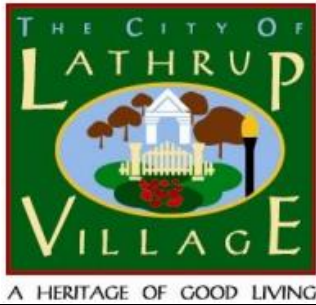




City Council Regular Meeting

Monday, September 15, 2025 at 7:30 PM

27400 Southfield Road, Lathrup Village, Michigan 48076

1. **Call to Order** by Mayor Garrett at 7:33 pm
2. **Roll Call**

Present: Mayor Garrett, Mayor Pro Tem Kantor, Councilmember Hammond, Councilmember Jennings, Councilmember Mannarino-Thompson

Also Present: City Administrator Greene, Attorney Baker, DDA Director Colson, and City Clerk Emanuel

3. **Pledge of Allegiance**
4. **Approval of Agenda**

Moved by Mayor Pro Tem Kantor, seconded by Councilmember Jennings to approve the agenda with the addition of item F. San Jose Gate electricity.

Yes: Garrett, Kantor, Jennings, Hammond, Mannarino-Thompson

No: N/A

Motion Carried

5. **Public Comment for Items on the Agenda** (speakers are limited to 3 minutes)

Jonathan Tara, asked about Police Reports not in the packet and Mayor Garrett informed him that they are in the agenda packet now.

Diane Anderson, commented in part: related to the Surnow Company, their site development plan for the School building, and against the PILOT program.

Mayor Garrett requested that comments be made about the project and not about people.

Tim Hillman, San Quentin Drive, commented in part: that he is looking forward to working with the new members of the Planning Commission that will be appointed by the City Council.

6. **Consent Agenda**
 - A. Approval of Minutes
 - i. 8-18-25 - Council Study Session
 - ii. 8-18-25 - Council Regular Meeting
 - iii. 9-8-25 - Council Study Session
 - B. Building & Code Enforcement Reports
 - C. Finance Department Reports
 - D. Community & Economic Development Report
 - E. Request to Approve Board & Commission Recruitment Policy

Moved by Mayor Pro Tem Kantor, seconded by Councilmember Jennings to approve the Consent Agenda.

Yes: Garrett, Kantor, Jennings, Hammond, Mannarino-Thompson

No: N/A

Motion Carried

Moved by Mayor Pro Tem Kantor, seconded by Councilmember Hammond to amend the original Approval of the Agenda motion for San Jose Gate Electricity item 6.F. to item 8.D.

Yes: Garrett, Kantor, Jennings, Hammond, Mannarino-Thompson

No: N/A

Motion Carried

7. Public Hearings

A. 27700 Southfield Road (Annie Lathrup School Workforce Housing) - PILOT Request

Jordan Sherman and Sam Surnow, presented information regarding the School project and their PILOT request, including:

- What they shared with MSHDA
- The financial margins and risk involved in this project
- They are preserving the Historic part of the building
- The affordable housing shortage
- This affordable housing is based on the average median income for this area
- All units must be attainable housing units priced up to 120% area median income
- That everyone, whether they agree or disagree, cares about the community
- Normally this much information is not disclosed, but this type of loan calls for transparency
- Debt Service Funding Sources
- Debt Service Ratio with Various PILOT Rates
- A Sample Timeline and Project Summary
- Operating Expenses and Net Operating Income
- Other developers were not interested in investing in the site
- Project Specifics of 24/7 Property Management, Dedicated Security, Tenant Amenities, and Commercial Elements
- Potential Community Benefits: Willing to invest in beautifying Annie Lathrup Park, Water Main Repair, Walking Path Enhancements, Dog Park Refurbishment, Children's Playgrounds, Landscaping, Farmers Market, and Hosting Events
- Agreeing to pay the \$120,000 minimum yearly Real Estate Taxes collected payment before the project is completed and rented

Public Hearing opened at 8:26pm.

Jonathan Tara, commented in part: about construction failing to be completed, if the aesthetics of the Ivy Apartments compared to this project, no mention of preservation grants, and the "15-year time bomb"

Karen Harris, Cambridge Blvd. commented in part: thanks to Surnow for a comprehensive explanation, glad that it went from 4% to 4.5% in good faith, and the payments that will begin before it is completed are a win.

Timothy Hillman, San Quentin, commented in part: neither in support or not, asked for a correction in the presentation for the record, mentioned that the referenced Shepard Housing Project in Ferndale, is not just affordable but Senior housing too and that is part of the support for it, and asked if the presentation could be briefly updated with an elevator pitch summary.

Larry Sherman, Attorney for the Surnow Co., commented in part: he has worked on many PILOT requests, PILOTS have been in effect since 1966, they are financial tools that have worked wonderfully, and the notion that the City is giving away benefits is misplaced, because the City has negotiated and the Developer has accepted 4.5%, Community Benefits, and will be getting payments a year after the project begins.

Lillian Kyser Lowery, commented in part: about correcting a % rate and math in the PowerPoint, the opportunity cost of letting the building deteriorate or taking advantage of the opportunity that will give us some revenue, making sure that we get access to the event spaces, if there is a rent rate increase how it impacts taxes that will be collected, and how much developer gets out of this.

Shelly Reeves, California, commented in part: about the Surnow Company saying it was risky, but being confident of leasing at 100%, they know this is a deal, she believes that this is not the only option for the property, feeling the City has rolled out the red carpet for them, not expecting a no vote, but asking for one, it sounds like a creative tool to encourage investment but is a tax break for a developer at the expense of residents, with less money to fund Schools and other items, the rest of us make up the difference, why should a well-financed developer get a special deal while the Community shoulders the burden, wanting sustainable and equitable growth.

Jerianne Clark, Wiltshire Blvd., commented in part: for clarification between the use of attainable and affordable wording in the presentation, rent increases, permanent jobs and job creations long term, how it will benefit the City, City residents access to the shared community spaces and a City discount, the Ferndale referenced project compared to our project and how long it will take to get the MSHDA approval.

Diane Anderson, commented in part: about her opinions about the Surnow Company, the state of the School site, the comparisons in the presentation to Lathrup Village and bigger communities, rent rates, and if there is a written document of the Surnow Company reaching out to Preservation Michigan.

John Sousanis, Rainbow Drive, commented in part: not seeing a win for residents, the negative impact on existing residents from traffic, the stress on Public Safety from bringing in that many people in the development, how it can bring residents a benefit/quality of Life, and potential impact on property values.

Letter from Justin Hindo a resident of Southfield, that was emailed to the City was read by Councilmember Hammond.

Don Eichsteadt, commented in part: If we use this he doesn't think it will bring more, this is a one-time deal, no is the answer.

Public Hearing closed at 8:51pm.

8. Action Requests - For Consideration / Approval

A. Request to Approve Resolution #2025-18 - A Resolution to Approve Tax Exemption & A Payment in Lieu of Taxes (PILOT) for a Workforce Housing Project to be Located at 27700 Southfield Road

Mayor Garrett, and Councilmembers asked the Surnow Company questions and commented:

- About Preservation Grants, and Sam Surnow responded about having looked into them
- Asked about other ways that they have attempted to use the School building over the last 10 years, and Sam Surnow, responded about several companies expressing interest, but never following through on them
- How long they have owned the School and Sam Surnow replied since 1997 or 1998
- How much the developer gets, and Sam replied
- Attainable vs affordable, when do they raise the rent and outprice what they can afford?
- What happens is they don't get MSHDA?
- Mayor Pro Tem Kantor initially thought 10%, after more research it became apparent that PILOTs exist because the State realizes building attainable housing is expensive, and developers will not take on without help
- If there is a way to raise the percentage
- How there could be a larger percentage, and Sam Surnow responded if there were more units on site
- Outside agreement for Community Benefits more than the \$120,000 minimum service payment
- Discussion of possible Community Benefit projects
- If Dogs will be allowed in the apartments, and Sam Surnow replied yes
- If they have looked into other types of funding
- When they needed an answer from City Council and Sam Surnow explained how competitive the programs are from MSHDA
- The impact on the Community with increased traffic, and Public Safety Concerns, and Jordan Sherman, shared that they have met with the Police Department, and will share access to cameras, the building, and license plate readers, and they flew in a traffic consultant who compared this type of development to other types and found no significant increase, and Giffels Webster looked at waste water environmental and retention and were ok to move forward with the plan
- There is \$3 million in grants to replace water mains along Southfield
- That the City is not giving cash, but is investing through the PILOT program
- Jordan Sherman, mentioned the Target market for the apartments and that several Seniors have asked about moving in and selling their homes
- Summary points: annual rent 4.5% which yields \$152,000 a year, relative to the \$22,000 a year, 7 times more than currently getting, if the project doesn't go through the City continues to get 0, and all the current money goes to the DDA, minimum of \$120,000 escalating 5% every year beginning after December 31st of the year that construction starts, 15 years with three 5 year extensions, Park improvements, Track replacement and approximately \$500,000 in permit revenue, commitment to work with us on an annual Community Benefit
- How there could be a larger percentage, and Sam Surnow responded if more grants were available and if there were more units on site

Moved by Mayor Pro Tem Kantor, seconded by Councilmember Hammond to approve Resolution #2025-18 - A Resolution to Approve Tax Exemption & A Payment in Lieu of Taxes (PILOT) for a Workforce Housing Project to be Located at 27700 Southfield Road

Yes: Garrett, Kantor, Jennings, Hammond, Mannarino-Thompson

No: N/A

Motion Carried

B. Request to Approve Personnel Manual of Employment Regulations Updates

Moved by Councilmember Hammond, seconded by Mayor Pro Tem Kantor to approve Personnel Manual of Employment Regulations Updates as presented.

Yes: Garrett, Kantor, Jennings, Hammond, Mannarino-Thompson

No: N/A

Motion Carried

C. Request to Appoint Planning Commissioner

Mayor Garrett recommended Sharon Abraham and Jerianne Clarke to be appointed as Planning Commission members.

Moved by Mayor Pro Tem Kantor, seconded by Councilmember Hammond, to appoint Jerianne Clarke to the Planning Commission for a term expiring August 31, 2028.

Yes: Garrett, Kantor, Jennings, Hammond, Mannarino-Thompson

No: N/A

Motion Carried

Moved by Mayor Pro Tem Kantor, seconded by Councilmember Jennings to appoint Sharon Abraham to the Planning Commission for a term expiring August 31, 2028.

Yes: Garrett, Kantor, Jennings, Hammond, Mannarino-Thompson

No: N/A

Motion Carried

D. Request to approve DTE line extension and secondary service agreement for the Electric Gate on San Jose

Moved by Councilmember Jennings, seconded by Councilmember Hammond to approve the DTE line extension agreement and secondary service agreement and authorize the payment of \$5,371.96.

Yes: Garrett, Kantor, Jennings, Hammond, Mannarino-Thompson

No: N/A

Motion Carried

9. **City Administrator Report** None

10. **City Attorney Report** None

11. Reports of Boards, Commissions, and Committees

- i. Finance Review Committee – Mayor Pro Tem Kantor, announced the Town Hall Tomorrow at 7:00pm, at City Hall, and there have been 8 in homes so far, with 4 more scheduled and 4 remaining at City Hall.
- ii. Downtown Development Authority – CA Greene, announced there is a meeting this Friday.
- iii. Planning Commission - Councilmember Hammond, announced the Meeting tomorrow, will include electing new officers and reviewing the proposed solar and battery ordinance.
- iv. Parks & Recreation - Mayor Pro Tem Kantor, announced: on 9-19 Food Truck Friday, on 9-21 the Fall Gardening Harvest Class, on 9-26 Trivia Night, on Oct 12, the 2nd annual Road Rally, and on Oct. 26th the Ghostly Glow Dance.
- v. Tree Committee – Mayor Garrett, announced that the Women’s club is interested in donating 2 trees to Sarrackwood Park, LV Nature Group planning to donate \$750 for trees, and LV Parks estimating 10 trees: 5 this fall and 5 next Spring, 2026 DTE Grant submitted this month targeting \$8,000 (\$4,000 1 to 1 match), and they are working to have a “tree tip of the month” in the Newsletter and working to update the Lathrup Village tree ordinance, that was last updated in 1991.
- vi. Southfield Public Schools – Councilmember Jennings, announced that Stevenson Elementary is almost done with their updates and the ribbon cutting is tomorrow at 5:00pm.

12. Unfinished / New Business

Mayor Pro Tem Kantor, mentioned that while walking in the Northeast Quadrant every resident brought up the Deer issue, and CA Greene, replied that Southfield is doing a deer cull, in the next two years.

Mayor Pro Tem Kantor, referenced giving some businesses a break, regarding the sign ordinances, especially those that are far away from the road.

13. Public Comment (speakers are limited to 3 minutes)

Shelly Reeves, California, expressed in part: her disappointment in the vote saying in part: the optics of passing this while simultaneously asking residents to pass a Headlee is crazy, why so fast to vote, and commented on what happened at the earlier Study Session and that Study Sessions should be recorded.

Lillian Kyser Lowery, commented in part about: that she appreciates the Study Sessions, the amount the developers are getting up front, access to event space, the Dog Park, bonding insurance, and that she appreciates the work the Council is doing.

Jonathan Tara, while holding plastic bags with Save circular papers in them, commented in part: that they are a circular not delivered by postal mail, dumped all throughout Lathrup Village, violate Fed laws when attached to mailboxes, and asked for an update from the letter that was sent by the City to the company who circulates these papers.

Lauren Beras, commented in part: about the Lathrup Village Music Festival and the Mayor and Councilmembers coming out to support, and that approximately 1,500 people showed up, and there was a real brotherhood vibe.

Karen Harris, commented in part: about the Lathrup Village Music Festival saying: it was outstanding, and thanking Lauren, Bob, Austin, and you and Bob, Austin, and Bartender Hillman.

Timothy Hillman, expressed in part: admiration and awe for the proceedings at the Lathrup Village Music Festival, thanking Lauren and all of the volunteers, saying the answer is showing up together, and complimented the Parks and Recreation Department.

Diane Anderson, mentioned in part: records she saw, about the Surnow Company owning another company, and made more comments regarding Sam Surnow, and the School site, and the Historical Society.

Debbie Hoatlin-Dunn, Lathrup Blvd., expressed in part: that the Music Festival was fantastic and a wonderful way for us all to get together, and thanked the Planning Commission and Surnow Company for implementing suggested changes to the School.

Carlisa Mathis, Margate Ave., commented in part: thanked Council for approving the PILOT, and commented that she had a great time at the festival.

14. Mayor and Council Comments

Mayor Garrett's comments:

- The house on LaCrosse will be demolished
- Promoted the Shredding event on Saturday, September 20th
- Understand what the process is, with that vote it had to be 4 out of 5 votes
- PILOT vs Headlee, I too have pause with that, but you can vote for it and whatever happens we deal with that
- Let's get the recordings back (for Study Sessions) \$6,500 a year, was a reason behind it, seemed to get more to talk with no cameras, feel safe with no cameras

Mayor Pro Tem Kantor:

- Agree, bring back recordings, but the City would need to figure out where \$6k will come from with a Headlee on the ballot
- Sorry Shelly is upset, bullying no, there is no such bullying, he received comments from residents concerned about behavior at the meetings, one person violated rules, and we gave them slack, next time we said something
- On surface asking Headlee override, and asking for a tax break, both tools we use to raise revenue, right now about \$23k in taxes collected, the part that stays (about ½) goes to the DDA the City gets nothing, it is less than the possible \$670,000 that could be all of that would go to the DDA, but with the PILOT the City can negotiate with the DDA to get some of the money, and the DDA will probably be willing to share with the City
- Another RFQ for a sustainable project for the Triangle Properties on the East and West side of the road, and urges residents to submit sustainable plans
- Thanks to Lauren for an amazing job at LVMF
- Thanks to Pam Shermeyer for the hanging baskets she's done throughout the DDA
- League of Women Voters candidate forum on Oct. 9th at 7:00pm

Councilmember Hammond:

- The SAVE circulars, have a contact phone number to opt out, but guys delivering don't have a list of who not to give it to
- Attorney Baker did provide Code Enforcement with ordinances relating to that
- If he sees them passing out the circulars next month, he will call the Code Enforcement
- Others have probably seen who is passing the circulars out too

Councilmember Jennings:

- Talked about the vote, and being hurt at how people come at the Councilmembers
- It is a job and he weighed the pros and cons, and the pros outweigh the cons
- Should allow them the chance to see if it can happen, allow our City a chance to grow

Councilmember Mannarino-Thompson said in part: these are trying times, but on Saturday (LVMF) what a great experience and all about community, and she can't thank you enough.

15. Closed Session

A. Request to enter into Closed Session per MCL 15.268(e) - to discuss pending litigation on Michigan Tax Tribunal Case Numbers 24-001634, 24-001640, and 24-001646

Moved by Councilmember Hammond, seconded by Councilmember Mannarino-Thompson to go into Closed Session to discuss MCL 15.268(e) - to discuss pending litigation on Michigan Tax Tribunal Case Numbers 24-001634, 24-001640, and 24-001646

Yes: Garrett, Kantor, Jennings, Hammond, Mannarino-Thompson

No: N/A

Motion Carried

Moved by Councilmember Hammond, seconded by Mayor Pro Tem Kantor to come out of the Closed Session at 10:37pm.

Yes: Garrett, Kantor, Jennings, Hammond, Mannarino-Thompson

No: N/A

Motion Carried

16. Request to Approve the Retention of Hallahan & Associates as Trial Counsel for Michigan Tax Tribunal Case Numbers 24-001634, 24-001640, and 24-001646

Moved by Mayor Pro Tem Kantor, seconded by Councilmember Jennings to table the approval of the retention of Hallahan and Associates, as counsel for Michigan Tax Tribunal three cases.

Yes: Garrett, Kantor, Jennings, Hammond, Mannarino-Thompson

No: N/A

Motion Carried

17. Adjourn

Moved by Mayor Pro Tem Kantor, seconded by Councilmember Jennings to adjourn the meeting at 10:39pm