13,532,087	11,015,544	7,705,018	4,076,781	17,778
Fund Balance as % of Exp	44.9%	35.3%	27.7%	19.0%	9.8%	0.0%

Assumptions added to the 5x5 presented in the fiscal year 2022 Budget Book:

2021 Estimate and 2022 Budget are the same as what was presented in the FY 2022 Budget Book

NO additional revenue beyond what was already projected in the original 5x5 except \$750,000 of COPS grant revenue

Adding additional expense for:

- 4 police officers already hired
- 6 police officers (1/2 year 2022, COPS Grant), including one time costs such as vehicles, tasers, etc
- 7 fire fighters

Includes additional motor pool rental for police cars

Does NOT include any additional vehicles or motor pool rental for fire

Capital outlay for 2023-2026 was included at \$500,000; while this has been a long term average, the City has also seen several recent years where it has been much higher.

12 Additional Firefighters

5x5 Analysis and Impact

This table shows the impact of spending down fund balance with no additional revenue.

	Estimate <u>2021</u>	Budget <u>2022</u>	Projected <u>2023</u>	Projected <u>2024</u>	Projected <u>2025</u>	Projected <u>2026</u>
Beginning Fund Balance	13,398,286	15,841,245	12,951,354	9,836,309	5,908,938	1,644,922
Revenues	37,762,809	36,470,294	36,906,404	37,280,554	37,838,921	38,306,763
COPS Grant (6 police)		446,187	303,813	-	-	-
Expenditures	35,319,850	36,586,483	37,454,422	38,224,081	39,030,775	39,857,797
Additional 12 Firefighters		1,393,760	1,436,404	1,480,426	1,525,872	1,572,788
Set up for 10 Police Officers		868,030				
Additional 10 Police Officers	-	958,098	1,434,436	1,503,417	1,546,291	1,590,509
Surplus (Deficit)	2,442,959	(2,889,891)	(3,115,045)	(3,927,371)	(4,264,017)	(4,714,331)
Ending Fund Balance	15,841,245	12,951,354	9,836,309	5,908,938	1,644,922	(3,069,409)
Fund Balance as % of Exp	44.9%	33.3%	24.4%	14.3%	3.9%	-7.1%

Assumptions added to the 5x5 presented in the fiscal year 2022 Budget Book:

2021 Estimate and 2022 Budget are the same as what was presented in the FY 2022 Budget Book

NO additional revenue beyond what was already projected in the original 5x5 except \$750,000 of COPS grant revenue

Adding additional expense for: 4 police officers already hired
6 police officers (1/2 year 2022, COPS Grant), including one time costs such as vehicles, tasers, etc
12 fire fighters

Includes additional motor pool rental for police cars

Does NOT include any additional vehicles or motor pool rental for fire

Capital outlay for 2023-2026 was included at \$500,000; while this has been a long term average, the City has also seen several recent years where it has been much higher.

This table shows the impact of spending down fund balance with no additional revenue.

Income Tax Scenario

	Fiscal Year Ending June 30,				
	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
REVENUES					
Property tax	13,265,108	17,170,270	12,323,442	12,569,911	12,745,889
Income tax	-	12,760,610	25,521,220	27,237,439	29,244,816
Non-tax revenues:					
COPS Grant		446,187	303,813		
General fund	23,205,186	16,025,223	16,161,639	16,319,028	16,500,571
Parks	-	335,455	300,008	299,410	313,291
Sidewalk	-	1,213	1,213	1,213	1,213
Yard Waste	-	11,842	10,354	10,402	10,559
Library/Parks Capital	-	73,291	73,296	73,301	73,306
Capital Improvement	-	20,853	20,802	20,806	20,812
REVENUE TOTAL	36,470,294	46,844,944	54,715,787	56,531,509	58,910,457
EXPENDITURES					
General Fund	36,586,482	37,454,422	38,224,081	39,030,775	39,857,797
GF-Fire Additions		3,231,910	3,330,959	3,433,211	3,538,772
GF-Income Tax Admin		500,000	500,000	500,000	500,000
GF-Police Additions		1,969,064	2,054,720	2,113,016	2,173,134
GF-Parks Capital		600,000	600,000	600,000	600,000
Parks Maintenance	-	3,904,268	3,968,145	4,037,635	4,107,331
Sidewalk	-	466,564	469,562	472,587	475,640
Yard Waste	-	889,585	900,202	911,038	922,100
Library/Parks Capital	-	417,483	424,681	432,002	439,488
Capital Improvement	-	3,781,141	3,809,216	4,938,055	4,967,679
EXPENDITURE TOTAL	36,586,482	53,214,438	54,281,566	56,468,320	57,581,941
Surplus (Deficit)	(116,188)	(6,369,494)	434,221	63,190	1,328,516
Beginning Fund Balance*		18,755,374	12,385,880	12,820,101	12,883,291
Ending Fund Balance		12,385,880	12,820,101	12,883,291	14,211,806
% of Fund Balance		23.3%	23.6%	22.8%	24.7%

Income Tax General Assumptions:

- Proposal: Initial income tax rate of .80% with \$2,000 personal exemption
City millage rate reduced to 5 mills - stepped down over 2 years
- Voters pass proposal in May 2022 election
- General millage of 7.545 mills FY 2023 and 5 mills FY 2024 would replace all individual millages
- Individual fund activity formerly supported by individual millages accounted for in General Fund
(Funds impacted: Fire, Police, Public Safety, Parks, Sidewalk, Yard Waste, Library, Capital)

Revenue Assumptions:

- Property tax reduction implemented July 2022 and July 2023
- Income tax implemented January 2023
- Income tax in FY 2023 reflects half year of revenue for January through June 2023
- Income tax reflects 10% higher than original estimates based on area collection rates of 90% vs 80%
- Non-tax revenues include fees, rentals, other misc. revenues collected in parks and public works
from 5x5 presented with FY 2022 budget

Expenditure Assumptions:

- Basic 5x5 assumptions for non-tax revenues and expenditures for all funds
- Based on 2022 budgeted expenditures carried forward
- Based on 100% of budgeted expenditures
- Includes full year of expenditures for other funds being added to the General Fund
- Includes full year of income tax administration expense to account for possible set up costs

Considerations:

- Volatility of the income tax structure will require the City to maintain a higher target fund balance than 15%. Consideration should be given to what would be appropriate. Hiring in FY 2023 may need to be delayed facilitating building the fund balance back up to an appropriate level.
- Model does not include capital outlay required to implement the additional staffing levels such as vehicles, building modifications, initial gear, etc.

Council Consideration Timing

1. **August 9 Work Session** – Review both the proposed income tax ordinance and charter amendment resolution, addressing any questions.
2. **August 16 Regular Meeting** – Introduction (1st reading) of the income tax ordinance. The resolution will not be considered at that meeting.
3. **September 20 Regular Meeting** – Adoption (2nd reading) of the ordinance and adoption of the charter amendment resolution. The items will be on the agenda in that order because consideration of the charter amendment is unnecessary if the income tax proposal is not put on the ballot.

ORDINANCE NO. __-21

ORDINANCE TO AMEND THE CODE OF ORDINANCES, CITY OF WYOMING, MICHIGAN, BY ADDING CHAPTER 23, ENTITLED "CITY INCOME TAX," TO ADOPT THE UNIFORM CITY INCOME TAX ORDINANCE BY REFERENCE, AS PROVIDED IN THE CITY INCOME TAX ACT, 1964 PA 284, WITH AN AMENDMENT TO SECTION 31 TO INCREASE THE AMOUNT OF THE EXEMPTIONS CONDITIONAL ON APPROVAL BY CITY ELECTORS AT A MAY 3, 2022 SPECIAL ELECTION

THE CITY OF WYOMING ORDAINS:

Section 1. Adoption of Uniform City Income Tax Ordinance. That the Code of Ordinances, City of Wyoming, Michigan, is amended by adding Chapter 23 to read as follows:

CHAPTER 23 – CITY INCOME TAX

Sec. 23-1. – Adoption of Uniform Income Tax Ordinance. Pursuant to the city income tax act, 1964 PA 284, MCL 141.501 through 141.787, the uniform city income tax ordinance is adopted by reference with the alternative sections provided in chapter 3 of that act. The income tax will be applicable beginning January 1, 2023.

Sec. 23-2. – Amendment of Section 31 of Uniform Income Tax Ordinance. As provided in section 31 of the uniform city income tax ordinance, MCL 141.631, that section is amended to read as follows:

Sec. 31. Exemptions.

(1) An individual taxpayer in computing his or her taxable income is allowed a deduction of \$2,000.00 for each personal and dependency exemption under the rules for determining exemptions and dependents as provided in part 1 of the income tax act of 1967, 1967 PA 281, MCL 206.1 to 206.532. The taxpayer may claim his or her spouse and dependents as exemptions, but if the taxpayer and the spouse are both subject to the tax imposed by this ordinance, the number of exemptions claimed by each of them when added together shall not exceed the total number of exemptions allowed under this ordinance.

(2) If the taxpayer qualifies for an additional exemption under more than 1 of the following, an additional exemption is allowed for each of the following for which the taxpayer qualifies:

(a) A taxpayer who is a paraplegic, quadriplegic, or hemiplegic, or who is a totally or permanently disabled person as disability is defined in section 216 of title II of the social security act, 42 USC 416.

(b) A taxpayer who is blind as defined in section 504 of the income tax act of 1967, 1967 PA 281, MCL 206.504.

(c) A taxpayer who is a deaf person as defined in section 2 of the deaf persons' interpreters act, 1982 PA 204, MCL 393.502.

(d) A taxpayer who is 65 years of age or older.

Sec. 23-3. – Text Added to City Code as Appendix. That the text of the uniform city income tax ordinance, as amended by this ordinance, shall be attached as an appendix to the Code of Ordinances, City of Wyoming, Michigan, in exactly the form (*i.e.*, without editing by MuniCode) attached as Appendix A to this ordinance.

Section 2. Effective Date. That this ordinance shall take effect on the May 4, 2022, if the levy of a city income pursuant to this ordinance is approved by the city's electors at a special election held on May 3, 2022.

(a) The ballot proposal shall read as follows:

Shall the City of Wyoming levy a city income tax at a rate not to exceed 1.0% on corporations and resident individuals and 0.5% on nonresident individuals beginning on January 1, 2023, pursuant to the city income tax act, 1964 PA 284, as provided in the uniform city income tax ordinance adopted by the Wyoming City Council?

(b) All city officers and bodies are authorized and directed to take all actions needed under the City Charter and Michigan election law, 1954 PA 116, to hold a special election on May 3, 2022, and to place this question on the ballot at that special election.

CERTIFICATION

I certify that this Resolution was introduced by the City Council of the City of Wyoming, Michigan at its regular meeting held on August 16, 2021, and adopted by the City Council of the City of Wyoming, Michigan at its regular meeting held on September 7, 2021.

Kelli A. VandenBerg
Wyoming City Clerk

APPENDIX A

UNIFORM CITY INCOME TAX ORDINANCE AS APPROVED BY WYOMING CITY COUNCIL

Sec. 1. Uniform city income tax ordinance; short title.

This ordinance shall be known and may be cited as the "uniform city income tax ordinance".

Sec. 2. Uniform city income tax ordinance; rules of construction, definitions.

For the purposes of this ordinance, the words, terms and phrases set forth in sections 3 to 9 and their derivations have the meaning given therein. When not inconsistent with the context, words used in the present tense include the future, words in the plural number include the singular number, and in the singular number include the plural. "Shall" is always mandatory and not merely directory. "May" is always directory.

Sec. 3. Definitions; A to D.

(1) "Administrator" means the official designated by the city to administer this ordinance or the duly authorized agent or representative of that official but does not mean the department of treasury.

(2) "Business" means an enterprise, activity, profession, or undertaking of any nature conducted or ordinarily conducted for profit or gain by any person, including the operation of an unrelated business by a charitable, religious, or educational organization.

(3) "Capital gains" and "capital losses" mean those terms as defined for federal income tax purposes.

(4) "Department" means the department of treasury for tax years after the 1996 tax year for which a city has entered into an agreement with the department of treasury pursuant to section 9 of chapter 1. Department includes a duly authorized agent or representative of the department.

Sec. 4. Definitions; C.

(1) "City" means the city adopting the ordinance.

(2) "Compensation" means salary, pay or emolument given as compensation or wages for work done or services rendered, in cash or in kind, and includes but is not limited to the following: salaries, wages, bonuses, commissions, fees, tips, incentive payments, severance pay, vacation pay and sick pay.

(3) "Corporation" means a corporation or a joint stock association organized under the laws of the United States, this state, or any other state, territory, or foreign country or dependency.

Sec. 5. Definitions; D.

"Doing business" means the conduct of any activity with the object of gain or benefit, except that it does not include:

(a) The solicitation of orders by a person or his representative in the city for sales of tangible personal property, which orders are sent outside the city for approval or rejection and, if approved, are filled by shipment or delivery from a point outside the city.

(b) The solicitation of orders by a person or his representative in the city in the name of or for the benefit of a prospective customer of a person, if orders by the customer to such person to enable the customer to fill orders resulting from the solicitation are orders described in paragraph (a).

(c) The mere storage of personal property in the city in a warehouse neither owned nor leased by the taxpayer.

Sec. 6. Definitions; E, F.

(1) "Employee" means a person from whom an employer is required to withhold for either federal income or federal social security taxes.

(2) "Employer" means an individual, partnership, association, corporation, nonprofit organization, governmental body or unit or agency including the state, or any other entity whether or not taxable under this ordinance, that employs 1 or more persons on a salary, bonus, wage, commission or other basis, whether or not the employer is in a business.

(3) "Federal internal revenue code" means the internal revenue code of the United States in effect on the last day of the taxpayer's tax year.

(4) "Financial institution" means a bank, industrial bank, trust company, building and loan or savings and loan association, credit union, safety and collateral deposit company, regulated investment company as defined in section 851 and the following sections of the federal internal revenue code, under whatever authority organized, and any other association, joint stock company or corporation at least 90% of whose assets consist of intangible personal property and at least 90% of whose gross income consists of dividends or interest or other charges resulting from the use of money or credit.

Sec. 7. Definitions; F to N.

(1) "Fiscal year" means an accounting period of 12 months ending on any day other than December 31. Only fiscal years accepted by the internal revenue service for federal income tax purposes may be used for city tax purposes.

(2) "Net profits" means the net gain from the operation of a business, profession or enterprise, after provision for all costs and expenses incurred in the conduct thereof, determined on either a cash or accrual method, on the same basis as provided for in the federal internal revenue code for federal income tax purposes, excluding items exempted under this ordinance, but without deduction of federal and city taxes based on income and without deduction of net operating loss carry-over or capital loss carry-over sustained prior to the effective date of this tax, except that net operating losses and capital losses

sustained after the effective date of this tax may be carried over to the same extent and on the same basis as under the federal internal revenue code but shall not be carried back to prior years.

Sec. 8. Definitions; N to P.

(1) "Nonresident" means an individual domiciled outside the city.

(2) "Person" means a natural person, partnership, fiduciary, association, corporation or other entity. When used in any provision imposing a criminal penalty, "person" as applied to an association means the parties or members thereof, and as applied to a corporation, the officers thereof.

(3) "Predominant place of employment" means that city imposing a tax under a uniform city income tax ordinance other than the city of residence, in which the employee estimates he will earn the greatest percentage of his compensation from the employer, which percentage is 25% or more.

Sec. 9. Definitions; R to T.

(1) "Resident" means an individual domiciled in the city. "Domicile" means a place where a person has his true, fixed and permanent home and principal establishment, to which, whenever absent therefrom, he intends to return, and domicile continues until another permanent establishment is established. If an individual, during the taxable year, being a resident becomes a nonresident or vice versa, taxable income shall be determined separately for income in each status.

(2) "Taxable year" means the calendar year, or the fiscal year, used as the basis on which net profits and other income subject to tax under this ordinance are to be computed, and in case of a return for a fractional part of a year, the period for which the return is required to be made.

(3) "Taxpayer" means a person required under this ordinance to file a return or to pay a tax.

Sec. 11. Excise tax on incomes; rates.

Subject to the exclusions, adjustments, exemptions, and deductions herein provided, an annual tax of 1% on corporations and resident individuals and of 1/2% on nonresident individuals for general revenue purposes and the purposes provided for in sections 11a and 11b is hereby imposed as an excise on income earned and received on and after the effective date of this ordinance. However, if the governing body of the city adopts a resolution to impose the tax at a lower rate, the tax is hereby imposed at that lower rate. If the tax is imposed at a lower rate, the rate on nonresident individuals shall not exceed 1/2 of the rate on corporations and resident individuals.

Sec. 11a. Ordinance, resolution, or agreement to dedicate and transfer funds; purposes; commencement; amount; definitions.

(1) For the 1993 tax year and each tax year after 1993, a city that is a qualified local unit of government, as defined by the federal facility development act, may adopt an ordinance or resolution, or may enter into an agreement with a qualified local unit of government other than the city, to dedicate and transfer funds in an amount determined pursuant to subsection (3) solely and to the extent necessary for the purposes authorized for use of the federal facility development fund created by the federal facility development act.

(2) When a city adopts an ordinance or resolution or enters into an agreement pursuant to subsection (1), the use or transfer of any funds dedicated or to be transferred shall commence and continue until any bonds, obligations, or other evidences of indebtedness for which the funds are pledged are fully paid.

(3) The amount dedicated or to be transferred by a city each year pursuant to subsection (1) shall equal the amount of withheld tax remitted by a qualified employer pursuant to section 60, as reconciled pursuant to section 61, for all qualified employees.

(4) As used in this section:

(a) "Qualified employee" means a person who meets both of the following criteria:

(i) Is employed by a qualified employer.

(ii) His or her principal workplace is a qualified facility.

(b) "Qualified employer" means the federal government.

(c) "Qualified facility" and "qualified local unit of government" mean those terms as defined in the federal facility development act.

Sec. 11b. City as qualified local unit of government; dedication and transfer of funds; purposes; use of federal data facility fund; amount; definitions.

(1) A city that is a qualified local unit of government, as defined by the federal data facility act, may adopt an ordinance or resolution, or may enter into an agreement with a qualified local unit of government other than the city, to dedicate and transfer funds in the 1994 through 2003 tax years in an amount determined pursuant to subsection (3) solely and to the extent necessary for the purposes authorized for the use of the federal data facility fund created by the federal data facility act.

(2) If a city adopts an ordinance or resolution or enters into an agreement pursuant to subsection (1), the use or transfer of any funds dedicated or to be transferred shall commence and continue until any bonds, obligations, or other evidences of

indebtedness for which the funds are pledged are fully paid or the authorized purpose is otherwise completed but not after the 2003 tax year.

(3) The amount dedicated or to be transferred by a city each year pursuant to subsection (1) shall equal the amount of withheld tax remitted by a qualified employer pursuant to section 60, as reconciled pursuant to section 61, for all qualified employees.

(4) As used in this section:

(a) "Qualified employee" means a person who meets both of the following criteria:

(i) Is employed by a qualified employer.

(ii) His or her principal workplace is a qualified facility.

(b) "Qualified employer" means the federal government.

(c) "Qualified facility" and "qualified local unit of government" mean those terms as defined in the federal data facility act.

Sec. 12. Excise tax on incomes; application to resident individuals.

The tax shall apply on the following types of income of a resident individual to the same extent and on the same basis that the income is subject to taxation under the federal internal revenue code:

(a) On a salary, bonus, wage, commission and other compensation.

(b) On a distributive share of the net profits of a resident owner of an unincorporated business, profession, enterprise, undertaking or other activity, as a result of work done, services rendered and other business activities wherever conducted.

(c) On dividends, interest, capital gains less capital losses, income from estates and trusts and net profits from rentals of real and tangible personal property.

(d) On other income of a resident individual.

Sec. 13. Types of nonresident income to which tax applicable; extent and basis of tax.

The tax shall apply on the following types of income of a nonresident individual to the same extent and on the same basis that the income is subject to taxation under the federal internal revenue code:

(a) On a salary, bonus, wage, commission, and other compensation for services rendered as an employee for work done or services performed in the city. Income that the nonresident taxpayer receives as the result of disability and after exhausting all vacation pay, holiday pay, and sick pay is not compensation for services rendered as an employee for work done or services performed in the city. Vacation pay, holiday pay, sick pay and a bonus paid by the employer are considered to have the same tax situs as the work assignment or work location and are taxable on the same ratio as the normal earnings of the employee for work actually done or services actually performed.

(b) On a distributive share of the net profits of a nonresident owner of an unincorporated business, profession, enterprise, undertaking, or other activity, as a result of work done, services rendered, and other business activities conducted in the city.

(c) On capital gains less capital losses from sales of, and on the net profits from rentals of, real and tangible personal property, if the capital gains arise from property located in the city.

Sec. 14. Excise tax on incomes; taxable net profits of a corporation, definition.

The tax shall apply on the taxable net profits of a corporation doing business in the city, being levied on such part of the taxable net profits as is earned by the corporation as a result of work done, services rendered and other business activities conducted in the city, as determined in accordance with this ordinance. "Taxable net profits of a corporation" means federal taxable income as defined in section 63 of the federal internal revenue code but taking into consideration all exclusions and adjustments provided in this ordinance. No deduction shall be allowed for:

(a) Net operating losses and net capital losses sustained prior to the effective date of the tax.

(b) The city income tax imposed by this ordinance.

A corporation may deduct income, war profits and excess profits taxes, imposed by a foreign country or possession of the United States, allocable to income included in taxable net income, any part of which would be allowable as a deduction in determining federal taxable income under the applicable provisions of the federal internal revenue code.

Sec. 15. Excise tax on incomes; unincorporated business, profession; sole proprietorship, partnership.

An unincorporated business, profession or other activity conducted by 1 or more persons subject to the tax as either a sole proprietorship or partnership shall not be taxable as such. The persons carrying on the unincorporated business, profession or other activity are liable for income tax only in their separate and individual capacities and on the following bases:

(a) A resident proprietor or partner is taxable upon his entire distributive share of the net profits of the activity regardless of where the activity is conducted.

(b) A nonresident proprietor or partner is taxable only upon his distributive share of the portion of the net profits of the activity which is attributable to the city under the allocation methods provided in this ordinance.

(c) In the hands of a proprietor or partner of an unincorporated activity, the character of any item of income taxable under this ordinance is determined as if such item were realized by the individual proprietor or partner directly from the source

from which it is realized by the unincorporated activity. In computing his taxable income for a taxable year, a person who is required to file a return shall include therein his taxable distributive share of the net profits for any partnership year ending within or with his taxable year.

Sec. 16. Unincorporated business, profession, or activity; return.

An unincorporated business, profession or other activity owned by 2 or more persons shall file an annual information return setting forth:

(a) The entire net profit for the period covered by the return and the taxable portion of the net profit attributable to the city.

(b) The names and addresses of the owners of the unincorporated activity and each owner's taxable distributive share of the total net profit and each nonresident owner's share of the taxable net profit attributable to the city.

Sec. 17. Unincorporated business, profession, or activity; election to pay tax.

At the election of an unincorporated business, profession or other activity, the entity, on behalf of the owners, may compute and pay the tax due with respect to each owner's share of the net profit of the activity after giving effect to exemptions to which each owner is entitled. This election is available to all unincorporated business entities having 2 or more owners regardless of the residence of the owners. The tax thus paid by the entity shall constitute all tax due with respect to each owner's distributive share of the net profits of the unincorporated business, profession or other activity.

If the unincorporated business, profession or other activity elects under this section to file a return and pay the tax on behalf of its owners, the election and filing are deemed to meet the requirements of this ordinance for the filing of a return for each owner who has no other income subject to the tax. However, a return is required from any such owner having taxable income other than his distributive share of the net profits of the entity. In such case the entire income subject to the tax shall be included in the return and credit taken thereon for the tax paid in his behalf by the unincorporated activity.

If the unincorporated business, profession or other activity elects to pay the tax on behalf of the owners, then the unincorporated business, profession or other activity assumes the status of a taxpayer and is liable to interest and penalty if payment is not made by the due date, in accordance with the calendar or fiscal year used by the unincorporated business, profession or other activity.

Sec. 18. Partial business activity in city; apportionment of net profit.

When the entire net profit of a business subject to the tax is not derived from business activities exclusively within the city, the portion of the entire net profit, earned as a result of work done, services rendered or other business activity conducted in the city, shall be determined under either section 19, sections 20 to 24, or section 25.

Sec. 19. Partial business activity in city; separate accounting method.

The taxpayer may petition for and the administrator may grant approval of, or the administrator may require, the separate accounting method. If such method is petitioned for the administrator may require a statement, explaining the manner in which the apportionment will be made, in sufficient detail to determine whether the net profits attributable to the city will be apportioned with reasonable accuracy.

Sec. 20. Partial business activity in city; business allocation percentage method.

The business allocation percentage method shall be used if such taxpayer is not granted approval to use the separate accounting method of allocation. The entire net profits of such taxpayer earned as a result of work done, services rendered or other business activity conducted in the city shall be ascertained by determining the total "in-city" percentages of property, payroll and sales. "In-city" percentages of property, payrolls and sales, separately computed, shall be determined in accordance with sections 21 to 24.

Sec. 21. Partial business activity in city; percentage of average net book value; gross rental value of real property.

First, the taxpayer shall ascertain the percentage which the average net book value, of the tangible personal property owned and the real property, including leasehold improvements, owned or used by it in the business and situated within the city during the taxable period, is of the average net book value of all of such property, including leasehold improvements, owned or used by the taxpayer in the business during the same period wherever situated. Real property shall include real property rented or leased by the taxpayer and the value of such property shall be deemed to be 8 times the annual gross rental thereon. "Gross rental of real property" means the actual sum of money or other consideration payable, directly or indirectly, by the taxpayer for the use or possession of real property and includes but is not limited to:

(a) An amount payable for the use or possession of real property or any part thereof, whether designated as a fixed sum of money or as a percentage of sales, profits or otherwise.

(b) An amount payable as additional rent or in lieu of rent such as interest, taxes, insurance, repairs or other amount required to be paid by the terms of a lease or other arrangement.

Sec. 22. Partial business activity in city; percentage of compensation paid employees.

Second, the taxpayer shall ascertain the percentage which the total compensation paid to employees for work done or for services performed within the city is of the total compensation paid to all the taxpayer's employees within and without the city during the period covered by the return. For allocation purposes, compensation shall be computed on the cash or accrual basis in accordance with the method used in computing the entire net income of the taxpayer.

If an employee performs services within and without the city, the following examples are not all inclusive but may serve as a guide for determining the amount to be treated as compensation for services performed within the city:

- (a) In the case of an employee compensated on a time basis, the proportion of the total amount received by him which his working time within the city is of his total working time.
- (b) In the case of an employee compensated directly on the volume of business secured by him, such as a salesman on a commission basis, the amount received by him for business attributable to his efforts in the city.
- (c) In the case of an employee compensated on other results achieved, the proportion of the total compensation received which the value of his services within the city bears to the value of all his services.

Sec. 23. Partial business activity in city; percentage of gross revenue.

Third, the taxpayer shall ascertain the percentage which the gross revenue of the taxpayer derived from sales made and services rendered in the city is of the total gross revenue from sales and services wherever made or rendered during the period covered by the return.

(1) For the purposes of this section, "sales made in the city" means all sales where the goods, merchandise or property is received in the city by the purchaser, or a person or firm designated by him. In the case of delivery of goods in the city to a common or private carrier or by other means of transportation, the place at which the delivery has been completed is considered as the place at which the goods are received by the purchaser.

The following examples are not all inclusive but may serve as a guide for determining sales made in the city:

- (a) Sales to a customer in the city with shipments to a destination within the city from a location in the city or an out-of-city location are considered sales made in the city.
 - (b) Sales to a customer in the city with shipments to a destination within the city directly from the taxpayer's in-city supplier or out-of-city supplier are considered sales made in the city.
 - (c) Sales to a customer in the city with shipments directly to the customer at his regularly maintained and established out-of-city location are considered out-of-city sales.
 - (d) Sales to an out-of-city customer with shipments or deliveries to the customer's location within the city are considered sales made in the city.
 - (e) Sales to an out-of-city customer with shipments to an out-of-city destination are considered out-of-city sales.
- (2) In the case of public utilities, or businesses furnishing transportation services, "gross revenue" for the purposes of this section may be measured by such means as operating revenues, vehicle miles, revenue miles, passenger miles, ton miles, tonnage, or such other method as shall reasonably measure the proportion of gross revenue obtained in the city by such business.
- (3) In case the business of the taxpayer involves substantial business activities other than sales of goods and services such other method or methods of allocation shall be employed as shall reasonably measure the proportion of gross revenue obtained in the city by such business.

Sec. 24. Partial business activity in city; business allocation percentage.

Fourth, the taxpayer shall add the percentages determined in accordance with sections 21, 22 and 23 and divide the total by 3 and the result so obtained is the business allocation percentage. In determining this percentage, a factor shall be excluded from the computation only when the factor does not exist anywhere insofar as the taxpayer's business operation is concerned and, in such case, the total of the percentages shall be divided by the number of factors actually used. The business allocation percentage shall be applied to the entire net profits, wherever derived, of the taxpayer subject to the tax to determine the net profits allocable to the city.

Sec. 25. Partial business activity in city; substitute methods.

An alternative method of accounting shall be used if the taxpayer or the administrator demonstrates that the net profits of the taxpayer allocable to the city cannot be justly and equitably determined under the separate accounting method or the business allocation percentage method, or if undue expense to the taxpayer would result from complying therewith because of the taxpayer's manner of operations and methods of accounting. In such case the administrator, upon application of the taxpayer or upon his own initiative, may approve or specify factors or methods of determination as will effect a just, nondiscriminatory and reasonable result. Application to the administrator to substitute other factors in the formula or to use a different method to allocate net profits shall be made in writing and state the specific grounds on which the substitution of factors or use of a different method is requested and the relief sought. No specific form need be followed in making the application. Once a taxpayer has filed under a substitute method, he shall continue so to file until given permission by the administrator to change.

Sec. 26. Capital gains and losses; determination.

(1) Capital gains and capital losses, other than gains and losses on securities issued by the government of the United States, shall be included in income only to the extent of that portion of the gains or losses which occur after the effective date of this ordinance. In determining the amount of gain or loss, the taxpayer may use net proceeds from the sale or exchange less fair market value as of the effective date of this ordinance. The fair market value of property shall be determined by an

appraisal or similar reliable evidence. The fair market value of a security shall be the last quoted price on the last business day prior to the effective date. For a security traded over the counter the last quoted price shall be the last bid price on the last business day prior to the effective date. The taxpayer may determine the gain or loss on a transaction in the same manner as for federal income tax purposes taking into account only that portion thereof which occurs after the effective date. The portion of that gain or loss includible in computing taxable income will be the same proportion of the total gain or loss as the period of time the property was held after the effective date of the ordinance bears to the total time the property was held. In any city adopting this ordinance which had a valid local income tax ordinance in effect on January 1, 1964, capital gains and losses shall be included to the extent of that portion of such gains or losses which occur after the effective date of the original city income tax ordinance.

(2) If capital losses exceed capital gains in a taxable year, the unused portion may be utilized to the same extent and on the same basis as under the federal internal revenue code.

Sec. 27. Estates or trusts, deemed nonresidents; definitions.

An estate or trust is not subject to tax under this ordinance, except that it shall be treated as a nonresident individual for purposes of section 11 of this ordinance to the extent income of the estate or trust described in section 13 is not includible in the return of a resident individual as "income from estates and trusts". A resident individual shall include "income from estates and trusts" in his income subject to tax under this ordinance without regard to the situs of the estate or trust. For this purpose, an "estate" means the estate of a deceased person during the period of administration or settlement and a "trust" means an inter vivos or testamentary trust created by an individual for the benefit of 1 or more persons.

Sec. 28. Income from estates and trusts.

(1) "Income from estates" means "income" as defined in section 643 (b) of the federal internal revenue code, properly paid, credited or distributed but not in excess of the resident individual's share of the distributable net income of the estate decreased by the amount of depreciation or depletion allowed the resident individual as a deduction under section 642 of the federal internal revenue code. The exceptions hereinafter set forth with respect to trusts are also applicable to income from estates. "Income from trusts" means the amount of "income" as defined in section 643 (b) of the federal internal revenue code, distributed or required to be distributed under sections 652 (a) or 662 (a) (1) of the federal internal revenue code, decreased by the amount of depreciation or depletion allowed the resident individual as a deduction by section 642 of the federal internal revenue code, with the following exceptions:

(a) Dividends on stock of state and national banks and trust companies.

(b) Interest from obligations of the United States, the states or subordinate units of government of the states.

(2) Income received by a resident individual from a fiduciary shall retain the character it held in the hands of the fiduciary. With respect to trusts where the income is taxed to the grantor or some other person under subpart E of subchapter J of the federal internal revenue code, the grantor or other person shall include in his return all items of income and deductions allowed by this ordinance.

(3) An individual shall include "income from estates and trusts" in his return in the same year as provided in the federal internal revenue code with respect to distributions of income from estates and trusts. The amount of income included in the return for the first tax year of a resident individual, with respect to estates and trusts, shall be computed as though the tax year of the estate or trust for federal income tax purposes began on the effective date of this ordinance and ended with the end of the tax year of the estate or trust for federal income tax purposes which ends next following the effective date.

Sec. 31. Exemptions.

(1) An individual taxpayer in computing his or her taxable income is allowed a deduction of \$2,000.00 for each personal and dependency exemption under the rules for determining exemptions and dependents as provided in part 1 of the income tax act of 1967, 1967 PA 281, MCL 206.1 to 206.532. The taxpayer may claim his or her spouse and dependents as exemptions, but if the taxpayer and the spouse are both subject to the tax imposed by this ordinance, the number of exemptions claimed by each of them when added together shall not exceed the total number of exemptions allowed under this ordinance.

(2) If the taxpayer qualifies for an additional exemption under more than 1 of the following, an additional exemption is allowed for each of the following for which the taxpayer qualifies:

(a) A taxpayer who is a paraplegic, quadriplegic, or hemiplegic, or who is a totally or permanently disabled person as disability is defined in section 216 of title II of the social security act, 42 USC 416.

(b) A taxpayer who is blind as defined in section 504 of the income tax act of 1967, 1967 PA 281, MCL 206.504.

(c) A taxpayer who is a deaf person as defined in section 2 of the deaf persons' interpreters act, 1982 PA 204, MCL 393.502.

(d) A taxpayer who is 65 years of age or older.

Sec. 32. Payments and benefits not subject to tax.

The following payments and benefits received by any person are not subject to the tax:

(a) Gifts and bequests.

- (b) Proceeds of insurance, annuities, pensions and retirement benefits. Amounts received for personal injuries, sickness or disability are excluded from taxable income only to the extent provided by the federal internal revenue code.
- (c) Welfare relief, unemployment benefits including supplemental unemployment benefits, and workmen's compensation or similar payments from whatever source derived.
- (d) Amounts received by charitable, religious, educational and other similar nonprofit organizations which are exempt from taxation under the federal internal revenue code.
- (e) Amounts received by supplemental unemployment benefit trusts or pension, profit sharing and stock bonus trusts qualified and exempt under the federal internal revenue code.
- (f) Interest from obligations of the United States, the states or subordinate units of government of the states and gains or losses on the sales of obligations of the United States.
- (g) Net profits of financial institutions and insurance companies.
- (h) Amounts paid to an employee as reimbursement for expenses necessarily and actually incurred by him in the actual performance of his services and deductible as such by the employer.
- (i) Compensation received for service in the armed forces of the United States.

Sec. 33. Deductible expenses generally.

Ordinary, necessary, reasonable and unreimbursed expenses paid or incurred by an individual in connection with the performance by him of services as an employee may be deducted from gross income in determining income subject to the tax to the extent the expenses are applicable to income taxable under this ordinance. The expenses are limited to the following:

- (a) Expenses of travel, meals and lodging while away from home.
- (b) Expenses as an outside salesman, away from his employer's place of business.
- (c) Expenses of transportation.
- (d) Expenses under a reimbursement or other expense allowance arrangement with his employer, where the reimbursement or allowance has been included in total compensation reported.

Sec. 34. Deductible expenses; alimony, separate maintenance payments and principal sums payable in installments, moving expenses, and payments to retirement plan or account.

The following expenses paid or incurred by an individual may be deducted from gross income in determining income subject to tax to the extent the expenses are applicable to income taxable under this ordinance:

- (a) An individual may deduct alimony, separate maintenance payments and principal sums payable in installments, to the extent includable in the spouse's adjusted gross income under the federal internal revenue code but only to the extent deductible by the individual under the federal internal revenue code. A nonresident individual may deduct only that proportion of his alimony, separate maintenance or principal sums payable in installments that his income taxable under this ordinance bears to his total federal adjusted gross income.
- (b) An employee or self-employed individual may deduct moving expenses to the extent provided in section 217 of the federal internal revenue code.
- (c) A self-employed individual may deduct payments to a qualified retirement plan to the extent provided in section 404 of the federal internal revenue code.
- (d) An individual may deduct payments to an individual retirement account established pursuant to the employee retirement income security act of 1974, 29 U.S.C. 1001 to 1381, to the extent provided in section 219 of the internal revenue code.

Sec. 35. Qualified taxpayer within renaissance zone; determination of deductions claimed.

(1) Notwithstanding any other provision of this ordinance and to the extent and for the duration provided in the Michigan renaissance zone act, Act No. 376 of the Public Acts of 1996, being sections 125.2681 to 125.2696 of the Michigan Compiled Laws, for the 1997 tax year and each tax year after 1997, a qualified taxpayer may deduct from gross income in determining income subject to tax under this ordinance, to the extent a deduction is applicable to income subject to the tax under this ordinance, an amount equal to 1 of the following for the specified types of taxpayers:

- (a) For a qualified taxpayer as defined in subsection (12)(c)(i):
 - (i) Except as provided in subparagraphs (ii) and (iii), income subject to the tax that is earned or received in the tax year during the period of time that the taxpayer was a qualified taxpayer.
 - (ii) Capital gains subject to the tax that are received during the tax year during the period of time that the taxpayer was a qualified taxpayer. The deduction allowed under this subdivision shall be prorated based on the percentage of time that the asset was held by the taxpayer while the taxpayer was a qualified taxpayer.
 - (iii) Income received by the qualified taxpayer from winning an on-line lottery game sponsored by this state but only if the date on which the drawing for that game was held is after the taxpayer became a qualified taxpayer of a renaissance zone and income received by the taxpayer from winning an instant lottery game sponsored by this state but only if the taxpayer was a qualified taxpayer of a renaissance zone on the validation date of the lottery ticket for that game.

(b) For a qualified taxpayer as defined in subsection (12)(c)(ii), the amount determined pursuant to section 14, 19, 20 to 24, or 25 of this ordinance multiplied by a fraction the numerator of which is the percentage that the average net book value of the tangible personal property owned and the real property, including leasehold improvements, owned or used by the qualified taxpayer in the business and situated within the renaissance zone during the taxable period, is of the average net book value of all such property, including leasehold improvements, owned or used by the taxpayer in the business during the same period situated in the city plus the percentage that the total compensation paid to employees for work done or for services performed within the renaissance zone is of the total compensation paid to all the taxpayer's employees within the city during the period covered by the return and the denominator of which is 2. For allocation purposes, compensation shall be computed on the cash or accrual basis in accordance with the method used in computing the entire net income of the taxpayer. Real property includes real property rented or leased by the qualified taxpayer and the value of that property is considered to be 8 times the annual gross rental on the property. "Gross rental on the property" means gross rental of real property as that term is defined in section 21 of this ordinance.

(c) For a qualified taxpayer as defined in subsection (12)(c)(iii), the amount determined pursuant to section 15 of this ordinance multiplied by a fraction the numerator of which is the percentage that the average net book value of the tangible personal property owned and the real property, including leasehold improvements, owned or used by the qualified taxpayer in the business and situated within the renaissance zone during the taxable period, is of the average net book value of all such property, including leasehold improvements, owned or used by the taxpayer in the business during the same period situated in the city plus the percentage that the total compensation paid to employees for work done or for services performed within the renaissance zone is of the total compensation paid to all the taxpayer's employees within the city during the period covered by the return and the denominator of which is 2. For allocation purposes, compensation shall be computed on the cash or accrual basis in accordance with the method used in computing the entire net income of the taxpayer. Real property includes real property rented or leased by the qualified taxpayer and the value of that property is considered to be 8 times the annual gross rental on the property. "Gross rental on the property" means gross rental of real property as that term is defined in section 21 of this ordinance.

(2) For a qualified taxpayer as defined in subsections (12)(c)(ii) and (iii), any portion of income subject to tax under this ordinance derived from illegal activity conducted in a renaissance zone shall not be used to calculate a deduction allowed under this section. For a qualified taxpayer who is an individual, any portion of income subject to tax under this ordinance derived from illegal activity conducted anywhere shall not be used to calculate the deduction allowed under this section. For a qualified taxpayer as defined in subsection (12)(c)(ii) and (iii), any portion of the taxpayer's tax liability that is attributable to business activity related to the operation of a casino, and business activity that is associated or affiliated with the operation of a casino including, but not limited to, the operation of a parking lot, hotel, motel, or retail store, shall not be used to calculate a credit under this section. As used in this subsection, "casino" means a casino regulated by this state pursuant to the Michigan gaming control and revenue act, Initiated Law of 1996, being sections 432.201 to 432.216 of the Michigan Compiled Laws.

(3) Income used to calculate a deduction under any other section of this ordinance shall not be used to calculate a deduction under this section.

(4) If a qualified taxpayer completes the residency requirements under subsection (12)(c) before the end of the tax year in which the qualified taxpayer first resided in the renaissance zone, the qualified taxpayer may claim the deduction allowed under this section for that tax year. If the qualified taxpayer completes the residency requirements under subsection (12)(c) in a tax year subsequent to the tax year in which the qualified taxpayer first resided in the renaissance zone, the following apply:

(a) If the qualified taxpayer completes the residency requirement in a tax year subsequent to the tax year in which the taxpayer first resided in the renaissance zone and before the date for filing the annual return under this ordinance for the tax year in which the taxpayer first resided in the renaissance zone, the taxpayer may claim the deduction allowed under this section for the tax year in which the taxpayer first resided in the renaissance zone.

(b) If the qualified taxpayer completes the residency requirement in a tax year subsequent to the tax year in which the taxpayer first resided in the renaissance zone and after the date for filing the annual return under this ordinance for the tax year in which the taxpayer first resided in the renaissance zone, the qualified taxpayer may claim the deduction allowed under this section for the tax year in which the residency requirement is completed on the annual return for the tax year in which the residency requirement is completed and may claim the deduction for the tax year in which the qualified taxpayer first resided in the renaissance zone by filing an amended return for that tax year in which the qualified taxpayer first resided in the renaissance zone.

(5) To be eligible for the deduction under this section, a taxpayer shall file an annual return under this ordinance.

(6) A qualified taxpayer shall file a withholding form prescribed by the city with his or her employer after the date the qualified taxpayer completes the requirements under subsection (12)(c) or, at the option of the city, for taxpayers who claim to be qualified taxpayers under subsection (12)(c)(i), the taxpayer shall file a form prescribed by the city with the city after

the date the taxpayer completes the requirements under subsection (12)(c)(i). If the city verifies the information on the form, the city shall issue a certificate of qualification to the taxpayer which the taxpayer shall file with his or her employer. When a taxpayer who filed a form under this subsection is no longer a qualified taxpayer under subsection (12)(c)(i), the taxpayer shall send a written notice of that change in status to the city not more than 10 days after the change in status occurs.

(7) If the administrator finds that a taxpayer has claimed a deduction under this section to which he or she is not entitled, the taxpayer is subject to the interest and penalty provisions under this ordinance.

(8) The deduction allowed under this section continues through the tax year in which the renaissance zone designation expires.

(9) A net operating loss deduction allowed under this ordinance shall be calculated without regard to any deduction allowed under this section.

(10) If a taxpayer who was a qualified taxpayer during the tax year changes status and is not a qualified taxpayer or vice versa, income subject to tax under this ordinance shall be determined separately for income in each status.

(11) A qualified taxpayer as defined in subsection (12)(c)(i) is a resident of a renaissance zone for purposes of Act No. 376 of the Public Acts of 1996. A qualified taxpayer as defined in subsection (12)(c)(ii) or (iii) is located and conducts business in a renaissance zone for purposes of Act No. 376 of the Public Acts of 1996.

(12) As used in this section:

(a) "Conducts business activity" means doing business as defined in this ordinance.

(b) "Domicile" means a place where a person has his or her true, fixed, and permanent home and principal establishment to which, whenever absent, he or she intends to return, and domicile continues until another permanent establishment is established.

(c) "Qualified taxpayer" means 1 of the following:

(i) A taxpayer who is an individual, a resident of the city as determined under this ordinance, and is domiciled in an area of the city that is designated a renaissance zone for a period of 183 consecutive days. A taxpayer may begin calculating the 183-day period during the 183 days immediately preceding the designation of the area as a renaissance zone. Qualified taxpayer under this subparagraph includes the estate of an individual who was a qualified taxpayer at the time of death. After a taxpayer has completed the 183-day requirement under this subparagraph, the taxpayer is considered to have been a qualified taxpayer of that renaissance zone beginning from the first day used to determine if the 183-day requirement has been met.

(ii) A taxpayer that is a corporation and that is located and conducts business activity in a renaissance zone in the city. (iii) A person who is located in and conducts business activity as an unincorporated business, profession, or other activity in a renaissance zone and is not a qualified taxpayer under subparagraph (i) or (ii).

(d) "Renaissance zone" means that term as defined in Act No. 376 of the Public Acts of 1996.

Sec. 40. Extension for filing annual return.

Notwithstanding any other provision of this ordinance, a person required to make and file an annual return, quarterly return, or declaration of estimated tax that is otherwise due on or before April 15 or April 30 for each tax year under this ordinance will automatically receive an extension to file those returns and declarations if the Internal Revenue Service extends the federal income tax filing or payment due date for that same tax year for federal taxpayers. The extension under this section for a person required to make and file an annual return, quarterly return, or declaration of estimated tax under this ordinance will coincide with that extended due date established by the Internal Revenue Service for that same tax year or 15 days after the date established by the Internal Revenue Service, whichever is applicable.

Sec. 41. Annual return; joint return.

(1) Every corporation doing business in the city and every other person having income taxable under this ordinance in any year before the 1997 tax year or in any tax year after the 1996 tax year for which the city has not entered into an agreement with the department of treasury pursuant to section 9 of chapter 1, shall make and file with the city an annual return for that year, on a form furnished or approved by the city, on or before the last day of the fourth month for the same calendar year, fiscal year, or other accounting period, that has been accepted by the internal revenue service for federal income tax purposes for the taxpayer. For tax years after the 1996 tax year and for which a city has entered into an agreement pursuant to section 9 of chapter 1, the annual return required by this subsection shall be filed with the city or the department as provided by the agreement on or before the fifteenth day of the fourth month for the same calendar year, fiscal year, or other accounting period that has been accepted by the internal revenue service for federal income tax purposes for the taxpayer.

(2) A husband and wife may file a joint return and, in such case, the tax liability is joint and several.

Sec. 42. Returns; contents.

The annual return shall set forth:

(a) The number of exemptions, place of residence, place of employment and other pertinent information as shall reasonably be required.

- (b) The aggregate amount of compensation, dividends, interest, net profit from rentals, capital gains less capital losses, net profits from business and other income, subject to the tax.
- (c) The total amount of the tax imposed by this ordinance.
- (d) The amount of the tax previously withheld or paid.
- (e) Credits provided in this ordinance.
- (f) The balance of the tax due or to be refunded.

Sec. 43. Payment of tax; refund; interest; allocation of payment; notice; nonobligated spouse; form; filing; release of liability; definitions.

- (1) A balance of the tax that is due the city at the time of filing an annual return shall be paid with the return unless the balance is less than \$1.00, in which case payment is not required.
- (2) If the annual return reflects an overpayment of the tax, the declaration of the overpayment on the return constitutes a claim for refund. Subject to subsection (6), if the city or the department agrees that a claim is valid, the city or the department shall apply the overpayment first to a delinquent tax liability under this ordinance of the taxpayer to the city. The city shall apply any remaining overpayment against a subsequent liability under this ordinance or, at the election of the taxpayer and if indicated on the return, shall refund the overpayment. However, the city shall not pay a refund of less than \$1.00.
- (3) If a valid claim for a refund of taxes, except a refund under section 61, due for the taxable year 1992 or a taxable year after 1992 is filed, interest at the rate established in section 30(3) of Act No. 122 of the Public Acts of 1941, being section 205.30 of the Michigan Compiled Laws, shall be added to the refund beginning 45 days after the claim is filed or 45 days after the date established under this ordinance for the filing of the return, whichever is later. For tax years after the 1996 tax year and for which a city has entered into an agreement pursuant to section 9 of chapter 1, a claim for refund shall be paid from money in the city income tax trust fund.
- (4) For tax years after the 1995 tax year and for which a city has entered into an agreement pursuant to section 9 of chapter 1, if a taxpayer pays, when filing his or her annual return, an amount less than the sum of the declared tax liability under this act, and the declared tax liability under the income tax act of 1967, Act No. 281 of the Public Acts of 1967, being sections 206.1 to 206.532 of the Michigan Compiled Laws, and there is no indication of the allocation of payment between the tax liabilities against which the payment should be applied, the amount paid shall first be applied against the taxpayer's tax liability under this act and any remaining amount of payment shall be applied to the taxpayer's tax liability under Act No. 281 of the Public Acts of 1967. The taxpayer's designation of a payee on a payment is not a dispositive determination of the allocation of that payment under this subsection.
- (5) If the claim for refund is reflected on a joint tax return, the administrator shall allocate to each joint taxpayer his or her share of the refund. The amount allocated to each taxpayer shall be applied to his or her respective liabilities under this ordinance.
- (6) If the administrator or the department determines that all or a portion of a refund claimed on a joint tax return is subject to application to a liability of an obligated spouse, the administrator or the department shall notify the joint taxpayers by first class mail sent to the address shown on the joint return. The notice shall be accompanied by a nonobligated spouse allocation form. The notice shall state all of the following:
 - (a) That all or a portion of the refund claimed by the joint taxpayers is subject to interception to satisfy a liability or liabilities of 1 or both spouses.
 - (b) The nature of the liability and the name of the obligated spouse or spouses.
 - (c) That a nonobligated spouse may claim his or her share of the refund by filing a nonobligated spouse allocation form with the city or the department not more than 30 days after the date the notice was mailed.
 - (d) A statement of the penalties under subsection (9).
- (7) A nonobligated spouse who wishes to claim his or her share of a tax refund shall file with the city or the department a nonobligated spouse allocation form. The nonobligated spouse allocation form shall be in a form specified by the administrator or the department and shall require the spouses to state the amount of income or other tax base and all adjustments to the income or other tax base, including all subtractions, additions, deductions, credits, and exemptions, stated on the joint tax return that is the basis for the claimed refund, and an allocation of those amounts between the obligated and nonobligated spouse. In allocating these amounts, all of the following apply:
 - (a) Individual income shall be allocated to the spouse who earned the income. Joint income shall be allocated equally between the spouses.
 - (b) Each spouse shall be allocated the personal exemptions he or she would be entitled to claim if separate federal returns had been filed, except that dependency exemptions shall be prorated according to the relative income of the spouses.
 - (c) Adjustments resulting from a business shall be allocated to the spouse who claimed income from the business.
 - (d) Ownership of other assets relevant to the allocation shall be disclosed upon request of the administrator or the department.

(8) A nonobligated spouse allocation form shall be signed by both joint taxpayers. However, the form may be submitted without the signature of the obligated spouse if his or her signature cannot be obtained. The nonobligated spouse shall certify that he or she has made a good faith effort to obtain the signature of the obligated spouse and shall state the reason that the signature was not obtained.

(9) A person who knowingly makes a false statement on a nonobligated spouse allocation form is subject to a penalty of \$25.00 or 25% of the excessive claim for his or her share of the refund, whichever is greater, and other penalties as provided in this ordinance.

(10) A nonobligated spouse to whom the administrator or the department has sent a notice under subsection (6), who fails to file a nonobligated spouse allocation form within 30 days after the date the notice was mailed, shall be barred from commencing any action against the city or the department to recover an amount withheld to satisfy a liability of the obligated spouse to which a joint tax refund is applied under this section. The payment by the city or the department of any amount applied to a liability of a taxpayer under this section shall release the department or the city and the administrator from all liability to the obligated spouse, the nonobligated spouse, and any other person having or claiming any interest in the amount paid. A payment by the department of treasury under this subsection shall be made from the city income tax trust fund created in section 5 of chapter 1.

(11) As used in this section:

(a) "Nonobligated spouse" means a person who has filed a joint city income tax return and who is not liable for an obligation of his or her spouse described in this ordinance.

(b) "Obligated spouse" means a person who has filed a joint city income tax return and who is liable for an obligation described in this ordinance for which his or her spouse is not liable.

Sec. 44. Federal income tax return; eliminations.

Where total income, total deductions, net profits, or other figures are derived from the taxpayer's federal income tax return, any item of income not subject to the city income tax and unallowable deductions shall be eliminated in determining net income subject to the city tax. The fact that a taxpayer is not required to file a federal income tax return does not relieve him from filing a city tax return.

Sec. 45. Net profits; consolidated returns.

For the purpose of determining net profit allocable to the city under this ordinance, a corporate taxpayer may elect to file a consolidated return including subsidiaries whose voting stock is more than 50% owned by the taxpayer, if such return will more properly reflect the net profits and activities of the taxpayer in the city. The city may require a consolidated return if necessary to properly determine net profits of the taxpayer allocable to the city.

Sec. 46. Amended return; change of method of accounting.

An amended return shall be filed with the city or the department, on a form obtainable from the city or the department, if necessary to report additional income and pay an additional tax due, or to claim a refund of tax overpaid. Within 90 days after final determination of a federal tax liability that also affects the computation of a taxpayer's city income tax liability, the taxpayer shall prepare and file with the city or the department an amended city income tax return showing income subject to the city tax based upon the final determination of federal income tax liability, and pay any additional tax shown due on the return or make a claim for refund of an overpayment. A taxpayer shall not change the method of accounting or apportionment of net profits after the due date for filing the original return or any extensions for the filing of the original return.

Sec. 51. Withholding of tax by employer; voluntary withholding by certain employers; employer as trustee; failure or refusal to deduct and withhold tax; liability; discharge.

(1) An employer doing business or maintaining an establishment within the city shall withhold from each payment to the employer's employees on and after the effective date of this ordinance the tax on their compensation subject to the tax, after giving effect to exemptions, as follows:

(a) Residents.

(i) At a rate equal to the rate set by ordinance to be levied against resident individuals under this ordinance, but not to exceed 3%, of all compensation paid to the employee who is a resident of the city, if the employee is not subject to withholding in any other city levying the tax.

(ii) At a rate equal to the difference in the percentage rate of tax on resident individuals as set by ordinance to be levied under this ordinance less the percentage rate of tax levied by any other city in which the employee works, on all compensation earned by the resident in another city.

(b) Nonresidents. At a rate equal to the rate set by ordinance to be levied under this ordinance on nonresidents but not to exceed 50% of the percentage rate imposed on resident individuals of the compensation paid to the employee for work done or services performed in the city designated by the employee as the employee's predominant place of employment. The withholding rate shall be applied to the percentage of the employee's total compensation equal to the

employee's estimated percentage of work to be done or services to be performed in the city for that employer, but no withholding shall be required if the estimated percentage of work is less than 25%.

(2) An employer withholding the tax is deemed to hold the tax as a trustee for the city.

(3) An employer who is required to withhold and who fails or refuses to deduct and withhold is liable for the payment of the amount required to be withheld. The liability shall be discharged upon payment of the tax by the employee but the employer is not relieved of penalties and interest provided in this ordinance for this failure or refusal.

(4) An employer that voluntarily registers to withhold taxes in accordance with section 6 of chapter 1 shall withhold from all employees who are residents of that city based on the form required to be filed by each employee under section 54 on their compensation subject to tax, after giving effect to exemptions as provided under subsection (1)(a). If an employer no longer wishes to voluntarily withhold taxes under section 6 of chapter 1, the employer shall file a written notice with the city, and with the administrator if the administrator is not the city, indicating that the employer will no longer voluntarily withhold taxes from employees who are residents of that city.

Sec. 52. Tax withheld; payments or persons excepted.

Employers shall not withhold any tax from the following payments or persons:

(a) Compensation paid to domestic help.

(b) Compensation paid to a person who is not an employee, including an independent contractor.

(c) An amount allowed and paid to an employee as reimbursement for expenses necessarily and actually incurred by the employee in the actual performance of his or her services, and that is deductible by the employer.

(d) A qualified taxpayer. "Qualified taxpayer" means that term as defined in section 35(12)(c)(i).

Sec. 53. Tax withheld; payment by employee or employer.

If the tax is not withheld, an employee is not excused from filing a return and paying the tax on his compensation. If the tax is withheld but an employer fails to pay the tax to the city, the employee is not liable for the tax so withheld.

Sec. 54. Tax withheld; exemptions claimed; percentage of work done at predominant place of employment; qualified taxpayer within renaissance zone.

An employee with compensation subject to tax shall file with his or her employer a form on which the employee states the number of exemptions claimed, the city of residence, the predominant place of employment, whether or not the employee claims status as a qualified taxpayer of a renaissance zone, and the percentage of work done or services performed in the predominant place of employment. The percentage shall be expressed as "less than 25%", "40%", "60%", "80%", or "100%". The employer shall retain the form, rely on the information on the form for withholding purposes unless directed by the city to withhold on another basis, and, if the employee claims status as a qualified taxpayer based on residency in a renaissance zone, the employer shall forward a copy of the form to the city. If information submitted by the employee is not believed to be true, correct, and complete, the city shall be advised. As used in this section, "renaissance zone" means that term as defined in section 35.

Sec. 55. Tax withheld; revised form; time for filing; qualified taxpayer within renaissance zone.

(1) Except as provided in subsection (2), an employee shall file with his or her employer a revised form within 10 days after the number of exemptions decreases when a change in residence from or to a taxing city occurs. The employee may file a revised form when the number of exemptions increases. An employee shall file a revised form by December 1 of each year, if his or her predominant place of employment, estimate of the percentage of work done or services to be rendered in the city, or status as a qualified taxpayer of a renaissance zone will change for the ensuing year. Revised withholding certificates shall not be given retroactive effect.

(2) An employee shall file a revised form with his or her employer within 10 days after the employee completes the residency requirements under section 35(12), and when a change of status occurs from resident of a renaissance zone to nonresident of a renaissance zone. The employer shall forward a copy of a revised form filed under this subsection to the city.

(3) As used in this section, "renaissance zone" means that term as defined in section 35.

Sec. 56. Refusal by employee to furnish withholding certificate; withholding by employer; report.

If an employee refuses to furnish a withholding certificate upon the request of his or her employer, the employer shall withhold a percentage of the employee's total compensation equal to the percentage rate of tax on resident individuals as set by ordinance to be levied under this ordinance, and report and pay the withholding on the basis of the best information in the possession of the employer.

Sec. 57. Tax withheld; withholding tables; first compensation taxable.

(1) The city shall provide withholding tables establishing the amounts to be withheld for various tax rates, wage brackets, numbers of exemptions and pay periods. An employer who uses the tables fully discharges his duty to withhold. An employer may elect not to use the tables, in which case to discharge fully his duty to withhold he shall withhold the applicable per cent of taxable compensation after provision for exemptions.

(2) The first compensation paid an employee on or after the effective date of the tax levy is subject to withholding on either of the following bases at the option of the employer:

(a) On the full amount of compensation paid.

(b) On the proportion of compensation paid for work done or services performed on or after the effective date of the levy.

Sec. 58. Tax withheld; overwithheld tax, refund.

If an employer withholds more than the apparent tax liability of an employee due to an increase in the number of exemptions claimed during the year, or due to the actual percentage of work performed in the city by a nonresident being less than the estimated percentage, or due to a change of residence during the year to or from a taxing city, or due to any reason other than the employer's error, the employer shall neither refund the excess to the employee nor offset the excess by under-withholding in a subsequent period. The employee shall claim his refund from the city on his annual return.

Sec. 59. Tax withheld; correction of error, refund.

Correction of an over or an under-withholding as a result of an employer's error shall be made as follows:

(a) If the error is discovered in the same quarter in which it is made, the employer shall make the necessary adjustment on a subsequent pay and include only the corrected amount on the quarterly return.

(b) If the error is discovered in a subsequent quarter of the same calendar year, the employer shall make the necessary adjustment on a subsequent pay and report it as an adjustment on the quarterly return.

(c) If the error is discovered in the following calendar year, or if the employer-employee relationship has terminated, the procedure shall be as follows:

(i) The employee or former employee shall apply to the city for a refund in case of an over-withholding. Upon proper verification the city shall refund to him the amount of the over-withholding.

(ii) If a deficiency is discovered, the employer shall notify the city and the employee or former employee, who shall pay the city the additional tax due in his annual return.

Sec. 60. Tax withheld; return; payment; electronic funds transfer.

(1) Except as provided in subsection (2), an employer shall file a return, furnished by or obtainable on request from the city, and pay to the city the full amount of the tax withheld on or before the last day of the month following the close of each calendar quarter, except that if during any calendar month other than the last month of a calendar quarter the amount withheld exceeds \$100.00, the employer shall deposit the amount withheld with the city treasurer before the end of the next calendar month.

(2) For tax years after the 1996 tax year and for which a city has entered into an agreement pursuant to section 9 of chapter 1, an employer shall file a return and pay the tax withheld for each calendar month on or before the fifteenth day of the month to the department following the close of each calendar month by means of an electronic funds transfer method approved by the state commissioner of revenue.

Sec. 61. Tax withheld; reconciliation of quarterly returns; deficiencies; refunds; information returns; cessation of business.

(1) An employer shall file with the city or the department a reconciliation of quarterly returns on or before the last day of February following each calendar year in which the employer has withheld from an employee's compensation. A deficiency is due when the reconciliation is filed. If the employer made monthly or quarterly or both, payments in excess of the amount withheld from an employee's compensation, the city or the department upon proper verification shall refund the excess to the employer.

(2) In addition to the reconciliation the employer shall file with the city or the department an information return for each employee from whom the city income tax has been withheld and each employee subject to withholding under this ordinance, setting forth his or her name, address and social security number, the total amount of compensation paid him or her during the year, and the amount of city income tax withheld from him or her. The information return shall be on a copy of the federal W-2 form or on a form furnished or approved by the city or the department. A copy of the information return shall be furnished to the employee.

(3) Except as provided in subsection (4), if an employer goes out of business or otherwise ceases to be an employer, reconciliation forms and the information return forms shall be filed with the city by the date the final withholding return and payment are due.

(4) For tax years after the 1996 tax year and for which a city has entered into an agreement pursuant to section 9 of chapter 1, if an employer goes out of business or otherwise ceases to be an employer, reconciliation forms and the information return forms shall be filed with the department within 30 days after the employer goes out of business or ceases to be an employer.

Sec. 62. Declaration of estimated tax; filing; form; time; exceptions.

(1) A person who anticipates taxable income from which the city income tax will not be withheld with the city or the department shall file a declaration of estimated tax on a form furnished by or obtainable on request from the city or from the department if the city has entered into an agreement pursuant to section 9 of chapter 1. A calendar year taxpayer shall file a declaration on or before each April 30 or for tax years after the 1996 tax year and for which a city has entered into an agreement with the department of treasury pursuant to section 9 of chapter 1, on or before each April 15. A taxpayer on a

fiscal year basis or other accounting period shall file with the department a declaration within 4 months after the beginning of each fiscal year or other accounting period.

(2) If a taxpayer has not previously been required to file, the declaration shall be filed on or before the first date for making a quarterly payment that occurs after the taxpayer becomes subject to the requirement to file a declaration. A taxpayer shall file a declaration for the same calendar year, fiscal year, or other accounting period that has been accepted by the federal internal revenue service for federal income tax purposes. A declaration by an individual or unincorporated entity is not required if the total estimated tax, less any credits applicable to the tax, does not exceed \$100.00. A declaration by a corporation is not required if the total estimated tax, less any credits applicable to the tax, does not exceed \$250.00. A declaration by or on behalf of an estate or trust is not required.

Sec. 63. Declaration of estimated tax not withheld; computation; payment; installments.

(1) A taxpayer's annual return for the preceding year may be used as the basis for computing a declaration of estimated tax for the current year, or the taxpayer may use the same figures used for estimating federal income tax adjusted to exclude any income or deductions not taxable or permissible under this ordinance.

(2) Except as otherwise provided, the estimated tax may be paid in full with the declaration or in 4 equal installments on or before the last day of the fourth, sixth, ninth, and thirteenth months after the beginning of the taxpayer's taxable year. For tax years after the 1996 tax year and for which a city has entered into an agreement pursuant to section 9 of chapter 1, the estimated tax shall be paid in 4 equal installments on or before the fifteenth day of the fourth, sixth, ninth, and thirteenth months after the beginning of the taxpayer's taxable year.

(3) An amended declaration may be filed when making a quarterly payment, and the unpaid balance shown due shall be paid in equal installments over the remaining payment dates.

Sec. 64. Annual return; filing; extension of time; failure to file; penalty.

(1) The filing of a declaration of estimated tax does not excuse the taxpayer from filing an annual return even though there is no change in the declared tax liability. An annual return shall be filed with the city by the end of the fourth month or for tax years after the 1996 tax year and for which a city has entered into an agreement pursuant to section 9 of chapter 1, filed with the department on or before the fifteenth day of the fourth month of the year following that for which the declaration was filed. Upon written request of a taxpayer the administrator or the department may extend the time for filing the annual return for not to exceed 6 months. The administrator or the department may require a tentative return and payment of the estimated tax.

(2) A penalty or interest shall not be assessed if the return is filed and the final tax paid within the extended time and all other filing and payment requirements of this ordinance are satisfied, and the estimated tax paid equals 70% or more of the tax shown due on the final return or 70% or more of the tax shown due on the taxpayer's return for the immediately preceding taxable year.

Sec. 64a. Sale of business or stock of goods or quitting business; liability for tax; escrow by purchaser; release to purchaser of known tax liability; failure to comply with escrow requirements; liability of corporation officers.

(1) If a person liable for the tax imposed under this ordinance sells a business or the stock of goods of a business or quits a business, the person shall make a final return to the city or the department within 15 days after the date the business or stock of goods is sold or the person quits the business. The purchaser or succeeding purchasers, if any, who purchase a going or closed business or stock of goods of a going or closed business shall escrow sufficient money to cover the amount of taxes, interest, and penalties that may be due and unpaid until the former owner produces a receipt from the administrator that shows that the taxes due have been paid, or a certificate that states that taxes are not due. If the owner provides a written waiver of confidentiality, the administrator may release to a purchaser a business's known tax liability for the purposes of establishing an escrow account for the payment of taxes. If the purchaser or succeeding purchasers of a business or stock of goods of a business fail to comply with the escrow requirements of this subsection, the purchaser is personally liable for the payment of the taxes, interest, and penalties accrued and unpaid by the business of the former owner. The purchaser's or succeeding purchaser's personal liability is limited to the fair market value of the business less the amount of any proceeds applied to balances due on secured interests that are superior to any lien provided for in this ordinance.

(2) If a corporation that is liable for the tax imposed under this ordinance fails for any reason to file the required returns or to pay the tax due, any officers of the corporation that have control or supervision of, or who are charged with the responsibility for, making the returns or payments are personally liable for the failure to file or pay. The signature of any corporate officer on a return or negotiable instrument submitted in payment of a tax is prima facie evidence of the officer's responsibility for making the returns and payments. The dissolution of a corporation does not discharge an officer's liability for a prior failure of the corporation to make a return or remit a tax due. The sum due for a liability may be assessed and collected under this ordinance.

Sec. 65. Credit for city income tax paid another city.

An individual who is a resident of the city and received net profits from a business, profession or rental of real or tangible personal property, gains from the sale or exchange of real or tangible personal property, or salaries, wages, commissions or

other compensation for work done or services performed or rendered, in each case outside the city, and is subject to and has paid an income tax on this income to another municipality, shall be allowed a credit against the city income tax for the amount paid to the other municipality. The credit shall not exceed the amount of taxes which would be assessed under this ordinance on the same amount of income of a nonresident.

Sec. 66. Fractional part of a cent or dollar.

In withholding the tax due under this ordinance, a fractional part of a cent shall be disregarded unless it amounts to 1/2 cent or more, in which case it shall be increased to 1 cent. For tax years after the 1996 tax year in paying the tax due under this ordinance if any amount other than a whole dollar amount is used, the administrator, or the department shall disregard the fractional part of the dollar unless the fractional part amounts to 1/2 dollar or more, in which case the amount shall be increased by \$1.00.

Sec. 71. Rules and regulations; adoption; enforcement; forms; collection of tax.

(1) The administrator may adopt, amend, and repeal rules and regulations relating to the administration and enforcement of this ordinance subject to the approval of the city governing body. The rules and regulations, amendments, and repeals, after approval by the city governing body, shall become effective when published in the official newspaper of the city.

(2) The administrator shall enforce this ordinance and the rules and regulations approved as provided in subsection (1). The administrator or the department shall prepare, adopt, and make available to taxpayers, employers, and other persons all forms necessary for compliance with this ordinance.

(3) For tax years before the 1997 tax year and for tax years after the 1996 tax year and for which a city has not entered into an agreement pursuant to section 9 of chapter 1, the city treasurer shall collect all taxes and payments due under this ordinance and deposit them in a designated city depository. For tax years after the 1996 tax year and for which a city has entered into an agreement pursuant to section 9 of chapter 1, the department shall collect taxes and payments due under this ordinance and deposit them in the city income tax trust fund established in section 5 of chapter 1.

Sec. 72. Special ruling; appeal to income tax board of review.

A taxpayer or employer desiring a special ruling on a matter pertaining to this ordinance or rules and regulations shall submit in writing to the administrator all the facts involved and the ruling sought. A taxpayer or employer aggrieved by a special ruling may appeal the special ruling in writing to the income tax board of review within 30 days.

Sec. 73. Examination of books and records; witnesses; additional provisions relating to dispute resolution; protest to notice of intent to assess tax.

(1) If a taxpayer or employer fails or refuses to make a return or payment as required, in whole or in part, or if the administrator or the department has reason to believe that a return made does not supply sufficient information for an accurate determination of the amount of tax due, the administrator or the department may obtain information on which to base an assessment of the tax. The administrator or the department may examine the books, papers, and records of any person, employer, taxpayer, or agent or representative of any person, employer, or taxpayer or audit the accounts of any person, employer, or taxpayer or any other records pertaining to the tax, to verify the accuracy and completeness of a return filed, or, if no return was filed, to ascertain the tax, withholding, penalties, or interest due under this ordinance.

(2) The administrator or the department may examine any person, under oath, concerning income which was or should have been reported for taxation under this ordinance, and for this purpose may compel the production of books, papers, and records and the attendance of all parties before him or her, whether as parties or witnesses, if he or she believes those persons have knowledge of the income. In addition, for tax years after the 1996 tax year and for which a city has entered into an agreement with the department of treasury pursuant to section 9 of chapter 1, all of the following apply to implement this section:

(a) The department of treasury shall send to the taxpayer or employer a letter of inquiry stating, in a courteous and unthreatening manner, the department's opinion that the taxpayer or employer needs to furnish further information or owes taxes to the city, and the reason for that opinion. A letter of inquiry shall also explain the procedure by which the taxpayer or employer may initiate communication with the department to resolve any dispute. A letter of inquiry may be served on the taxpayer in any manner determined appropriate by the department of treasury. This subdivision does not apply in any of the following circumstances:

(i) The taxpayer or employer files a return that shows a tax due and fails to pay that tax.

(ii) The deficiency resulted from an audit of the taxpayer's or employer's books and records by the city or the department.

(iii) The taxpayer or employer otherwise affirmatively admits that a tax is due and owing.

(b) If the dispute is not resolved within 30 days after the department of treasury sends the taxpayer or employer a letter of inquiry or if a letter of inquiry is not required under subdivision (a), the department, after determining the amount of tax due from a taxpayer or employer, shall give notice to the taxpayer or employer of the department of treasury's notice of intent to assess the tax. The notice shall include all of the following:

(i) The amount of the tax the department of treasury claims the taxpayer or employer owes.

(ii) The reason for the deficiency.

(iii) A statement advising the taxpayer or employer of his or her right to file a protest and to a hearing with the department of treasury.

(3) A taxpayer or employer has 30 days after receipt of a notice of intent to assess within which to file a written protest with the department of treasury. If a written protest is received, the department of treasury shall give the taxpayer or employer or duly authorized representative of the taxpayer or employer an opportunity to be heard and present evidence and arguments in his or her behalf.

(4) If a protest to the notice of intent to assess the tax under subsection (2) is determined by the department of treasury to be a frivolous protest or a desire by the taxpayer or employer to delay or impede the administration of the tax under this ordinance, a penalty of \$25.00 or 25% of the amount of tax under protest, whichever is greater, shall be added to the tax.

Sec. 74. Information confidential; divulgence, penalty, discharge from employment.

(1) Information gained by the administrator, city treasurer or any other city official, agent or employee as a result of a return, investigation, hearing or verification required or authorized by this ordinance is confidential, except for official purposes in connection with the administration of the ordinance and except in accordance with a proper judicial order.

(2) Any person who divulges this confidential information, except for official purposes, is guilty of a misdemeanor and subject to a fine not exceeding \$500.00 or imprisonment for a period not exceeding 90 days, or both, for each offense. In addition, an employee of the city who divulges this confidential information is subject to discharge for misconduct.

Sec. 80. Waiver of interest or penalties during extension.

Notwithstanding any other provision of this ordinance, for any return or declaration of estimated tax that was originally due on April 15 or April 30 under this ordinance and that is subsequently filed or remitted at a later date in accordance with section 40, all interest and penalties for the failure to file or remit for that extended period shall be waived.

Sec. 82. Payment of tax; interest; "adjusted prime rate" defined; penalty for delay; waiver of penalty for reasonable cause.

(1) All taxes imposed in a taxable year before the 1992 taxable year on a taxpayer and money withheld by an employer under this ordinance and remaining unpaid after the taxes or money withheld are due bear interest from the due date at the rate of 1/2 of 1% per month until paid. For the 1992 taxable year and each subsequent taxable year before the 1997 taxable year, all taxes imposed on a taxpayer and money withheld by an employer under this ordinance and remaining unpaid after the taxes or money withheld are due bear interest from the due date at the current monthly rate of 1 percentage point above the adjusted prime rate per annum per month until the tax or money is paid. For taxable years after the 1996 taxable year, if the amount of a tax paid is less than the amount that should have been paid or an excessive claim for credit has been made, the deficiency and interest on the deficiency at the current monthly interest rate of 1 percentage point above the adjusted prime rate per annum from the time the tax was due, and until paid, are due and payable after a final assessment as provided in section 85. A deficiency in an estimated payment required by this ordinance shall be treated in the same manner as a tax due and is subject to the same current monthly interest rate of 1 percentage point above the adjusted prime rate per annum from the time the payment was due, until paid. The term "adjusted prime rate" means the average predominant prime rate quoted by not less than 3 commercial banks to large businesses, as determined by the department of treasury. For tax years before the 1997 tax year, the adjusted prime rate is to be based on the average prime rate charged by not less than 3 commercial banks during the 12-month period ending on September 30. One percentage point shall be added to the adjusted prime rate, and the resulting sum shall be divided by 12 to establish the current monthly interest rate. The resulting current monthly interest rate based on the 12-month period ending September 30 becomes effective on January 1 of the following year. For tax years after the 1996 tax year, "adjusted prime rate" means that term as defined in and determined under section 23(2) of Act No. 122 of the Public Acts of 1941, being section 205.23 of the Michigan Compiled Laws.

(2) A person who fails to file a return, pay the tax, or remit withholding, when due, is liable, in addition to the interest, to a penalty of 1% of the amount of the unpaid tax for each month or fraction of a month, not to exceed a total penalty of 25% of the unpaid tax. If a return is filed or remittance is paid after the time specified and it is shown to the satisfaction of the city or the department that the failure was due to reasonable cause and not to willful neglect, the penalty shall be waived by the administrator or the department. If the total interest or interest and penalty to be assessed is less than \$2.00, the administrator or the department shall instead assess \$2.00.

(3) Except as provided in subsection (4), if any part of the deficiency or an excessive claim for credit is due to negligence, but without intent to defraud, a penalty of \$10.00 or 10% of the total amount of the deficiency in the tax, whichever is greater, plus interest as provided in subsection (1), shall be added. The penalty becomes due and payable after a final assessment is issued as provided in section 85. If a taxpayer subject to a penalty under this subsection demonstrates to the satisfaction of the administrator or the department that the deficiency or excess claim for credit was due to reasonable cause, the administrator or the department shall waive the penalty.

(4) If any part of the deficiency or an excessive claim for credit is due to intentional disregard of this ordinance, but without intent to defraud, a penalty of \$25.00 or 25% of the total amount of the deficiency in the tax, whichever is greater, plus

interest as provided in subsection (1), shall be added. The penalty becomes due and payable after a final assessment is issued as provided in section 85. If a penalty is imposed under this subsection and the taxpayer subject to the penalty successfully disputes the penalty, the administrator or the department shall not impose a penalty prescribed by subsection (3) to the tax otherwise due.

(5) If any part of the deficiency or an excessive claim for credit is due to fraudulent intent to evade the tax imposed under this ordinance, or to obtain a refund for a fraudulent claim, a penalty of 100% of the deficiency, plus interest as provided in subsection (1), shall be added. The penalty becomes due and payable after a final assessment is issued as provided in section 85 .

Sec. 83. Additional tax assessment; when interest and penalty not imposed.

(1) Interest or a penalty shall not be imposed on an additional tax assessment if, within 90 days from final determination of a federal tax liability which also affects the computation of the taxpayer's city income tax liability, the taxpayer prepares and files an amended city income tax return showing income subject to the city tax based upon the final determination of federal income tax liability, and pays the additional tax shown due thereon or makes claim for refund of an overpayment. Interest shall not be allowed on a refund of the city income tax resulting from a final determination of federal tax liability.

(2) Interest and a penalty shall not be imposed for underestimating the tax if the total amount of tax withheld and paid by declaration, equals at least 70% or more of the tax shown due on the final return or 70% or more of the tax shown on the taxpayer's return for the preceding taxable year.

(3) An employee shall not be penalized because of the failure of his employer to report or pay tax withheld from the employee when the employer has in fact withheld the proper amount of tax.

Sec. 84. Due and unpaid assessment; determination; procedure.

(1) For tax years before the 1997 tax year and for tax years after the 1996 tax year and for which a city has not entered into an agreement pursuant to section 9 of chapter 1, if the administrator determines that a taxpayer or an employer subject to the provisions of this ordinance has failed to pay the full amount of the tax due or tax withheld, he or she shall issue a proposed assessment showing the amount due and unpaid, together with interest and penalties that may have accrued thereon. The proposed assessment shall be served upon the taxpayer or employer in person or by registered or certified mail to the last known address of the taxpayer or employer. Proof of mailing the proposed assessment is prima facie evidence of a receipt of the proposed assessment by the addressee.

(2) A taxpayer or employer has 30 days after receipt of a proposed assessment within which to file a written protest with the administrator or 30 days after receipt of a notice of intent to assess from the department of treasury to file a written protest with the department of treasury, who shall then give the taxpayer or employer or his or her duly authorized representative an opportunity to be heard and present evidence and arguments in his or her behalf.

Sec. 85. Final assessment; protest.

(1) After the hearing as provided in section 84, the administrator or the department shall issue a final assessment setting forth the total amount found due in the proposed assessment or notice of intent to assess and any adjustment he or she may have made as a result of the protest. The final assessment shall be served in the same manner as a proposed assessment or notice of intent to assess. Proof of mailing of the final assessment is prima facie evidence of receipt of the final assessment by the addressee.

(2) If a protest under section 73(3) or 84(2) is not filed in respect to a proposed assessment or notice of intent to assess, a taxpayer or employer is considered to have received a final assessment 30 days after receipt of the proposed assessment.

Sec. 86. Failure to pay tax; demand; recovery; prosecution.

If an employer or taxpayer files a return showing the amount of tax or withholding due the city or the department, but fails to pay the amount to the city or the department, the administrator or the department is not required to issue a proposed assessment, notice of intent to assess, or a final assessment. The administrator or the department shall issue a 10-day demand for payment and if no payment or satisfactory evidence of payment is made in the 10 days the administrator or the department may recover the tax with interest and penalties in the name of the city in any court of competent jurisdiction as other debts are recoverable, or prosecute for violation of this ordinance under section 99, or both.

Sec. 86a. Authority to impose a lien for taxes.

(1) Notwithstanding section 86, a city that has a population of more than 600,000 may recover the tax with interest and penalties without a judgment or order from a court of competent jurisdiction by imposing a lien as provided under this section. However, the city's authority to impose a lien under this section only applies to property owned by a natural person and wages, or other income, that are reported on a federal W-2 or 1099 form. A lien imposed pursuant to this section is a lien in favor of the city against all property and rights of property, both real and personal, tangible and intangible, owned at the time the lien attaches, or afterwards acquired by any person liable for the tax, to secure the payment of the tax. The lien shall attach to the property from and after the date that any report or return on which the tax is levied is required to be filed and shall continue for 7 years after the date of attachment. The lien may be extended for another 7 years by refiling under subsection (2) if the refiling is done within 6 months prior to the expiration date of the original 7-year period.

(2) The lien imposed by this section shall take precedence over all other liens and encumbrances, except bona fide liens recorded before the date the lien under this ordinance is recorded. However, bona fide liens recorded before the lien under this ordinance is recorded shall take precedence only to the extent of disbursements made under a financing arrangement before the forty-sixth day after the date of the tax lien recording or before the person making the disbursements had actual knowledge of a tax lien recording under this ordinance, whichever is earlier. A lien shall be recorded and discharged in the same manner required for a state tax lien under the state tax lien registration act, 1968 PA 203, MCL 211.681 to 211.687.

(3) A purchaser or succeeding purchaser of property, from a taxpayer in other than the ordinary course of business, against which a lien has been properly recorded as provided under subsection (2) is personally liable for the unpaid taxes that are due on the lien. The purchaser's liability is limited to the value of the property less any proceeds that were applied to balances due on secured interests which are superior to the lien recorded under subsection (2).

Sec. 86b. Demand for payment; warrant; levy on property; refusal or failure to surrender property; personal liability; effect of levy on salary or wages; service of warrant-notice levy.

(1) Notwithstanding section 86, a city that has a population of more than 600,000 may cause a demand to be made on a taxpayer for the payment of a tax due under this ordinance. However, the city's authority to cause a demand for payment under this section only applies to property owned by a natural person and wages, or other income, that are reported on a federal W-2 or 1099 form. If the liability remains unpaid for 10 days after the demand and proceedings are not taken to review the liability, a warrant may be issued. Except as provided in this section, the city, through any officer or agent or person authorized to serve process or through authorized employees, may levy on all property and rights to property, real and personal, tangible and intangible, belonging to the taxpayer or on which a lien is provided by law for the amount of the deficiency, and sell the real and personal property of the taxpayer found within the state for the payment of the amount due, the cost of executing the warrant, and the additional penalties and interest. Except as provided in subsection (6), the officer or agent or person serving the warrant shall proceed upon the warrant in all respects and in the same manner as prescribed by law in respect to executions issued against property upon judgments by a court of record. A city, through its authorized representative, may bid for and purchase any property sold pursuant to this section.

(2) A person that refuses or fails to surrender any property or rights to property subject to levy, upon demand by the city, is personally liable to the city in a sum equal to the value of the property or rights not surrendered, but not exceeding the amount due for which the levy was made, together with costs and interest on the sum at the rate provided in section 82 from the date of the levy. Any amount, other than costs, recovered under this subsection shall be credited against the liability for the collection of which the levy was made.

(3) In addition to the personal liability imposed by subsection (2), if a person required to surrender property or rights to property fails or refuses to surrender the property or rights to property without reasonable cause, the person shall be liable for a penalty equal to 50% of the amount recoverable under subsection (2), none of which penalty shall be credited against the liability for the collection of which the levy was made.

(4) A person in possession of, or obligated with respect to, property or property rights subject to levy and upon which a levy has been made who, upon demand of the city, surrenders the property or rights to property or discharges the obligation to the city or who pays a liability under subsection (1) shall have that obligation to a person delinquent in payment of a tax reduced in an amount equal to the property or rights to property surrendered or amounts paid to the city.

(5) Property described in section 6334 of the internal revenue code of 1986, 26 USC 6334, is exempt from levy under this section for an unpaid tax. The effect of a levy on salary or wages shall be continuous from the date the levy is first made until the liability out of which the levy arose is satisfied.

(6) A warrant notice of levy may be served by certified mail, return receipt requested, on any person in possession of, or obligated with respect to, property and rights to property, real and personal, tangible and intangible, belonging to the taxpayer or on which a lien is provided by law. The date of delivery on the receipt shall be the date the levy is made. A person may, upon written notice to the department, on behalf of the city, have all notices of levy sent to 1 designated office.

Sec. 86c. Recording release of a lien; conditions for filing; release of levy; conditions for service; reimbursement of fee; certificate of withdrawal; release of levy.

(1) If a city that has a population of more than 600,000 files for recording a lien imposed pursuant to this ordinance against property or rights of property to satisfy a tax liability and the city determines that the tax liability out of which the lien arose is satisfied, the city shall file for recording a release regarding the property or rights of property in the same manner required for a state tax lien under the state tax lien registration act, 1968 PA 203, MCL 211.681 to 211.687, not more than 20 business days after funds to satisfy the tax liability out of which the lien arose have been applied to the taxpayer's account.

(2) If the city files for recording a lien imposed pursuant to this ordinance against property or rights of property to satisfy a tax liability and upon request the city determines that the taxpayer named on the recorded lien does not have any interest in certain properties owned by another person, the city shall file for recording a certificate of nonattachment regarding the property or rights of property, in the same manner as required for a state tax lien under the state tax lien registration act, 1968 PA 203, MCL 211.681 to 211.687, with all due haste but not more than 5 business days after the city determines that

the lien is recorded or filed against property or rights of property to which the city does not have a lien interest under section 86a. The city shall clearly indicate on the certificate of nonattachment that the taxpayer named on the recorded lien does not have any interest in the property or rights of property of the other person.

(3) If a warrant or warrant-notice of levy is issued and served upon a person to levy on property or rights of property to satisfy a tax liability and the city determines that the tax liability out of which the warrant or warrant-notice of levy arose is satisfied, the city shall serve a release of levy regarding the property or rights of property on the person that was served the warrant or warrant-notice of levy not more than 10 business days after funds to satisfy the tax liability out of which the warrant or warrant-notice of levy arose have been applied to the taxpayer's account.

(4) If a warrant or warrant-notice of levy is issued and served upon a person to levy on property or rights of property to satisfy a tax liability and the city determines that the property or rights of property are not subject to levy under section 86a, the city shall serve a release of levy regarding the property or rights of property on the person that was served the warrant or warrant-notice of levy with all due haste but not more than 5 business days after the city determines that the property or rights of property are not subject to levy under section 86a, the city shall clearly indicate on the release of levy that the property or rights of property were not subject to levy under section 86a.

(5) If a person is required to pay a fee to the city, a bank, or other financial institution as the result of an erroneous recording or filing of a lien as described in subsection (2), or an erroneous issuance and service of a warrant or warrant-notice of levy as described in subsection (4), the city shall reimburse the fee to that person.

(6) If the city receives money to satisfy a tax liability or liabilities or receives information that would cancel that tax liability or those liabilities and subsequently files a lien for recording specifying that tax liability or those liabilities, the city, upon request and upon a determination by the city that the lien was filed and recorded in error, with all due haste, but not more than 5 business days after the city determines that it has erroneously filed a lien for recording, shall file for recording a certificate of withdrawal for that tax liability or those liabilities which were satisfied which states that the recorded lien for that tax liability or those liabilities was filed in error.

(7) If the city receives money to satisfy a tax liability or liabilities or receives information that would cancel that tax liability or those liabilities and subsequently issues a warrant or warrant-notice of levy specifying that liability or those liabilities pursuant to this ordinance, upon request and upon a determination by the city that the warrant or warrant-notice of levy was issued in error, with all due haste, but not more than 5 business days after the department determines that it has erroneously issued a warrant or warrant-notice of levy, the city shall issue a release of levy for that tax liability or those liabilities which were satisfied which states that the levy for that tax liability or those liabilities was issued in error.

Sec. 87. Jeopardy assessment; procedure.

(1) If the administrator or the department believes that collection of the tax withheld from an employee's compensation as imposed under this ordinance will be jeopardized by delay, the administrator or the department of treasury, whether or not the time otherwise prescribed by the ordinance for making the return and paying or depositing the tax has expired, shall immediately assess the tax and interest and additions provided by the ordinance. The tax, interest, and additions shall become immediately due and payable and the administrator or the department of treasury shall make an immediate notice and demand for payment, notwithstanding when the withheld tax is otherwise due and payable.

(2) If the administrator or the department finds that a person liable for the tax administered under this ordinance intends quickly to depart from the city or to remove property from this city, to conceal the person or the person's property in the city, or to do any other act tending to render wholly or partly ineffectual proceedings to collect the tax unless proceedings are brought without delay, the administrator or the department of treasury shall give notice of the findings to the person, together with a demand for an immediate return and immediate payment of the tax. A warrant or warrant-notice of levy may issue immediately upon issuance of a jeopardy assessment. When the warrant or warrant-notice is issued, the tax shall become immediately due and payable. If the person is not in default in making a return or paying a tax prescribed by this ordinance, and furnishes evidence satisfactory to the administrator or the department of treasury that the return will be filed and the tax to which the finding relates will be paid, then the tax shall not be payable before the time otherwise fixed for payment.

Sec. 88. Statute of limitations; waiver; payment of tax.

(1) Except in case of fraud, failure to file a return, failure to comply with the withholding provisions of this ordinance, or omission of substantial portions of income subject to the tax, an additional assessment shall not be made after 4 years from the date the return was due, including extensions, or from the date the return was filed, or the tax was paid, whichever is later. An omission of more than 25% of gross income is considered a substantial omission of income. Under this section a declaration of estimated tax is not considered a return.

(2) If the federal internal revenue service and a taxpayer execute a waiver of the federal statute of limitations, as to a taxable year, the expiration of the period within which an additional assessment may be made by the administrator or the department or a claim for refund filed by the taxpayer for such taxable year for city income tax purposes shall be 6 months from the date of expiration of the waiver.

Sec. 89. Statute of limitations; refund.

(1) Except as otherwise provided in this ordinance, a tax erroneously paid shall not be refunded unless a claim for refund is made within 4 years from the date the payment was made or the original final return was due, including extensions, whichever is later, unless the administrator or the department and the taxpayer mutually agree to extend the time for assessment or refund. Under this section a declaration of estimated tax is not considered a return. Upon denial of a refund a taxpayer may follow the same procedure for appeal as provided in the case of a deficiency assessment.

(2) A tax deficiency as finally determined and interest or penalties thereon shall be paid within 30 days after receipt of a final assessment if no appeal is made.

Sec. 91. Income tax board of review; appointment of city residents; selection of officers; adoption, filing, inspection, and copies of rules of procedure; quorum; conflict of interests; record of transactions and proceedings; availability of record and other writings to public; conducting business at public hearing; notice of hearing.

(1) The governing body of the city shall appoint an income tax board of review consisting of 3 residents of the city who are not city officials or city employees.

(2) The board shall select a chairperson, secretary, and other officers as the board considers necessary and shall adopt rules governing the procedure for hearings and other procedures. The rules shall be filed in the office of the city clerk and shall be available for inspection by an interested person. A copy of the rules shall be furnished on request to an interested person.

(3) A majority of the board members shall constitute a quorum for an action by or hearing before the board, or for any other purpose. A member of the board shall not act on a matter in which the member has a financial interest other than the common public interest. A record shall be kept of the board's transactions and proceedings. The record and any other writing prepared, owned, used, in the possession of, or retained by the board of review in the performance of an official function shall be made available to the public in compliance with Act No. 442 of the Public Acts of 1976.

(4) The business which the board may perform shall be conducted at a public hearing of the commission held in compliance with Act No. 267 of the Public Acts of 1976, being sections 15.261 to 15.275 of the Michigan Compiled Laws. Public notice of the time, date, and place of the hearing shall be given in the manner required by Act No. 267 of the Public Acts of 1976.

Sec. 92. Income tax board of review; notice of appeal; transcript; hearing; confidential tax data; payment of deficiency or refund.

(1) A taxpayer or employer may file a written notice of appeal with the secretary of the income tax board of review not more than 30 days after receipt by the taxpayer or employer of a final assessment, denial in whole or part of a claim for refund, decision, order, or special ruling of the administrator or the department. Upon receipt of the notice of appeal, the income tax board of review shall notify the administrator or the department, who shall forward within 15 days to the income tax board of review a certified transcript of all actions and findings taken by the administrator or the department that relate to the matter under appeal. The appellant or his or her duly authorized representative may inspect the transcript.

(2) The income tax board of review shall grant the appellant a hearing at which the appellant or his or her duly authorized representative and the administrator or the department have an opportunity to present evidence that relates to the matter under appeal. After conclusion of the hearing, the income tax board of review by a majority vote of its 3 members shall affirm, reverse, or modify the final assessment, denial, decision, or order under appeal and furnish a copy of the decision to the appellant and to the administrator or the department.

(3) The provisions of this ordinance as to the confidential character of tax data are applicable to proceedings pending before or submitted to the income tax board of review.

(4) A tax deficiency or refund and any interest or penalties on a deficiency or refund shall be paid not more than 30 days after receipt by the taxpayer or employer or by the city or the department of notice of determination by the income tax board of review if no further appeal is made.

Sec. 93. Appeal to state tax commissioner or tax tribunal; procedure.

(1) A taxpayer, employer, or other person aggrieved by a rule adopted by the administrator may file a timely appeal to the state commissioner of revenue in the form and manner prescribed by the commissioner.

(2) A taxpayer or employer aggrieved by a final assessment, denial, decision, or order of the income tax board of review other than a decision under subsection (1), may appeal the assessment, denial, decision, or order to the tax tribunal not more than 35 days after the final assessment, denial, decision, or order was issued. The uncontested portion of a final assessment, order, or decision shall be paid as a prerequisite to appeal. An appeal under this subsection shall be perfected as provided under the tax tribunal act, Act No. 186 of the Public Acts of 1973, being sections 205.701 to 205.779 of the Michigan Compiled Laws, and rules promulgated under that act for the tax tribunal.

(3) Not more than 35 days after a final order of the tax tribunal, the taxpayer, employer, or other person shall pay the city the taxes, interest, and penalty found due to the city or the department, and the city or the department shall refund to the taxpayer, employer, or other person any amount found to have been overpaid by the taxpayer, employer, or other person.

Sec. 94. Appeal to court of appeals or supreme court; procedure.

(1) If a taxpayer, employer, other person, or the city or the department is aggrieved by a decision of the tax tribunal, the aggrieved party may take an appeal by right from a decision of the tax tribunal to the court of appeals. The appeal shall be taken on the record made before the tax tribunal. The taxpayer, employer, other person, city, or department may take further appeal to the supreme court in accordance with the court rules provided for appeals to the supreme court.

(2) An assessment is final, conclusive, and not subject to further challenge after 90 days after the issuance of the final assessment, decision, or order of the administrator or the department, and a person is not entitled to a refund of any tax, interest, or penalty paid pursuant to an assessment unless the aggrieved person has appealed the assessment in the manner provided by this ordinance.

Sec. 95. Payment to taxpayer from city general fund or city income tax trust fund.

For tax years before the 1997 tax year and for tax years after the 1996 tax year and for which a city has not entered into an agreement pursuant to section 9 of chapter 1, if a taxpayer is found by a decision on an appeal entitled to recover any sum paid and further appeal has not been taken within the time permitted, the sum shall be paid from the general fund of the city. For tax years after the 1996 tax year and for which a city has entered into an agreement pursuant to section 9 of chapter 1, if a taxpayer is found by a decision on an appeal to be entitled to recover any sum paid and further appeal has not been taken within the time permitted, the sum shall be paid from the city income tax trust fund established in section 5 of chapter 1.

Sec. 99. Violations; misdemeanor; penalties.

Each of the following violations of this ordinance is a misdemeanor and is punishable, in addition to the interest and penalties provided under the ordinance, by a fine not exceeding \$500.00, or imprisonment for a period not exceeding 90 days, or both:

- (a) Wilful failure, neglect or refusal to file a return required by the ordinance.
- (b) Wilful failure, neglect or refusal to pay the tax, penalty or interest imposed by the ordinance.
- (c) Wilful failure of an employer or person to withhold or pay to the city a tax as required by the ordinance.
- (d) Refusal to permit the city or an agent or employee appointed by the administrator in writing to examine the books, records and papers of a person subject to the ordinance.
- (e) Knowingly filing an incomplete, false, or fraudulent return.
- (f) Attempting to do or doing anything whatever in order to avoid full disclosure of the amount of income or to avoid the payment of any or all of the tax.

RESOLUTION NO. _____

RESOLUTION ADOPTING AND PROPOSING ELECTOR APPROVAL OF AN AMENDMENT TO THE CITY CHARTER TO LIMIT PROPERTY TAX RATES IF THE ELECTORS ALSO APPROVE A CITY INCOME TAX AT THE MAY 3, 2022 SPECIAL ELECTION

WHEREAS:

1. To provide additional funding and more stable funding for city operations, the City Council approved the uniform city income tax ordinance and scheduled an election on the proposal to levy a city income tax for the May 3, 2022 special election.
2. If approved by the city's electors, the income tax would raise significant funds so that the city would not need to levy property taxes at the current rates stated in the City Charter of the City of Wyoming.
3. Section 9.1 of the City Charter of the City of Wyoming, currently limits property taxation as follows:

Sec. 9.1. - Power to tax: tax limit.

The City shall have the power to assess taxes and levy and collect rents, tolls and excises. Exclusive of any levies authorized by statute to be made beyond charter tax rate limitation, the annual ad valorem tax levy shall not exceed one-half percent of the valuation of all real and personal property subject to taxation in the City, except that an additional two-tenths of one percent, 2 mills on the dollar, may be levied for sewer, water and street improvements, but this latter shall in no way be construed as limitation on the issuance of bonds for water or sewer purposes. An additional thirty-nine thousandths ($39/1000$) of one percent, 0.39 mills on the dollar, or less, may be levied annually for the operation, maintenance and any other expenses for the public library in Wyoming.

(a) *Sidewalk snowplowing and maintenance levy.* The city shall have the power to levy an additional $2/100$ of one percent, 0.2 mills on the dollar for the purpose of snowplowing sidewalks and to repair and construct sidewalks within the city.

(b) *Public transportation levy.* An additional twenty-five thousandths ($25/1000$) of one percent (1%), a 0.25 mills on the dollar, or less, may be levied annually for use for public transportation. (This subsection shall expire on June 30, 2000).

(c) *Parks, recreation and senior citizens centers levy.* An additional fifteen-hundredths of one percent, 1.5 mills on the dollar, or less, may be levied annually for use for the operation, maintenance and any other expenses for parks, recreation and senior citizens centers.

(d) *Fire department levy.* An additional seventy-five-thousandths of one percent, 0.75 mills on the dollar, may be levied annually for the operation, maintenance and other expenses of the Fire Department.

(e) *Police department levy.* An additional one hundred-twenty-five-thousandths of one percent, 1.25 mills on the dollar, may be levied annually for the operation, maintenance and other expenses of the Police Department.

(f) *Public Safety levy.* An additional one hundred-twenty-five thousandths of one percent, 1.25 mills on the dollar, may be levied annually for public safety for the operation, maintenance and administration of police and fire services.

4. The City Council wishes to simultaneously amend the City Charter to limit the city's property tax levy to no more than 5 mills (5.0% of the taxable value of the city or \$5.00 per \$1,000.00 of taxable value), but, due to timing of the city's first receipt of income tax collections, that limitation would be phased in over 2 years.

NOW, THEREFORE, BE IT RESOLVED:

1. The City Charter of the City of Wyoming, Michigan be amended by adding section 9.1a to read as follows:

Sec. 9.1a. - Power to tax: tax limit.

(a) If the City's electors approve the levy of a city income tax under the city income tax act, 1964 PA 284, and a city income tax is levied pursuant to the uniform city income tax ordinance adopted by the Council in September 2021, the power to tax and tax limits stated in section 9.1 of this Charter shall no longer be effective. The City shall have the power to assess, levy and collect taxes as provided by state law, but the power to levy real and personal property taxes in the city shall be limited as provided subsections (b) and (c) of this section.

(b) Beginning July 1, 2022, the City shall have the power to levy taxes against real and personal property in the City in a sum not to exceed 0.75% of the taxable value of real and personal property in the city (7.5 mills or \$7.50 per \$1,000 in taxable value).

(c) Beginning January 1, 2023, the City shall have the power to levy taxes against real and personal property in the City in a sum not to exceed 0.5% of the taxable value of real and personal property in the city (5.0 mills or \$5.00 per \$1,000 in taxable value).

2. That the proposal for this City Charter amendment shall be placed on the ballot for the May 3, 2022 special election as follows:

PROPOSAL TO LIMIT PROPERTY TAXATION

If the city electors approve and the city levies a city income tax, shall the Wyoming City Charter be amended to limit property taxes levied by the City of Wyoming to no more than 7.5 mills (\$7.50 per \$1,000 of taxable value) beginning July 1, 2022, then further limited to no more than 5.0 mills (\$5.00 per \$1,000 of taxable value) beginning January 1, 2023?

- 3. The City Clerk and City Attorney are authorized and directed to send a copy of this resolution to the governor and to the attorney general for approval of the proposed charter amendment and ballot proposal.
- 4. The City Clerk and City Attorney are authorized and directed to publish the full text of the proposed charter amendment together with the existing City Charter section 9.1 in at least one edition of *The Grand Rapids Press* and to take all other steps to ensure the proposal is placed on the ballot and notices provided as required by the City Charter; the home rule city act, 1909 PA 279, MCL 117.1 *et seq.*; the Michigan election law, 1954 PA 116, MCL 168.1 *et seq.*; and any other applicable law.
- 5. All resolution and parts of resolutions that conflict with this resolution are rescinded.

Moved by Councilmember:

Seconded by Councilmember:

Motion Carried Yes

 No

I certify that this Resolution was adopted by the City Council of the City of Wyoming, Michigan at a regular meeting held on September 7, 2021.

Kelli A. VandenBerg, Wyoming City Clerk

Resolution No. _____