

**MINUTES
CITY OF FARMINGTON HILLS
FARMINGTON HILLS CITY COUNCIL
CITY HALL – COMMUNITY ROOM
MARCH 3, 2025 – 6:00PM**

The study session meeting of the Farmington Hills City Council was called to order by Mayor Rich at 6:00pm.

Council Members Present: Aldred, Boleware, Bridges, Bruce, Dwyer, Knol and Rich

Council Members Absent: None

Others Present: City Manager Mekjian, Assistant City Manager Mondora, City Clerk Lindahl, Director Brown, and City Attorney Joppich

CLOSED SESSION ITEM:

CONSIDERATION OF APPROVAL TO ENTER INTO A CLOSED SESSION TO DISCUSS COLLECTIVE BARGAINING NEGOTIATIONS WITH FIREFIGHTERS ASSOCIATION OF MICHIGAN (FAOM). (NOTE: COUNCIL WILL RETURN TO OPEN SESSION IMMEDIATELY FOLLOWING THE CLOSED SESSION).

MOTION by Bridges, support by Boleware to enter into a closed session to discuss collective bargaining negotiations with Firefighters Association of Michigan (FAOM).

MOTION CARRIED 7-0.

MOTION by Boleware, support by Bridges to return to open session at 6:30pm.

MOTION CARRIED 7-0.

STUDY SESSION ITEMS:

DISCUSSION ON THE USE OF CITY FACILITIES POLICY AMENDMENTS REGARDING CITY HALL ROOM RENTALS AND IDENTIFYING INTERIOR OF AMPHITHEATER

Mayor Rich opened the discussion by noting that staff had revised the language to provide greater specificity, particularly regarding the designation of areas within Heritage Park, including the amphitheater.

City Clerk Lindahl explained that the revised policy now clearly outlines the amphitheater's interior as off-limits during events, while at other times it is considered part of the park's public space. City Attorney Joppich further clarified that:

- A map has been attached to visually define the areas of the amphitheater's interior, including a clearly defined outline of the amphitheater, distinguishing it as the only specifically identified area within the park aside from park maintenance facilities. Section D.8 of the policy is adjusted to provide greater clarity, aligning with the City Clerk's recommendation to explicitly define the interior areas of the amphitheater.
- While the amphitheater itself is delineated as a restricted area during events, the surrounding park areas remain accessible to the public. Petition gathering and other free speech activities are permitted in all open-air areas of the park, which are designated as traditional public forums. This

designation aligns with legal precedent regarding free speech rights and this terminology in the policy ensures legal clarity in the event of a review by the courts or other legal entities.

- Certain park facilities, such as the Spicer House and the pavilion, are restricted when rented for private events. During these times, petitioners and other individuals engaging in free speech activities are not permitted within these rented spaces. However, the surrounding areas, including the playground and splash pad, remain traditional public forums where free speech activities may take place.
- Parking lots and roadways are explicitly excluded from petitioning activities. This restriction is based on public safety concerns.

Council Questions and Discussion

In response to a question from Council Member Boleware on whether petitioners could collect signatures in private event spaces if invited by the host, City Attorney Joppich confirmed that while the policy does not explicitly allow it, enforcement would be based on complaints, and an invitation would likely prevent any issue from arising.

Council Member Knol expressed concern that the policy remains difficult to navigate, requiring individuals to read multiple sections to understand the rules. She suggested that the City Clerk's Office create a one-page reference document listing permitted and restricted areas for petitioning to make the information more accessible.

It was the consensus of council to bring the policy back to a regular meeting for approval of the amendment regarding the amphitheater.

Mayor Rich reiterated that revising the policy to allow for signature gathering would apply to all free speech activities. She also noted that discussions on the policy as it relates to other city facilities, such as City Hall and the Costick Center, would continue at a future time.

DISCUSSION ON POLICY REGARDING SPONSORSHIP OF EVENTS, NAMING RIGHTS, AND ADVERTISING

City Manager Mekjian introduced updates to the 2011 policy, noting that significant revisions were needed due to new city facilities and the establishment of the Communications and Community Engagement Department. The proposed changes include:

- Updating language to reflect the new Communications and Community Engagement Department.
- Enhancing promotional opportunities for sponsored events through press releases, digital platforms, newsletters, and print materials.
- Establishing new thresholds for donation approvals:
 - Donations of \$25,000 or less may be approved by the department director.
 - Donations exceeding \$25,000 require approval from both the department director and city manager.
- Maintaining City Council's authority over naming rights for city facilities.
- Aligning the policy with public art initiatives, allowing significant financial contributions for public art projects.

Council discussion

In response to questions from Council Member Bridges, City Manager Mekjian acknowledged that the revised policy removes Council from the approval process for donations and sponsorships up to \$25,000.

He explained that this change was intended to streamline the donation process, allowing donations to be made without waiting for a Council meeting or without having to schedule a special meeting. Council Member Bridges expressed his preference to restore Council's role in approving donations exceeding \$20,000, arguing that elected officials should be involved in such financial decisions. There did not seem to be a compelling reason to change this process. Council Member Dwyer agreed.

Special Services Deputy Director Farmer provided background on prior sponsorship and grant-seeking efforts for the Special Services Department, noting that a contractor had been hired to pursue grant funding at no cost to the City, where the contractor would take a percentage of what was brought in, with only limited success. Over the past five years, from 2021 to 2026, grant funding totaled approximately \$830,000 so far. \$600,000 in donations was received last year with 50% of that amount coming from in-kind contributions.

Council Member Knol highlighted the need to distinguish between different types of financial contributions. She referenced the sponsorship model used in Sterling Heights, where businesses provide funding for specific festival events in exchange for naming rights. Under that model, Council does not approve event sponsorships, as they are managed administratively through staff. She argued that Council should only be involved in approving naming rights for permanent facilities, such as parks or buildings, rather than event-related sponsorships, and did not need to approve sponsorships at all. Requiring Council approval for event sponsorships would hinder the ability to secure funding in a timely manner.

Council Member Bruce agreed with Knol's perspective. He recalled that past policy changes stemmed from concerns regarding naming decisions, which had been done outside of Council's approval.

City Attorney Joppich confirmed that the 2011 policy had been established to provide clarity on sponsorships and naming rights, ensuring that permanent naming decisions remained with Council while event sponsorships could be managed administratively.

Mayor Pro Tem Dwyer suggested breaking the policy into distinct categories to specify what decisions should be brought before Council and which can be handled administratively. The current proposal lacks sufficient detail.

City Attorney Joppich confirmed that under the 2011 policy, monetary contributions required approval based on their value:

- Donations up to \$9,999 required approval from the Special Services Director.
- Donations between \$10,000 and \$19,999 required approval from both the Special Services Director and the City Manager.
- Donations exceeding \$20,000 required City Council approval.

Council Member Bridges supported Council retaining its previous level of oversight.

Council Member Aldred expressed general support for the proposal but inquired whether a comprehensive list of facilities subject to naming rights had ever been established. City Manager Mekjian confirmed that no such list exists, and naming rights decisions continue to be addressed on a case-by-case basis, requiring Council approval.

Further discussion focused on the following:

- Clarification on Sponsorships vs. Naming Rights: Council discussed the distinction between sponsorships and naming rights. It was noted that if a company wishes to fund a permanent structure (e.g., an awning over baseball fields) and have their name associated with it, this will fall under naming rights. Conversely, sponsoring an event like a softball tournament would be considered a sponsorship.
- Regarding event sponsorship, the policy revision primarily seeks to increase revenue for the Special Services Department. However, donations could be made to any department, including police or fire services, not just Special Services.
- A process should be put in place for the Arts Commission to have input on how public art donations are handled, particularly for permanent installations.

It was suggested that the policy language be revised to ensure that Council is at least notified of donations. A recommendation was made to specify that all donations of \$25,000 or less require department director approval with notification to both the City Manager and Council, while donations exceeding \$25,000 require approval from both the Special Services Director and City Manager, with notification to Council. The City had received \$600,000 in sponsorships last year without Council being notified of the donors.

Council Member Bridges was concerned that the proposed policy changes may shift too much decision-making authority to City administration. City Council represents the public and should retain oversight, particularly in financial matters.

Council Member Knol offered a different perspective, suggesting that increasing sponsorship approval thresholds aligns with inflation and ensures the City secures value for taxpayers. Additional sponsorship revenue is necessary to address budget deficits at the Hawk Community Center and other City programs. Allowing staff to design competitive sponsorship packages without requiring frequent Council approvals was a way to make the sponsorship process more attractive to businesses. Requiring Council approval for smaller sponsorships could delay funding opportunities and create administrative inefficiencies.

City Manager Mekjian confirmed that the City does not have the staff necessary to conduct large-scale fundraising and that external firms specializing in sponsorship acquisition could be engaged on a cost-neutral basis, earning a percentage of the funds they secure.

Moving forward

- There was support – but not consensus – that temporary sponsorships, such as those for City events, could be handled administratively. Some Council Members continued to support Council approving sponsorships over a certain amount, such as \$20,000 or \$25,000
- Permanent naming rights should require Council approval, ensuring proper oversight and alignment with city policies
- Tiered sponsorship levels for events like the City's open house could be developed in coordination with the Communications Department, similar to those used by the Chamber of Commerce, where sponsors receive recognition based on contribution levels.
- Council deliberated on the frequency of reports regarding sponsorships. While annual reporting was suggested, some members pointed out that more frequent reporting would keep them informed

and allow timely acknowledgement of contributors. Consensus leaned towards quarterly reports for all monetary sponsorships exceeding \$5,000.

- City Manager Mekjian proposed that sponsorship revenues be included in the city's financial reports. This integration would provide transparency and allow for comprehensive tracking of funds.

ADJOURNMENT

The Study Session meeting was adjourned at 7:07pm.

Respectfully submitted,

Carly Lindahl, City Clerk