



**TO:** Members of Troy City Council  
**FROM:** Lori Grigg Bluhm, City Attorney  
Christopher J. Forsyth, Assistant City Attorney  
**DATE:** April 1, 2008  
**SUBJECT:** Amendment to Chapter 3, Section 1.78- Unclaimed Property

---

In cooperation with the Troy Police Department, our office has prepared a proposed amendment to Chapter 3, Section 1.78 of the City of Troy Ordinances-Administrative Service. This amendment is being proposed to allow the Troy Police Department to donate several unclaimed bicycles to the Oakland County Sheriff, who operates a program entitled *Sheriff's Recycle for Kids*. Under this program, the Oakland County Sheriff collects new, used, or damaged bicycles, which get refurbished by inmates in the Oakland County Jail. Once the bikes are repaired or refurbished, the bikes are then donated to charities, such as the Boys and Girls Club of South Oakland County, Easter Seals, or St. Vincent de Paul of Pontiac.

Currently, the Troy Police Department stores these unclaimed or abandoned bicycles in the property room for two years, until they can be sent to auction. At the last auction, the total proceeds received for all of the bicycles was completely offset by the cost of conducting the auction. This did not include administrative time prior to the auction.

Under a recent amendment to Michigan law (MCL 434.171. and MCL 434.181), municipalities are now authorized to donate bicycles to the local sheriff's department. However, the current ordinance provisions require all unclaimed property to be sold at auction, with the proceeds going into the general fund.

Even though the dollar amounts are not substantial, City Council must still insure that public dollars are being used for a public purpose. Council could opine that the donation of these bikes under the *Sheriff's Recycle for Kids*, satisfies the public purpose requirement. Therefore, the proposed amendment is being provided to you for your review. It is our intent to submit this as a proposed action item for the April 21, 2008 regular City Council meeting. In the interim, if Council has questions, concerns, suggestions or objections, please let us know as soon as possible.

CITY OF TROY  
AN ORDINANCE TO AMEND  
CHAPTER 3 OF THE CODE  
OF THE CITY OF TROY

The City of Troy ordains:

Section 1. Short Title

This Ordinance shall be known and may be cited as an amendment to Chapter 3, Administrative Service, of the Code of the City of Troy.

Section 2. Amendment

Chapter 3, Section 1.78, shall be amended as follows:

- 1.78. Unclaimed Property. As to any property remaining in the custody of the Police Department as to which there are no claims pending and no finder having any rights therein, the Police Chief shall cause said property, except money, to be sold at public auction, reserving the right to reject any or all bids, or to be sold by a system recommended by the City Manager and approved by resolution of City Council. If the unclaimed property is a bicycle, the Police Chief or his/ her designee may donate it to a state licensed charitable organization, or to the Oakland County Sheriff, in connection with any Sheriff operated recognized charitable program as provided in 1959 PA 54, MCL 434.171 et. seq. as amended. By written authorization of the City Manager, unclaimed property may be retained by the City for City use. Notice of the time and place of such sale shall be given by publishing notice thereof in a newspaper of general circulation with the City and posted for ten (10) days in three (3) of the most public places in the City. Such notice shall set forth a full description of said property. The Police Chief is hereby authorized to deliver and convey such property to the successful purchaser upon payment of the full purchase price without any warranty or representation as to title and with the understanding that in the event the rightful owner recovers such property in an action at law against such purchaser, that the liability of the City of Troy shall be limited to the amount paid by said purchaser for such property. The proceeds of all such sales and any money which shall have been held for sixty (60) days against which there is no claim pending either by any purported owner or by the finder thereof, shall be paid by the Police Chief to the City Treasurer to the credit of the General Fund. The City of Troy may purchase property at any such sale in the same manner as any other bidder.

Section 3. Savings

All proceedings pending, and all rights and liabilities existing, acquired or incurred, at the time this Ordinance takes effect, are hereby saved. Such proceedings may be consummated under and according to the ordinance in force at the time such proceedings were commenced. This ordinance shall not be construed to alter, affect, or abate any pending prosecution, or prevent prosecution hereafter instituted under any ordinance specifically or impliedly repealed or amended by this ordinance adopting this penal regulation, for offenses committed prior to the effective date of this ordinance; and new prosecutions may be instituted and all prosecutions pending at the effective date of this ordinance may be continued, for offenses committed prior to the effective date of this ordinance, under and in accordance with the provisions of any ordinance in force at the time of the commission of such offense.

Section 4. Severability Clause

Should any word, phrase, sentence, paragraph or section of this Ordinance be held invalid or unconstitutional, the remaining provision of this ordinance shall remain in full force and effect.

Section 5. Effective Date

This Ordinance shall become effective ten (10) days from the date hereof or upon publication, whichever shall later occur.

This Ordinance is enacted by the Council of the City of Troy, Oakland County, Michigan, at a regular meeting of the City Council held at City Hall, 500 W. Big Beaver, Troy, MI, on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Louise E. Schilling, Mayor

\_\_\_\_\_  
Tonni Bartholomew. City Clerk