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**EMERGENCY MANAGER  
CITY OF DETROIT**

**ORDER No. 36**

**ORDER TO REPEAL CHAPTER 14, ARTICLE VI  
OF THE 1984 DETROIT CITY CODE**

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**BY THE AUTHORITY VESTED IN THE EMERGENCY MANAGER  
FOR THE CITY OF DETROIT  
PURSUANT TO MICHIGAN'S PUBLIC ACT 436 OF 2012,  
KEYVYN D. ORR, THE EMERGENCY MANAGER,  
ISSUES THE FOLLOWING ORDER:**

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Whereas, On March 28, 2013, Michigan Public Act 436 of 2012 ("PA 436") became effective and Kevyn D. Orr became the Emergency Manager ("EM") for the City of Detroit (the "City") with all the powers and duties provided under PA 436; and

Pursuant to Section 9(2) of PA 436, the EM "shall act for and in the place and stead of" the Detroit Mayor (the "Mayor") and City Council (the "Council"); and

Section 9(2) of PA of PA 436 also grants the EM "broad powers in receivership to rectify the financial emergency and to assure the fiscal accountability of the [City] and the [City's] capacity to provide or cause to be provided necessary governmental services essential to the public health, safety, and welfare;" and

Further, Section 9(2) of PA 436 prohibits, during the pendency of the receivership, the Mayor and the Council from exercising "any powers of those offices except as may be specifically authorized in writing by the [EM] or as otherwise provided by [PA 436] and are subject to any conditions required by the [EM];" and

Pursuant to Section 10(1) of PA 436, the EM may “issue to the appropriate local elected and appointed officials and employees, agents, and contractors of the local government the orders the emergency manager considers necessary to accomplish the purposes of [PA 436]; and

Section 12(1)(a) of PA 436 authorizes the EM, “notwithstanding any charter provision to the contrary,” to “[a]nalyze the factors and circumstances contributing to the financial emergency of the local government and initiate steps to correct the condition;” and

Section 12(1)(b) of PA 436 authorizes the EM, “notwithstanding any charter provision to the contrary,” to “[a]mend, revise, approve, or disapprove the budget of the local government, and limit the total amount appropriated or expended;” and

Section 12(1)(dd) of PA 436 authorizes the EM, “notwithstanding any charter provision to the contrary,” to “[e]xercise solely, for and on behalf of the local government, all other authority and responsibilities of the chief administrative officer and governing body concerning the adoption, amendment, and enforcement of ordinances or resolutions of the local government” as provided in the Michigan Home Rule City Act, Act 279 of 1909, Michigan Compiled Laws §§ 117.1 to 117.38 (the “PA 279”); and

Section 12(1)(ee) of PA 436 authorizes the EM, “notwithstanding any charter provision to the contrary,” to “[t]ake any other action or exercise any power or authority of any officer, employee, department, board, commission, or other similar entity of the local government, whether elected or appointed, relating to the operation of the local government. The power of the [EM] shall be superior to and supersede the power of any of the foregoing officers or entities;” and

Pursuant to Section 12(2) of PA 436, “during the pendency of the receivership, the authority of the chief administrative officer and governing body to exercise power for and on behalf of the local government under law, charter, and ordinance shall be suspended and vested in the [EM];” and

The Blighted Area Rehabilitation Act 344 of 1945 (“PA 344”) grants Michigan municipalities the power to acquire blighted property through the use of eminent domain; and

Section 4 of PA 344 conditions the use of the powers granted under PA 344 on the fulfillment of several requirements by a municipality, including, *inter alia*, the designation of a development area (an “Urban Renewal Zone”), and the establishment of a citizens’ district council composed of residents of the Urban Renewal Zone and of other persons with a demonstrable and substantial interest in the area; and

Pursuant to the power granted in accordance with PA 344, the City adopted Chapter 14, Article VI of the Detroit, Michigan, Code of Ordinances (“Article VI”), providing for the implementation of PA 344; and

The powers granted to the City in accordance with PA 344, and the implementation of such powers pursuant to Article VI, no longer align with the City’s urban renewal strategy, and,

in some cases, present a barrier to the effective and efficient development of blighted areas of the City; and

Article IV of the 2012 Detroit City Charter (the "Charter") provides for the adoption, continuation, amendment, and repeal of city ordinances, and also provides for the publication of each ordinance before it becomes effective; and

The EM has determined that it is necessary and appropriate to repeal Chapter 14, Article VI of the Code in its entirety, being sections 14-6-1 through 14-6-16 thereof ("Article VI"), to enhance the City's ability to effectively provide for the public health, safety, and welfare of its citizens.


**It is hereby ordered that:**

1. The City Clerk is hereby instructed to publish this Order and proposed ordinance, attached hereto as Exhibit A (the "Ordinance"), and establish the time and place for a public hearing thereon, in a daily newspaper of general circulation in the City, no later than 18 hours before the public hearing notwithstanding the City Charter requirement for 5 day notice.
2. Consistent with Section 4-115 of the City Charter, the City Clerk shall file and maintain the availability of a copy of the Ordinance within the Office of the City Clerk, and shall provide a complete set of such documents to the Council and the Mayor.
3. Consistent with Section 4-115 of the City Charter, a public hearing regarding the proposed repeal of Article VI will take place on Thursday, September 25, 2014, at the Coleman A. Young Municipal Center, 2 Woodward Avenue, on the 13<sup>th</sup> floor in the City Council Committee of the Whole Room at 3:30 p.m.
4. Absent any further EM Order to the contrary, upon the conclusion of the public hearing described in Paragraph 3, the Ordinance in Exhibit A shall be effective immediately (the "Effective Date"), and Article VI shall be repealed in its entirety.
5. Absent any further EM Order to the contrary, as soon as practicable following the conclusion of the public hearing described in Paragraph 3, and no later than October 1, 2014, the City Clerk is hereby instructed to publish the Ordinance contained in Exhibit A in a daily newspaper of general circulation in the City, together with a notice of its enactment, which shall include the effective date of the Ordinance. After publication, the City Clerk is further instructed to take such steps as are necessary or appropriate for the Ordinance to be printed in a form for codification within the Code and take such other steps as may be required with respect to the Ordinances under Section 4-119 of the City Charter.
6. Upon the Effective Date, as a result of the repeal of Article VI, any zones or designated areas established pursuant to Act 344 and Article VI are extinguished by operation of law, and any related authority or functions previously conferred by Article VI shall have no further force or effect.

7. All orders of the EM, ordinances, and resolutions of the Council, and all parts of orders, ordinances, or resolutions, in conflict with this Order (including the attached Ordinances) are hereby repealed to the extent of such conflict.
8. Nothing in this Order shall be interpreted as contrary to Federal law.
9. If any component of this Order is declared illegal, unenforceable, or ineffective by a court of competent jurisdiction, such component shall be deemed severable so that all other components contained in this Order shall remain valid and effective.
10. The EM may modify, amend, rescind, replace, supplement, or otherwise revise this Order at any time.
11. This Order shall be effective immediately.
12. This Order shall be distributed to the Mayor, Council members, and all department heads.

Dated: September 22, 2014

By:

  
Kevyn D. Orr  
Emergency Manager  
City of Detroit

cc: Mayor Mike Duggan  
Members of Detroit City Council  
City of Detroit Department Heads

**EXHIBIT A**

**ORDINANCE NO. 34-14**

**SUMMARY**

The proposed ordinance will amend Chapter 14 of the City Code, *Community Development*, Article VI, *Citizens' District Councils*. In particular, Article VI will be repealed in its entirety.

**BY ORDER OF THE EMERGENCY MANAGER, CITY OF DETROIT:**

**AN ORDINANCE** to repeal Chapter 14 of the 1984 Detroit City Code, Community Development, Article VI, Citizens' District Councils, in its entirety.

**IT IS HEREBY ORDAINED BY THE PEOPLE OF THE CITY OF DETROIT THAT:**

**Section 1.** Chapter 14 of the 1984 Detroit City Code, *Community Development*, is amended by repealing, effective \_\_\_\_\_, 2014, Article VI, *Citizens' District Councils*, in its entirety as follows:

~~CHAPTER 14. COMMUNITY DEVELOPMENT  
ARTICLE VI. CITIZENS' DISTRICT COUNCILS~~

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~~Sec. 14-6-1. Intent.~~

~~[This article is enacted as] an ordinance to implement the power granted by the state pursuant to Public Act No. 344 of 1945, as amended [MCL 125.71 et seq., MSA 5.3501 et seq.], by establishing a method for participation and representation by residents of a district area and by persons with a demonstrable and substantial interest in an area where rehabilitation and redevelopment activities are proposed to take place by the public sector.~~

~~Sec. 14-6-2. Definitions.~~

~~For the purposes of this article, certain terms used are herewith defined:~~

~~*Citizen* shall mean a person entitled to full civil rights either by birth or by naturalization in the United States.~~

~~*Demonstrable and substantial interest* shall mean ownership of property in the district council area or operation of a business or institution in the district council area.~~

~~*Development area* shall mean that portion of an area designated either for rehabilitation or redevelopment and to which a development plan is applicable.~~

~~*Development plan* shall mean a plan for the rehabilitation of all or any part of a district area.~~

~~*District area* shall mean a portion of the city consisting of one or more development areas and which has been so designated by city council action pursuant to Public Act No. 344 of 1945 as amended [MCL 125.71 et seq., MSA 5.3501 et seq.].~~

*Noncitizen resident* shall mean a foreign-born resident who has not become a naturalized citizen and who is registered with the U.S. Immigration Service.

*Rehabilitation* shall mean overall improvements to an area to which a development plan applies, including acquisition and development of properties.

*Resident* shall mean a person who resides within the boundaries of the district council.

### ~~Sec. 14-6-3. Designation of district and development areas.~~

~~Pursuant to Public Act No. 344 of 1945, as amended, [MCL 125.71 et seq., MSA 5.3501 et seq.] district areas may be designated by the city council for the purpose of public participation in the planning, property acquisition, disposition, and financing of rehabilitation of an area. The city council may designate by ordinance a district area after first holding a public hearing thereon. The city council shall give notice of such public hearing not less than twenty (20) nor more than thirty (30) days prior to the date for the public hearing.~~

### ~~Sec. 14-6-4. Establishment procedure; purpose.~~

- ~~(a) — A citizens' district council shall be established for each district area designated by the city council.~~
- ~~(b) — The purpose of a citizens' district council is to advise the appropriate city departments on planning and development as well as other matters delineated in Public Act No. 344 of 1945, as amended [MCL 125.71 et seq., MSA 5.3501 et seq.] for the district area it represents.~~
- ~~(c) — District councils, to the extent consistent with Public Act No. 344 of 1945 as amended, [MCL 125.71 et seq., MSA 5.3501 et seq.] shall work with and through appropriate city agencies and in particular with the director and staff of the community and economic development department which is the city department responsible for administering programs carried out under Public Act No. 344 of 1945 as amended [MCL 125.71 et seq., MSA 5.3501 et seq.].~~
- ~~(d) — It shall be the responsibility of the community and economic development department to periodically consult with and advise the citizens' district council for a development area regarding all aspects of the development plan. Consultation between the district council and local officials must take place prior to city council approval of the development plan. Development plan changes or amendments to development projects: The city shall incorporate into the development plan the desires and suggestions of the district councils to the extent feasible.~~



- (e) — Citizens' district councils may, after consultation with the community and economic development department, be eligible for funding for staff where project activities are underway.

**Sec. 14-6-5. Membership composition; selection of members.**

- (a) — Each citizens' district council shall consist of not less than twelve (12) nor more than twenty four (24) members. Membership to the citizens' district council shall be attained either by mayoral appointment or by election. The selection of members shall be in the following manner: Not later than forty five (45) days after enactment of the ordinance designating the district area for new citizens' district councils, the mayor shall appoint twelve (12) members of that citizens' district council and shall designate terms of office for these appointments as follows:

- (1) — Eight (8) members shall serve one-year terms;  
(2) — Two (2) members shall serve two-year terms;  
(3) — Two (2) members shall serve three-year terms.

The effective date for terms of office for both appointed and elected members of a district council shall be May 1. For the purpose of newly established district councils, the terms of the twelve (12) appointed members shall be deemed effective from the preceding May 1. In such cases, appointees' terms of office may be less than one year.

- (b) — Thus with the term of office for the eight (8) members appointed to serve one year, expiring on May first following their appointment, the total number of positions to be filled at that time shall be twenty (20). An election to fill eighteen (18) of those positions shall be held at the next regularly scheduled election for all district councils. At that election the six (6) candidates receiving the highest number of votes shall be declared elected to a term of three (3) years; the six (6) candidates receiving the next highest number of votes shall be declared elected to a term of two (2) years; the six (6) candidates receiving the next highest number of votes shall be declared elected to a term of one year.
- (c) — The remaining two (2) positions shall be filled by mayoral appointment. At that time and thereafter, the number of mayoral appointees serving at any one time shall be six (6) excluding any appointments made to fill vacancies in elected positions.
- (d) — Each year an election shall be held at which time vacancies created by expiration of terms of office shall be filled for three-year terms, except for those positions, to be filled by mayoral appointment.

~~(e) — When a citizens' district council has been in existence for one year all new appointments, excluding those made to fill vacancies, in unexpired terms, shall be for three-year terms of office.~~

~~(f) — All mayoral appointments shall be made in consultation with the citizens' district council. The district council shall give public notice to the district council area of positions to be filled by mayoral appointment, the notice to include a deadline date for response and the place to which nominees' names should be sent. The district council shall consider possible recommendations at a subsequent meeting of the district council.~~

~~(g) — Where appointments are made to fill a vacancy previously held by an elected resident, the vacancy must be filled by a citizen who is a resident of the district area.~~

~~(h) — The majority of citizens' district council members serving at any one time must be citizens who reside in the development area as defined in Public Act No. 344 of 1945, as amended [MCL 125.71 et seq., MSA 5.3501 et seq.]. In no case at any time shall the number of appointees who reside outside the area exceed six (6), except in the following instances:~~

~~(1) — That where the number of occupied dwelling units in the area is less than the number of business establishments in the area, the majority of the citizens' district council need not be composed of citizens living in the development area.~~

~~(2)~~

~~Where there are no residents, the mayor shall appoint district council members.~~

~~Unless noted otherwise in the ordinance establishing a district area or amended thereafter, a single business, nonprofit or institutional entity or a multiple ownership of a single or multiple piece of property shall be limited to one representative on the citizens' district council.~~

#### **Sec. 14-6-6. Vacancies in office.**

~~(a) — Any vacancy in office, as defined below, in a district council shall be filled by the mayor with the advice of the citizens' district council, as outlined in section 14-6-5, for the remainder of the unexpired term.~~

~~(b) — Persons appointed to fill vacancies in appointive positions must be residents of the district area or must have a substantial and demonstrable interest in the area.~~

~~Persons appointed to fill vacancies in elected positions must be registered voters within the district area and must reside within the district area.~~

~~(c) — A vacancy shall be deemed to exist when:~~

- ~~(1) — The citizens' district council member resigns, in writing, and transmits his or her resignation to either the mayor or the citizens' district council chairperson.~~
- ~~(2) — The citizens' district council member dies.~~
- ~~(3) — The qualification for selection of the citizens' district council member, i.e., residency and/or demonstrable and substantial interest, changes so that the person is no longer qualified as either a resident or a person with a demonstrable and substantial interest.~~
- ~~(4) — The citizens' district council member is absent from three (3) consecutive regularly scheduled meetings of the citizens' district council without notifying the chairperson in advance of his/her absence.~~
- ~~(5) — A position which was available at the yearly election was not filled because there were no eligible candidates for that position.~~
- ~~(6) — The district council member is judged to be legally mentally incompetent.~~
- ~~(7) — The district council member has a permanently physical impairment or disability of such a nature that he or she cannot properly carry out the duties of the office.~~

~~(d) — District council members relocated out of the area as a result of the city carrying out the development plan for the project during their term of office may remain in office until the next scheduled election of that district council.~~

#### ~~Sec. 14-6-7. Effective date for establishment of new district councils.~~

~~If the enactment of an ordinance by the city council designating a district area for a new citizens' district council takes place during the ninety (90) days preceding May first of the year in which the ordinance was enacted, such ordinance shall not take effect prior to that May first.~~

#### ~~Sec. 14-6-8. Eligibility for election to district councils.~~

~~In order to be eligible for candidacy for election to a district council, a person must:~~

- ~~(1) — Reside within the district council area;~~
- ~~(2) — Be a registered voter in the district area at the time the nominee petition is filed; and,~~
- ~~(3) — File a nominating petition containing signatures of at least ten (10) and not more than thirty (30) registered voters who reside in the citizens' district~~

council area. The nominating petition must be filed at the Detroit election commission no later than thirty (30) days prior to the scheduled date of election.

#### **Sec. 14-6-9. Notice of election.**

- (a) — Notice of the election shall be distributed throughout the district area to each resident, property owner, place of business or institution at least forty (40) days but not more than sixty (60) days prior to the election.
- (b) — Notice of election shall contain a map of the district area for which the election is being held. It shall also contain a summary of election and candidacy procedures and requirements.
- (c) — The first special election and all subsequent annual elections for citizens' district councils shall be conducted by the Detroit Election Commission pursuant to rules which it will adopt in accordance with the rule making procedures set forth in the Charter for the city. These rules shall be in conformity with the requirements of this article and Public Act No. 344 of 1945, as amended [MCL 125.71 et seq., MSA 5.3501 et seq.].
- (d) — The election commission shall consult with the coordinating council on community redevelopment in preparing rules of procedure for holding district council elections. The rules shall be adopted by the city council after a public hearing is held.

#### **Sec. 14-6-10. Voting rights.**

- (a) — Persons eligible to vote in district council elections must fulfill one of the following requirements:
  - (1) — Be a citizen eighteen (18) years of age or older who resides in the district area;
  - (2) — Be a noncitizen resident of the district area who is eighteen (18) years of age or older and registered with the U.S. Immigration Service;
  - (3) — Be a person with substantial and demonstrable interest in the area.
- (b) — Each resident and person with a substantial and demonstrable interest is restricted to one vote. This includes property owners who own more than a single property within the district area; single businesses, nonprofit or institutional entities or a multiple piece of property within a district area; and persons who are residents and who operate a business in the district area.

- (c) — ~~Each voter shall be required to sign a ballot affidavit at the time and place of voting, affirming that he or she resides in the district area or has a substantial and demonstrable interest in the area. It shall be a misdemeanor to falsify information on the ballot affidavit. Records of the assessors office shall be used in mailing notices and preparing certificates of eligibility for persons, businesses, or other entities having a demonstrable or substantial interest.~~
  
- (d) — ~~In the event that the election procedure described for determining terms of office cannot be carried out because two (2) or more candidates have received the same number of votes, the city clerk shall conduct a drawing to determine terms of office for the candidates.~~

**Sec. 14-6-11. Meetings; administration; powers and duties.**

- (a) — ~~The district council shall hold meetings regularly, at least once each month, and shall designate the time and place thereof. It shall adopt its own rules of procedure and shall keep a record of its proceedings. All meetings and records of the council shall be public. A majority of the members of the council shall constitute a quorum for the transaction of business. Available positions which were not filled by election or appointment shall not be counted in determining a quorum.~~
  
- (b) — ~~The general powers and duties of the council shall be in accordance with the provisions of Public Act No. 344 of 1945, as amended, [MCL 125.71 et seq., MSA 5.3501 et seq.] and the general ordinances of the city.~~
  
- (c) — ~~The director of the community and economic development department or the designated deputy shall serve as ex officio on the citizens' district council, without vote. The foregoing city department shall have the responsibility for administering the requirements of this article which pertain to liaison between the citizens' district council and the city agencies.~~
  
- (d) — ~~The mayor of the city shall have the responsibility for enforcement of those portions of this article pertaining to and being directly influenced by appointments to office. The mayor of the city shall also have responsibility for ensuring compliance with those requirements of Public Act No. 344 of 1945, as amended, [MCL 125.71 et seq., MSA 5.3501 et seq.] which apply to citizens' district councils and to the coordinating council on community redevelopment and which may not have been referred to in this article.~~

**Sec. 14-6-12. Coordinating council on community redevelopment.**

- (a) ~~There shall be a coordinating council on community redevelopment, pursuant to Public Act No. 344 of 1945 as amended [MCL 125.71 et seq., MSA 5.3501 et seq.].~~
- (b) ~~Each citizens' district council shall elect four (4) of its members who, together with similarly elected representatives of other citizens' district councils, shall compose the entire membership of the coordinating council on community redevelopment.~~
- (c) ~~The coordinating council shall advise the government on proposed policy on redevelopment programs, make recommendations for new projects, and promote better relations between units of government and residents of designated development areas per Public Act No. 344 of 1945 [MCL 125.71 et seq., MSA 5.3501 et seq.]. In addition, the coordinating council shall be consulted by the election commission on rules of procedure for holding district council elections.~~

#### **Sec. 14-6-13. Termination of district councils.**

~~A public hearing shall be held by the city council at least nine (9) months prior to any proposed discontinuance of a citizens' district council and then for cause only. Examples of cause shall be the completion of physical project activities as defined in the adopted development plan or failure of the city to attain development funds for the project.~~

~~Should a designated district area be discontinued by action of city council or by operation of state legislation, then the district for that district area shall be discontinued.~~

~~If a citizens' district council is to be discontinued, formal written notice of such proposed action must be given by the city council to the citizens' district council.~~

#### **Sec. 14-6-14. Continuance of nonconforming district councils.**

~~Any citizens' district council created under the provisions of paragraph K or L of Ordinance 622-G, as amended, where specific exception has been made regarding the composition of the membership regarding the composition of the membership serving on the district council, may continue to exist as created; further, all citizens' district councils created after March 25, 1981, shall comply with the provisions of this article.~~

#### **Sec. 14-6-15. Amendments to article.**

~~Amendments may be initiated by the city council, the city planning commission, the community and economic development department, or any person, firm, organization, or corporation. Petitions for amendments shall be filed with the city clerk. No amendment to this~~

~~article shall become effective until the city council has held a public hearing at a time and place to be determined by the city council.~~

~~**Sec. 14-6-16. Ordinance creating districts and rehabilitation projects saved from repeal.**~~

~~Nothing in this Code or the ordinance adopting this Code shall affect any ordinance creating any district or rehabilitation project under this article. All such ordinances shall remain in full force and effect as if printed herein.~~

**Section 2.** If any word, clause, sentence, paragraph, provision, or section of this ordinance is invalidated by any Court of competent jurisdiction, the remaining words, clauses, sentences, paragraphs, provisions, and sections shall not be affected and shall continue in full force and effect.

**Section 3.** All ordinances, resolutions, orders, agreements, plans, or other documents governing the implementation of Act 344, Public Acts of Michigan, 1945, or parts thereof, whether codified or not codified, in conflict with the provisions of this ordinance are, to the extent of such conflict, repealed.

**Section 4.** This ordinance is declared necessary to preserve the public peace, health, safety, and welfare of the People of the City of Detroit.

**Section 5.** This ordinance is effective for all purposes as of \_\_\_\_\_ 2014, in accordance with Section 4-118 of the 2012 Detroit City Charter.