



CITY OF GRAND RAPIDS AGENDA ACTION REQUEST

Item Number: 2

DATE: January 13, 2026

TO: Mark Washington, City Manager

COMMITTEE: Fiscal Committee

LIAISON: Molly Clarin, Chief Financial Officer

FROM: Philip Strom, Interim City Attorney
Department of Law

SUBJECT: **Resolution Adopting Revisions to City Commission Policy 100-06,
“City of Grand Rapids Conflicts of Interest, Ethics, and Financial
Disclosure Policy”**

Public discussions took place on July 29, 2025, and September 9, 2025, at the City Commission’s Committee of the Whole meeting related to existing City Commission Policy 100-06. City Commission Policy 100-06 relates to conflict of interest and ethical standards of conduct for elected and appointed City officials. The Committee of the Whole referred the item to the City Commission Fiscal Committee to determine appropriate additional fiscal disclosure requirements for elected officials. A proposed revised 100-06 was approved 2-1 by the Fiscal Committee on October 7, 2025.

Following the Fiscal Committee meeting on October 7, 2025, the recommendations were again presented to the City Commission Committee of the Whole on November 18, 2025. The Committee of the Whole did not approve the Fiscal Committee version, instead referring the policy back to the City Commission Fiscal Committee to remove certain private spousal information and also to consider additional disclosures related to business partners appointed to city committees.

This revised version takes into consideration the conversations throughout the debate of the concept of a revised policy.

Your FISCAL COMMITTEE recommends the adoption of the following resolution adopting revisions to City Commission Policy 100-06, "City of Grand Rapids Conflicts of Interest, Ethics, and Financial Disclosure Policy".

WHEREAS:

1. Financial disclosures required by this policy represent a minimum expectation of transparency, and individuals subject to this policy are encouraged to make financial disclosures in addition to those required by this policy; and
2. The City Commission desires to require City elected officials to file annual financial disclosure reports in addition to disclosing conflicts of interest as required by state law; therefore

RESOLVED:

1. Beginning in 2026, each elected official shall file an annual financial disclosure report with the City Clerk on or before May 15 of each year. Disclosures shall be provided on a standard financial disclosure form known as Attachment B and shall disclose Spousal Information, Employment & Income, Organizational Roles, Assets, Liabilities, Employment Agreements pursuant to Board Action taken on January 13, 2026.
2. The following definitions apply to this section of the policy and to the standard financial disclosure form, Attachment B:
 - i. "Blind trust" means a qualified blind trust or qualified diversified trust as those terms are defined in 5 CFR 2634.403.
 - ii. "Business Partner" means any individual with whom the City Commissioner shares ownership, management responsibility, control, or financial interest in a business entity, including corporations, LLCs, partnerships, joint ventures, or sole proprietorships.
 - iii. "Consumer Price Index" means the most comprehensive index of consumer prices available for the West Michigan – Grand Rapids area from the Bureau of Labor Statistics of the United States Department of Labor.
 - iv. "Earned income" means salaries, wages, tips, bonuses, commissions, or other compensation or earnings from employment earned during the reporting period.
 - v. "Elected Official" means all of the following:
 - i. The Mayor
 - ii. A City Commissioner
 - iii. The City Comptroller
 - vi. "Form" means the financial disclosure form provided in accordance with City Commission Policy 100-06, referred to as "Attachment B."
 - vii. "Gift" means payment, advance, forbearance, or the rendering or deposit of money, services, or anything of value, the value of which exceeds \$250.00 in

any 1-month period, unless consideration of equal or greater value is received, therefore. Gift does not include:

- viii. A campaign contribution otherwise reportable pursuant to state law.
 - ix. A loan made in the normal course of business.
 - a. A gift received from a member of the person's immediate family, a relative of a spouse, a relative within the seventh degree of consanguinity as computed by the civil law method, or from the spouse of the relative.
 - b. A breakfast, luncheon, dinner, or other refreshment consisting of food and beverage provided for immediate consumption.
 - c. A donation to an officeholder expense fund otherwise reported pursuant to state law; and
 - x. "Honorarium" means that term as defined in section 7 of the Michigan campaign finance act, 1976 PA 388, MCL 169.207.
 - xi. "Liabilities" means what a person owes to another person, including, but not limited to, mortgages or other debts. For purposes of this act, a debt does not include a revolving debt, an unsecured debt that is from a financial institution or the federal government, medical debt or a debt owed by a business entity.
 - xii. "Reporting period" means the preceding calendar year.
 - xiii. "Spouse" means an individual who is lawfully married to an elected official as described under 26 CFR 301.7701-18.
 - xiv. "Unearned income" means income that is not earned from employment, including, but not limited to, financial prize, unemployment benefits, annuities, stock dividends, deferred compensation, pension, profit sharing, or retirement income. Unearned income does not include inheritance money or a familial gift.
3. The revised policy and included Attachment B shall become a required filing for each elected official beginning in 2026.

CORRECT IN FORM

DEPARTMENT OF LAW



CITY COMMISSION POLICY

SUBJECT	CITY OF GRAND RAPIDS CONFLICTS OF INTEREST, ETHICS, AND FINANCIAL DISCLOSURE POLICY	
NUMBER	100-06	DATE: [MMMM, DD, YYYY]
DEPARTMENT	Executive	
HISTORY	PROCEEDING NUMBER	DATE
	[#####]	12/13/2016
		Mm/dd/2025
ASSOCIATED POLICIES	AP-23-02 – Employee Code of Conduct	

PURPOSE:

To help Elected and Appointed City Officials avoid action that may result in, or create the appearance of:

1. Using public office for private gain.
2. Giving improper preferential treatment to any person or organization.
3. Impeding government efficiency or economy.
4. A lack of independence or impartiality of action.
5. Making a government decision outside of official channels.
6. Affecting adversely the confidence of the public in the integrity of the City.

POLICY:

It is not the intent of this Policy to in any way limit the right or ability of any Elected or Appointed City Official to exercise his or her discretion in making legitimate policy decisions which are within their discretion so long as such action does not provide a special benefit to that person, relieve the Elected or Appointed City Official of a particular duty, or treat that person differently than other similarly situated City residents.

1. Fair and Equal Treatment

No Elected or Appointed City Official shall request, use or permit the use of any consideration, treatment, advantage or favor beyond that which is the general practice to grant or make

available to the public at large. All Elected and Appointed City Officials shall treat all citizens of the City with courtesy, impartiality, fairness and equality under the law.

2. Use of Public Property

No Elected or Appointed City Official shall request, use or permit the use of any publicly owned or publicly supported property, vehicle, equipment, material, money, labor or service for the personal convenience or the private advantage of self or any other person or entity including his or her employer. This requirement shall not be deemed to prevent any Elected or Appointed City Official from requesting, using or permitting the use of such publicly owned or publicly supplied property, vehicle, equipment, material, labor or service which is made available by general practice to the public at large, or which is provided, as a matter of public policy for the use of the Elected and Appointed City Officials in the conduct of official business, as approved consideration for their services to the City.

3. Matters Requiring Disclosure of Conflicts of Interest, Actual and Potential

The following disclosure requirements are established to avoid both actual and potential conflict between the private self-interest and the public interest of Elected and Appointed City Officials:

- A. Self Interest: No Elected or Appointed City Official, either on his or her behalf or on behalf of any other person, shall have an interest in any business transaction with any public body of the City, unless the person shall first make full disclosure of the nature of such interest.
- B. Rule of Necessity: When the performance of official duties shall require, pursuant to the Rule of Necessity*, an Elected or Appointed City Official to deliberate and vote on any matter involving his or her financial or personal interest or that of his or her employer, that person shall publicly disclose the nature and extent of such interest.¹
- C. Dual Employment: No Elected or Appointed City Official shall engage in employment with, or render services for, any person or entity which has business transactions with any public body of the City, without first making full disclosure of the nature and extent of the employment or services.
- D. When a conflict of interest is determined to exist following disclosure, an Elected or Appointed Official shall be disqualified from participating in the deliberations and voting on the matter.

4. Prohibited Conduct & Conflicts of Interest All Elected and Appointed City Officials are prohibited from engaging in the following conduct:

- A. Divulging confidential information to any person not authorized to obtain such information.
- B. Benefiting financially from confidential information.
- C. Representing his or her individual opinion as that of the City or the Commission as a whole.
- D. Misusing City personnel, resources, property, funds or assets for personal gain or private employment purposes.

¹ The Rule of Necessity applies only in situations where the conflict is acknowledged, and there is no possibility of waiting for a quorum without conflicts to decide the issue at a later date because the matter is an emergency. This doctrine may not be invoked when a non-conflicted quorum is present.

- E. Soliciting or accepting a gift or loan of money, goods, services or other things of value which tend to influence the manner in which the Elected or Appointed City Official performs his or her official duties.
- F. Engaging in a business transaction which may cause the Elected or Appointed City Official or his or her employer to derive a personal profit or gain or benefit directly or indirectly as a result of his or her official position.
- G. Engaging in employment or rendering services that are incompatible or in conflict with the discharge of his or her official duties or that tend to impair his or her independence of judgment.
- H. Participating in policy making, the result of which potentially benefits him or her or his or her employer.
- I. Participating in contracts, loans, grants, rate-fixing, or issuing permits involving a business entity or non-profit in which he or she has a substantial interest unless:
 - a. The contract is awarded pursuant to sealed bids, and;
 - b. The Elected or Appointed City Official is not involved directly or indirectly or otherwise refrains from participation in the decision on the award of the contract, and;
 - c. The City Commission, after reviewing the circumstances, determines the award of the contract would be in the best interest of the City.

5. Disclosure, Contents

Whenever a disclosure is required by this policy, it shall be made in a writing filed with the City Attorney on the form attached as Attachment A, entitled Conflict of Interest and Potential Conflict of Interest Disclosure Statement. Each Elected and Appointed Official will be required to sign the Conflict of Interest and Potential Conflict Of Interest Disclosure Statement upon assuming office, or for current Elected and Appointed Officials, as soon as this Policy is in effect, as well as annually. A copy of the Conflict of Interest and Potential Conflict Of Interest Disclosure Statement shall be sent to all Elected and Appointed City Officials no less than annually. In all cases, disclosures shall include:

- A. The identity of all persons involved in the interest. This includes family members, organizations in which Elected and Appointed City Officials or family members are officers, directors, or either directly or indirectly, stockholders or partners, and trusts and estates in which Elected and Appointed Officials or family members have a beneficial interest, or for which they act in a fiduciary capacity. Family members include spouses, parents, brothers, sisters, children, nieces, nephews, spouses of brothers, sisters, and children, and spouses' parents, brothers, and sisters.
- B. The source and amount of income or benefit, direct or indirectly derived from the interest that may be considered as resulting from employment, investment or gift. The person required to file a disclosure statement in accordance with the provisions of this policy must verify, in writing, under penalty of perjury, the information in the statement is true and complete as far as he or she knows.
- C. If it is determined that a conflict exists, the affected Elected or Appointed City Official shall disclose the conflict on the record at an Open Meeting, shall recuse himself or

herself from participating in the discussion and vote relating to the issue, and shall leave the room while the discussion and vote take place.

6. Annual Fiscal Disclosure

Beginning in 2026, each elected official shall file an annual financial disclosure report with the City Clerk on or before May 15 of each year. Disclosures shall be provided on a standard financial disclosure form known as Attachment B and shall disclose Spousal Information, Employment & Income, Organizational Roles, Assets, Liabilities, Employment Agreements pursuant to Board Action taken on _____, 2025.

The following definitions apply to this section of the policy and to the standard financial disclosure form, Attachment B:

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- b. "Business Partner" means any individual with whom the City Commissioner shares ownership, management responsibility, control, or financial interest in a business entity, including corporations, LLCs, partnerships, joint ventures, or sole proprietorships.
- c. "Consumer Price Index" means the most comprehensive index of consumer prices available for the West Michigan – Grand Rapids area from the Bureau of Labor Statistics of the United States Department of Labor.
- d. "Earned income" means salaries, wages, tips, bonuses, commissions, or other compensation or earnings from employment earned during the reporting period.
- e. "Elected Official" means all of the following:
 - i. The Mayor
 - ii. A City Commissioner
 - iii. The City Comptroller
- f. "Form" means the financial disclosure form provided in accordance with City Commission Policy 100-06, referred to as "Attachment B."
- g. "Gift" means payment, advance, forbearance, or the rendering or deposit of money, services, or anything of value, the value of which exceeds \$250.00 in any 1-month period, unless consideration of equal or greater value is received, therefore. Gift does not include:
 - i. A campaign contribution otherwise reportable pursuant to state law.
 - ii. A loan made in the normal course of business.
 - iii. A gift received from a member of the person's immediate family, a relative of a spouse, a relative within the seventh degree of consanguinity as computed by the civil law method, or from the spouse of the relative.
 - iv. A breakfast, luncheon, dinner, or other refreshment consisting of food and beverage provided for immediate consumption.
 - v. A donation to an officeholder expense fund otherwise reported pursuant to state law; and
- h. "Honorarium" means that term as defined in section 7 of the Michigan campaign finance act, 1976 PA 388, MCL 169.207.

- i. "Liabilities" means what a person owes to another person, including, but not limited to, mortgages or other debts. For purposes of this act, a debt does not include a revolving debt, an unsecured debt that is from a financial institution or the federal government, medical debt or a debt owed by a business entity.
- j. "Reporting period" means the preceding calendar year.
- k. "Spouse" means an individual who is lawfully married to an elected official as described under 26 CFR 301.7701-18.
- l. "Unearned income" means income that is not earned from employment, including, but not limited to, financial prize, unemployment benefits, annuities, stock dividends, deferred compensation, pension, profit sharing, or retirement income. Unearned income does not include inheritance money or a familial gift.

7. Duties of the City Attorney

The City Attorney shall examine all disclosure statements filed pursuant to this policy and report to the City Manager any concerns or irregularities that may, in the judgment of the City Attorney require further review. Acceptance of a disclosure statement by the City Attorney shall not constitute approval of the statement.

8. Request for Opinion from the City Attorney

Any Elected or Appointed City Official may request that the City Attorney provide an advisory privileged legal opinion addressed to the entire City Commission interpreting the effect or application of this Policy generally, on conflicts or potential conflicts, disclosed or undisclosed, or on questions directly relating to the propriety of their conduct or the conduct or possible conflicts of another Elected or Appointed City Official in a particular situation. The City Attorney may also identify and make a determination relating to a conflict, disclosed or undisclosed, on his or her own initiative. If the City Attorney is the Appointed City Official with the alleged conflict, outside legal counsel shall render the determination.

9. Policy Enforcement

Following the issuance of an opinion pursuant to section 7, any request seeking enforcement of this Policy shall be presented to the City Commission and City Attorney. The City Commission shall have the authority to render a final decision, including but not limited to censure of the Official found to be in violation of this policy.

Attachment A

CONFLICT OF INTEREST AND POTENTIAL CONFLICT OF INTEREST DISCLOSURE STATEMENT

I have read and understand this Conflict of Interest Statement. There are no present or potential conflicts of interest other than those listed below. I have and will continue to observe the Conflicts of Interest & Ethical Standards Policy. If in the future, circumstances warrant a disclosure of a conflict of interest or potential conflict of interest situation, I will submit an amended Statement within 10 days of my knowledge of the situation.

Signature

Date

DISCLOSURES: Please provide a brief explanation of any conflicts, and potential conflicts, and list all boards and commissions you are involved with or upon which you serve, as well as the names of all current employers, business interests including business ownership interests, and business ventures.

Attachment B

ANNUAL FISCAL DISCLOSURE STATEMENT

I have read and understand CCP 100-06 and this Fiscal Disclosure Statement. There are no present or potential conflicts of interest other than those listed below. Pursuant to this policy and the Board Action resolved on _____, 2025, I hereby disclose the following:

a. Full name: _____

Spouse/Intimate Partner Information

b. Were you married during the reporting period?

c. Spouse's name: _____

d. For any employer or other organization that paid your spouse or intimate partner more than \$5,000.00 in annual income during the reporting period, list the name of the employer(s) or organization and the occupation(s) held:

Employment & Income

b. List the name and address of each employer or organization that paid you **or your spouse** more than \$5,000.00 and the positions held in the reporting period:

c. Did you **or your spouse** receive unearned income over \$5,000.00 in the reporting period (e.g., financial prize, unemployment benefits, annuities, stock dividends, deferred compensation, pension, profit sharing, retirement income)? If yes, list the sources of unearned income, including the origins and addresses of the sources of unearned income:

Organizational Roles

d. List all positions you held in any organization, corporation, firm, partnership, or other business enterprise, nonprofit organization, labor organization, or educational or other institution other than this state during the reporting period (e.g., officer, director, trustee, partner, proprietor, representative, employee, or consultant). If applicable, for each, please provide the name of the organization and the position held: (You do not need to include positions in any: religious, social, fraternal, or political entity, or any position solely honorary in nature.)

e. List all ownership interests you **or your spouse** hold in any organization, corporation, firm, partnership, or other business enterprise during the reporting period. If applicable, for each, please provide the name of the organization and the percentage of ownership held:

f. **Disclose the name and role of any spouse, romantic partner, or business partner who:**

- i. serves on any City of Grand Rapids board, commission, task force, or advisory body;
- ii. holds a paid contract with the City; or
- iii. is actively seeking, bidding on, or negotiating a contract with the City.

(Such disclosure shall include the nature of the relationship, the city entity or contract involved, and any known financial interests.)

Assets

- g. List the street and city for any real property in which you or your spouse held an ownership interest during the reporting period: (Include only real property valued over \$10,000; you may choose to exclude the street number, if applicable.)
- h. List any securities or investments (stocks, bonds, mutual funds, etc.) you or your spouse held or held jointly with your spouse with a fair market value over \$10,000 during the reporting period, including the origins and addresses of the securities or investments: (You are not required to disclose a stock within a widely held investment fund if neither you nor your spouse exercise control over the financial interests held by the fund and the fund is publicly traded or the assets of the fund are widely diversified.)
- i. List any other assets, other than business assets, held for the production of income, or for investment purposes, exceeding \$10,000 in value that you or your spouse owned during the reporting period:
- j. Do you or your spouse hold a beneficial interest in any blind trusts?

Liabilities

- k. List any liabilities you (solely or jointly) owed at any point during the reporting period (e.g., mortgages, loans, credit lines): (You may exclude: any medical debt, unsecured debt from a financial institution or the federal government, any revolving debt, or a business debt.)

Employment Agreements

- l. List any agreements or arrangements made or in effect during the reporting period with respect to the following:
 - i. Any future employment that would commence after you leave office.
 - ii. A leave of absence from any former or current employer taken while serving as a public officer.
 - iii. A continuation or deferral of payments by a former or current employer other than this state to you, or your continuing participation in an employee welfare or benefit plan maintained by a former employer.

m. Do you **or your spouse** hold a majority financial interest in any current or prospective contracts with the City of Grand Rapids? If yes, provide the name of the company and a description of all contracts:

n. Additional disclosures:

Signature

Date