



City Council Study Session

Monday, May 19, 2025 at 6:00 PM

27400 Southfield Road, Lathrup Village, Michigan 48076

1. **Call to Order** by Mayor Garrett at 6:06 pm

2. **Discussion Items**

A. Fiscal Year 2025-26 Budget

Mayor Garrett, Mayor Pro Tem Kantor, and Councilmembers discussed:

- Items A. and B. were discussed at the same time

B. Public Act 33 - Special Assessment Roll

- How to balance the budget:
 - Adopting a PA 33 Special Assessment/If so, how much
 - Placing a Headlee override on the ballot
 - The increase in taxes that residents would pay based on the different mills
 - The average amount of tax increase for residents
 - What could be cut from the budget, including the Annie Lathrup Park project
 - How general inflation, the assessment contract fee from Oakland County is going up, a reduction in building permits, cable fees are going down, and sidewalk payments are going down and will be \$0 in the coming years
 - That PA 33 is for one year, and then Headlee would be needed, or cuts in staff on the Police side or the Administration side of City Hall would be needed
 - Budget cuts previously made cannot be made again, like outsourcing the DPW
 - That most residents do not want to outsource our Police Department and use Southfield's Police Department

C. Headlee Override Ballot Language

Mayor Garrett, Mayor Pro Tem Kantor, and Councilmembers discussed the language for the Headlee Override that will be on the November 4, 2025 ballot, to make sure that it is easily understood by voters.

D. Payment in Lieu of Taxes (PILOT) Ordinance

This is an updated version based on feedback received. Attorney Baker added a definition for area median income, based on the US Department of Housing and Urban Development, for this area.

Mayor Garrett, Mayor Pro Tem Kantor, and Councilmembers discussed:

- Fair Market Rent definition
- Adding a Community Benefit
- Wording for a minimum amount and not to exceed amount
- Finding a way to calculate the gap if it is not tax-exempt
- Where and how the PILOT money is reinvested
- Adding more specifics about the duration, for example, 15 years and 3 more 5-year options
- The distribution of other taxes that are not paid to the City, like Zoo and DIA taxes
- Not wanting the City to have to make up for a tax cut
- There is a misconception that it is a one-time payment, but it is 1 payment per year

E. City Council Member Appointment

Mayor Garrett, Mayor Pro Tem Kantor, and Councilmembers discussed that there are 7 candidates for the open appointed Council position, that lasts until November 10, 2025, and they were impressed with the candidates, and the candidates were invited to speak at the Regular Council meeting tonight, and if they are not selected they can run for the open Council positions in the November Election.

3. Public Comments

Diane Anderson complimented Mayor Pro Tem Kantor, Tim Hillman, and the FRC members for the Town Hall meetings, but would like Pie Chart visuals. Ms. Anderson expressed her belief that no one is advocating for Historic District preservation and the grants that go along with it. She believes that she has not seen any proof of apartments needed in Lathrup Village, and believes that the state of the school building was caused by demolition by neglect.

Tim Hillman, San Quentin, commented on PA 33, and the cost to him, referencing the cost per day, wanting to live in a community that is adequately staffed (Admin.) and Police force, and that he supports PA 33, and wants the money for items that are pertinent to Public Safety.

Autumn Sousanis agreed with Mr. Hillman and said she has not voted against a millage, and emphasized that the money cannot be used for chairs or phones; it has to be used for Public Safety.

Don Eichsteadt expressed that PA 33 is a tax increase, and we are already going up under Headlee.

Shelly Reeves, California, expressed for the record her concerns that at the same meeting where we are talking about being short in the budget, we are talking about giving away a lot of taxable revenue for a Surnow development, and she doesn't want it passed on to residents to pay. She said it is disheartening, and it seems no one is hearing her.

Trevor Baker, San Rosa Blvd., expressed in part that he moved from Madison Hts., and likes the small town feel, he is new and one of the most taxable, and looks at the vision of where the money goes, and likes not worrying about the Police coming, trash pick-up, having a working backhoe if there is a water main break, just by paying a little more in taxes to make that happen.

Lauren Beras, Goldengate, commented that the money collected from the Surnow project is collected by the DDA and not the City. She is in support of PA 33, taxes have been frozen, and costs have gone up; she has attended the Town Hall FRC meetings and doesn't see any other option. Mrs. Beras complimented CA Greene, and the work that gets done at City Hall, and doesn't want to lose leaf pick up or a Police Officer.

4. Mayor and Council Comments

Mayor Pro Tem Kantor:

- PA 33 money is a separate fund, and residents can see where it is allocated
- If Headlee passes or not, it is the residents' choice; if Headlee is a no, it would be hard for him to support PA 33 in future years
- Regarding the PILOT, the City and DDA would come up with an agreement
- To Ms. Reeves, the Council is still working on the amount
- Need revenue PA 33 is to bridge the gap, where PILOT gives an incentive to move the development forward, and without it, developers could walk

Councilmember Hammond:

- To Diane, regarding no evidence of apartments needed in Lathrup Village, there was a presentation at the Planning Commission meeting
- To Shelly, saying she was told don't worry about PILOT, currently only looking at current \$23,000 value, the developer can't make it work if they must pay full taxable value, an ordinance creates the opportunity for a discussion that works for the growth of the City, not just for one developer
- Receiving more than \$23,000 will be a benefit in some way and moves the City forward
- Vendor contracts should be based on approved goals, and he wants to see every contract, so each councilmember can look through and make sure there is value

Councilmember Jennings:

- To audience members, open up when we have discussions, share things you are concerned with, and bring that to us during the Council meetings
- Asked CA Greene about the availability of contracts in order to review them

Mayor Garrett, responding to discussions before the start of the meeting, regarding the meeting rules, reiterated that meetings can be adjourned if rules are being violated

5. **Adjourn 7:20 pm**