

**CITY OF THE VILLAGE OF DOUGLAS
COUNTY OF ALLEGAN
STATE OF MICHIGAN**

RESOLUTION NO. 01-2023

ESCROW POLICY

At a regular meeting of the City Council for the City of the Village of Douglas, Michigan, held at the City of the Village of Douglas City Hall, Douglas, Michigan, on the 6th day of February 2023, at 7:00 p.m.

PRESENT:

ABSENT:

The following Resolution was offered by Councilperson _____ and supported by Councilperson_____.

**RESOLUTION TO ADOPT AN ESCROW POLICY FOR CERTAIN APPLICATIONS,
PROJECTS, AND DEVELOPMENTS**

WHEREAS, The Douglas City Council (“Council”) wishes to adopt an Escrow Policy for planning, zoning, engineering, and legal reviews pursuant to the City of the Village of Douglas Zoning Ordinance, as amended, the Zoning Enabling Act, the State Construction Code, the City’s Charter and all applicable state laws; and

WHEREAS, The City of the Village of Douglas (the “City”) may incur significant out-of-pocket costs and expenses related to the contractual consultation with planning, engineering, legal and other experts that the City does not employ as staff; and

WHEREAS, The Council believes it is reasonable and appropriate to place the burden of costs pertaining to the review of certain applications by expert consultants onto the applicant, rather than onto the taxpayers of the City; and

WHEREAS, The Council intends to collect escrow fees only in a manner that is reasonably proportionate to the costs incurred by the City for the consultation with experts on certain applications.

WHEREAS, The Council intends to adopt this policy to accomplish the aforementioned goals.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS: The City Council does hereby adopt Resolution _____, containing the Escrow Policy as stated below:

ESCROW POLICY

A. Costs to be Covered.

1. The fixed basic zoning and development application fees, as set by the City Council by resolution from time to time and known as the “fee schedule”, shall hereafter cover costs associated with the following:
 - A. Applicant’s appearance at regular Planning Commission, Zoning Board of Appeals, and/or City Council meetings.
 - B. Mailing and legal notice requirements for public hearings.
 - C. Involvement by City officials, staff, and employees (excluding outside contractors or professionals such as township planner engineering, legal counsel, and other services).
2. In addition to the fee schedule established by resolution of the City Council, as amended, all other costs incurred by the City that are directly associated with reviewing various applications, as identified herein, shall be paid (or reimbursed to the City) from the funds provided in an Escrow Account. Said costs include, but are not limited to:
 - A. Mailing, legal notices, compensation for special Planning Commission meetings, and Planning Commission subcommittee meetings.
 - B. Mailing, legal notices, and Zoning Board of Appeals member compensation for special Zoning Board of Appeals meetings.

- C. Services of the City Attorney, Engineer and/or Planner, Zoning Administrator, or Assessor directly related to the application.
- D. Services of other professionals including specialized consultants working for the City which are directly related to the application.
- E. Any additional public hearings, required mailings and legal notice requirements necessitated by the application.

B. Projects Requiring Escrow. Projects and applications that may require the submittal and maintenance of an Escrow Account include the following:

- i. Residential and Non-Residential Development
- ii. Site Plan Review
- iii. Rezoning Requests
- iv. Petition for Text Amendment to the Zoning Ordinance
- v. Land Divisions
- vi. Special Land Uses
- vii. Administrative Site Plan Review
- viii. Variance Requests
- ix. Zoning Text Interpretations
- x. Appeal of Zoning Administrator's Determination
- xi. Public Acceptance of Private Roads
- xii. Other projects or applications the City determines the need to establish an Escrow Account based on the reasonable potential for exceptional or unusual costs being incurred as expressed herein.

C. Escrow Deposit Amount. The Escrow Accounts for the above applications are to be established in increments of \$500.00, commencing with an initial deposit to the City Treasurer at the time of

application. The Zoning Administrator or his or her designee shall set the amount of the initial deposit reasonably estimated to be sufficient to cover the expected costs to be paid from the Escrow Account. Generally, the initial deposit shall be not less than \$1,000. No application shall be processed prior to payment of fees established by resolution of the City Council or required escrow deposits.

D. Reimbursement. Any funds remaining in an Escrow Account after the completion of the project, as determined by the Zoning Administrator or his or her designee, will be refunded to the applicant of record. The Zoning Administrator or his or her designee shall notify the City Treasurer in writing and accompanied by documentation to validate the completion of the project.

E. Interest. No interest shall be applied to an existing Escrow Account or paid on a refunded Escrow Account.

F. Replenishment. At no time prior to the completion of the project shall the Escrow Account balance be allowed to drop below \$500.00. If the Escrow Account balance does drop below \$500.00, the City Treasurer will notify the applicant if additional funds are required for anticipated costs. The applicant must then deposit an additional amount of at least \$500.00 or such greater amount as determined by the Zoning Administrator or his or her designee to be reasonably necessary to cover anticipated remaining or future expenses, or both, to be paid from the Escrow Account. No further review and processing of the subject application or any other applications associated with the project shall occur until the Escrow Account has been replenished with funds in the amount determined by the Zoning Administrator or his or her designee.

G. Record of Escrow. The City Treasurer has the authority to make Disbursements of Escrow Account funds to reimburse the City for paying costs associated with professional consultants as

identified in Part A of this Policy. The City shall maintain all records of escrow deposits and disbursement of funds for each Escrow Account.

H. Appeals. If an applicant objects to the reasonableness or amount of the Escrow Amount funds required to be deposited in accordance with Part C of this Policy, or how the funds have been applied, the applicant may appeal the City’s determination regarding these matters to the City Council.

I. Adoption. This resolution shall take immediate effect upon its adoption.

J. Conflict. All resolutions and parts of resolutions in conflict herewith are, to the extent of such conflict, repealed.

UPON VOTE FOR THE ADOPTION OF SAID RESOLUTION, THE VOTE WAS:

YEAS: Council Members:

NAYS: Council Members:

ABSTAIN: Council Members:

ABSENT: Council Members:

ADOPTED this 6th day of February, 2023

CITY OF THE VILLAGE OF DOUGLAS

BY: _____
Jerome Donovan, Mayor Date

BY: _____
Pamela Aalderink, City Clerk Date

CERTIFICATION

I, Pamela Aalderink, the duly appointed Clerk of the City of the Village of Douglas, do hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the Douglas City Council at a regular meeting held on Monday, February 6th, 2023 in compliance with the Open Meetings Act, Act No. 267 of the Public Acts of Michigan, 1976, as amended, the minutes of the meeting were kept and will be or have been made available as required by said Act.

CITY OF THE VILLAGE OF DOUGLAS

BY: _____
Pamela Aalderink, City Clerk