City Council Study Session

Monday, October 05, 2026, at 6:00 PM

27400 Southfield Road, Lathrup Village, Michigan 48076

1. **Call to Order** by Mayor Kantor at 6:00 pm

Present: Kantor, Hammond, Sousanis, Jennings, Garrett
Absent: n/a
Also Present: City Administrator Greene, City Clerk Emanuel, City Attorney Baker

2. **Discussion Items**

A. PILOT Ordinance Update

MSHDA Representatives: Chief Housing investment Officer Tony Lentych, Clarence Stone Chief Legal Affairs Officer, and Chad Benson Director of Rental Development, and Surnow Company representatives explained in part:

- Explained about deals that needed a little work to help them
- Missing Middle program
- Accelerator fund
- This is a newer PILOT ordinance than others, it was designed a few years ago
- There is no way to make this a low-income project with how they are doing this project, this is not Section 8, once it is set up there is not enough subsidy to make a switch
- New PILOT allows Municipalities to do their own PILOT outside of MSHDA
- An advantage of this new PILOT program is that you know what payments will be
- Seniors who are downsizing, but on Fixed Incomes, may not meet the AMI, but have assets (like a house that they sold)
- They look at Market Studies that determines if the rent is realistic or not for the development (amenities are looked at in consideration of the amount of rent)
- Projections for sizing the loan, but they can get whatever the Market allows
- 20% of total units to be at around 50% of AMI as a Bond requirement, the other 80% of units will be at 120% AMI
- Loan products that they offer, 40 year fixed, PILOT program, Accelerator Program,
- Under direct lending parameters, they cannot give a loan for longer than what the PILOT term is, as a solution they put in the 15-year call, as a way to get it on the docket and keep the process moving, not really what they wanted to do
- MSHDA does not want to spend money on additional staff until they know they have approval from the Board
- They need a commitment that this will be approved/go forward
- Each agreement one is negotiated differently
- Wording in the Resolution is different than the Ordinance wording
- If they can't generate revenue from renting the units, they can't meet their responsibilities on the project
- The bigger picture of not wanting to exclude people who can afford the rent with the wording

- Go and No-Go choices
- The wording "as required by MSHDA" needing to be in the Ordinance not just the Resolution
- If a Developer violates this, they lose the PILOT per State statute
- A year ago, the Communication from MSHDA was sent to the City from Surnow, which included the 40 years
- Changes they thought they addressed are still needed for this to go forward
- Between the Ordinance and the Resolution that was worked on a year ago, and not just for their project only and based on a project in Ferndale the wording was done in a way to be sensitive for other projects, and left out wording that needed to be in it that was in the Resolution
- Surnow would not want to rent for less than 50% AMI, that is not what they are intending, and they would not want to do that, that is not the intention of this project
- Detroit has a program with 2 - 15-year extensions
- This is a one-off project

Councilmembers, City Administrator Greene, and Attorney Baker discussed:

- This is not Section 8 housing; there was a typo in the MSHDA packet
- This is Workforce housing everyone must pay their own rent
- Workforce Housing: everyone has a job, and everyone must be at 120% of the AMI
- Was there always a stop gap?
- The 15 year with 5 renewals, as a way for City Council to review the program, and have oversight
- Checks and Balances as the project continues to see if the Developer is meeting the goals of the project and the City
- Termination language and by right extension language
- What was MSHDA and the Developer, expecting/anticipating at the time of the creating of the ordinance
- The real control for City is the ability to terminate if the Developer is not doing what they are supposed to do, and that was the reason for the penalty provision for this property
- What is important to a City like Detroit, is different for us, we probably will not have another project like this
- Was the Planning Commission involved in the PILOT? – The Planning Commission was involved in the Site Plan, and the City Council did the PILOT

B. Green Space Herbicide/Pesticide/Fertilizer

Councilmembers, City Administrator Greene, and Attorney Baker discussed:

- How often we treat fertilizer and pesticide
- Bids were requested by the DDA
- Smaller Triangle Parks and at the Arboretum, the trucks show up to fertilize there, in areas that are designated for Children and Pets, and signs were up 4 times a year notifying that it has been treated with chemicals – the Tree Committee did not know that we were doing this, and since the lawn is kept cut short, it is not really needed
- The breakdown in the contract – and cost savings
- Stopping it altogether in the other Parks instead of less than the 4 times that we treat now, and the City Park going to 2 treatments instead of 4
- Are we mowing on a schedule that is based on our pesticide treatments, and is there a cost to that?
- The pesticide is not put in the play areas – they do not treat there

- Looking for fewer toxins in our neighborhoods
- DDA Director Bloom mentioned that it is a 3-year contract, but the line item will be left in, in case we want to use it in the future

3. **Public Comments** (speakers are limited to 3 minutes)

Diane Anderson commented in part: that she is disappointed about what is going on here with Southfield Road now and talk of the School for Workforce Housing, and it is not going to sustain Lathrup's history.

Jonathan Tara expressed in part: that he doesn't miss the old look of Southfield Road; it is a good time to start a discussion about oversight and quality control, and the discussion of pesticides and mowing is a good place to start. Mr. Tara referenced the relationship of Lathrup Village Services, LLC and our City, and the crack sealing company.

Roger Lynn expressed in part: A lot of parks in general do not put pesticides down; if it is being mowed once a week, the clippings will fertilize, and the weeds will stay cut down, but maybe the City wants to do something at the Municipal Park.

Laurie Kunz expressed, in part: thanks to Councilmember Sousanis for asking questions that residents wanted to know; residents wanted a Town Hall that they never got; there is a great amount of distrust of Council, and Council not presenting all information and letting residents have input.

Lillian Kyser Lowery expressed in part: thanks for Council and Mayor Kantor meeting with her, and for following up on the PILOT project, commented on people talking during the meetings and being disrespectful, and wanting the Police to be able to cite what the ordinance violation is, if they are called out to address a homeowner.

Autumn Sousanis expressed, in part: it would be good to try a herbicide solution for a pesticide; three years ago there was a signed contract with Paradise, and it spells out exactly what they will do, and the issue is they have not been living up to their contract, and volunteers are stepping in to do what they haven't. Ms. Sousanis was glad Surnow stayed for the resident's comments, she doesn't think the tax break is good for the City and is against the PILOT.

Shelly Reeves, expressed in part: she is opposed to the PILOT, this might be the last opportunity to not sell our City short, she understands this is something rather than nothing, but locking us in for 40 years would effect the City for years, and that the DDA discussed spending money for a light show at a meeting, while City costs are going up.

Rick Wisz, expressed in part: the problem is supervision of what people do for the City, he has seen DPS doing nothing in their trucks, he saw the way the crack sealing crew did their work, and the idea of committing money we don't have and not fixing the small stuff, like the Men's room and the fountain by the women's room, it seems like simple solutions.

John Roberts email read by Mayor Kantor: expressing in part: that there is a very loud but small group that may have spoken out tonight, their agenda is to turn people against and strike out against City Council and City staff, and he lauds the work of the Council and staff.

4. **Mayor and Council Comments**

Mayor Kantor commented in part:

- If the DDA were to be eliminated, the City would have to take over all their duties, and then the DDA keeps certain tax money that goes back into the DDA, and that money would not be allowed for the City to keep
- Asked CA Greene how the oversight with DPW works, and CA Greene explained it
- Oct 10th last Inside Out tour
- Good news, picked up $3 million to redo mains at Southfield Road, and grants for Eldorado $880k and 1.1 million from the feds that will allow us to do another major project probably in 2028

Councilmember Sousanis commented in part:

- There would be less money if we did not have a DDA, but you could argue that it would be good to have the flexibility
- Twice now we have seen some good results with Town Halls, and Mayor Kantor and he had a good Town Hall-like discussion at a Study Session
- To John Roberts letter and Lillian, it is important to have kindness but also to say what you have to say; he does not feel that a different opinion is a plot
- Encourages everyone to say as many negative things as you want so the Council can weigh them
- He requested the renewal of the Flock cameras be on the agenda, but the renewal of it is up to the DDA, and the DDA chose to fund it, but to have it in our City is a Police policy decision; thus the Council should be able to discuss it

Councilmember Hammond commented in part:

- DDA is separate from the City budget, and we can't take their money for a project and use it for the City

Councilmember Jennings commented in part:

- How can the City help with oversight regarding pesticides? How can we measure that?

5. **Adjourn** at 8:09 pm