

City Council Study Session

Monday, September 15, 2025 at 6:00 PM

27400 Southfield Road, Lathrup Village, Michigan 48076

1. **Call to Order** by Mayor Garrett
2. **Discussion Items**
 - A. Personnel Manual Update
 - B. Parks & Rec. Committee Discussion
 - C. City Hall Parking Lot and ADA Grant
 - D. 27700 Southfield Road - PILOT Request
 - E. DDA Board of Directors Attendance
3. **Public Comments**
4. **Mayor and Council Comments**
5. **Adjourn**

6. ADDRESSING THE CITY COUNCIL

Your comments shall be made during the times set aside for that purpose.

Stand or raise a hand to indicate that you wish to speak.

When recognized, state your name and direct your comments and/or questions to any City official in attendance.

Each person wishing to address the City Council and/or attending officials shall be afforded one opportunity of up to three (3) minutes during the first and last occasion for citizen comments and questions and one opportunity of up to three (3) minutes during each public hearing.

Comments made during public hearings shall be relevant to the subject of the public hearings being held.

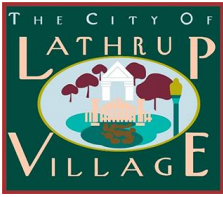
In addition to the opportunities described above, a citizen may respond to questions posed to them by the Mayor or members of the Council, provided members have been granted the floor to pose such questions.

No speakers may make personal or impertinent attacks upon any officer, employee, City Council member, or other elected Official that is unrelated to how the officer, employee, or City Council member or other Elected Official performs their duties.

No person shall use abusive or threatening language toward any individual when addressing the City Council.

Attendees are permitted to make video and sound recordings of the public meeting. However, video recording devices shall only be permitted in a designated area, and the device shall remain there through the duration of the meeting.

The Mayor shall direct any person who violates this section to be orderly and silent. If a person addressing the Council refuses to become silent when so directed, such person may be deemed by the Mayor to have committed a "breach of the peace" by disrupting and impeding the orderly conduct of the public meeting of the City Council and may be ordered by the Mayor to leave the meeting. If the person refuses to leave as directed, the Mayor may direct any law enforcement officer who is present to escort the violator from the meeting.



City of Lathrup Village
 27400 Southfield Road
 Lathrup Village, MI 48076
www.lathrupvillage.org | (248) 557-2600

TO: Mayor & City Council
 FROM: Mike Greene – City Administrator
 DATE: September 15, 2025
 RE: Study Session

Personnel Manual Update

Regular Meeting Item – It is the best practice to conduct a periodic review of a City's personnel manual to update necessary information to match current practices, changes in state/federal regulations, or removal of old non-applicable language.

Enclosed in your regular meeting packet are the requested updates to the City's personnel manual. The majority of the updates mirror the language approved in the recent PD union agreements. Updates include:

- Updated PTO accrual rollover language to limit employee payout impact on future budgets
- Updating the sick leave use clause to meet Earned Sick Time Act regulations
- Addition of 80 hours of parental leave
- Updated insurance language to mirror current insurance policies

This update has been reviewed by Labor Attorney Schwartz. Final formatting updates will be completed once approved.

This discussion is to answer any questions before formal Council consideration.

Parks & Recreation Committee Discussion

As Mayor Pro-Tem Kantor mentioned during the September 8 Study Session, the P&R Committee would like to share some of their concerns with the Council and find paths to move forward. These include:

- Regarding their mission and their goals,
- They feel unsupported
- They were to assist the City, not be party planners
- Their desire to work on and improve Parks
- The City is not moving forward with park plans or grant opportunities

City ADA Grant

As the Council is aware, the City has been awarded a \$10,000 grant from the Michigan Association of Municipal Clerks' (MAMC) ADA Infrastructure Grant program. This discussion is to share information about the potential projects and garner any feedback from the Council.

27700 Southfield Road – PILOT Application

Regular Meeting Item – The purpose of this discussion is to continue the conversation that was had during the 9/8 Study Session. The required Public Hearing is scheduled to take place during the regular meeting, with potential Council action to follow.

The full application/presentation can be found in your regular meeting packet.

DDA Board of Directors Attendance

CED/DDA Director Colson will provide information regarding this discussion at the meeting.

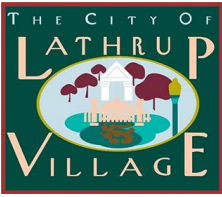
Kelly Garrett
Mayor

Bruce Kantor
Mayor Pro-Tem

Jalen Jennings
Council Member

Jason Hammond
Council Member

Maria Mannarino
Council Member



City of Lathrup Village
 27400 Southfield Road
 Lathrup Village, MI 48076
www.lathrupvillage.org | (248) 557-2600

TO: Mayor & City Council
 FROM: Mike Greene – City Administrator
 Austin Colson – Community & Economic Development Director
 DATE: September 15, 2025
 RE: 27700 Southfield Road – PILOT Resolution

Background Brief: Over this past year, the City Council has considered and then adopted a Payment in Lieu of Taxes (PILOT) Ordinance. A PILOT ordinance establishes the framework for the City to enter into an agreement with a developer, where the developer pays a specified amount instead of traditional property taxes, primarily used to incentivize affordable housing projects.

The property owner of 27700 Southfield Road (Annie Lathrup School) has submitted a PILOT application for the Council to consider.

Previous Action:

7/21/25 – City Council Adoption of PILOT Ordinance
 9/8/25 – Study Session Discussion
 9/15/25 – Study Session Discussion

Economic Impact: Utilizing assumptions of 3% year-over-year Taxable Value growth and estimates for total annual rent, on the following page, are estimated payments the City could receive under the PILOT program for this project. This includes what the property currently pays in taxes and what the estimated taxable value payments would be IF the project (as approved) were constructed with no need for PILOT assistance. REMINDER – Each year shows the TOTAL estimated tax bill paid; this bill is then split among the taxing jurisdictions. ~48% stays with the City to cover expenses (operating/library/refuse/street bond).

If approved at 4% the City would ~6X the yearly revenue received by this property.

The developer has elected to provide voluntary Community Benefits, including improvements to the walking path and park behind the property, which exceed the requirements of the PILOT ordinance.

Additionally, if the project proceeds, the City will receive one-time revenues associated with trade (building/plumbing/mechanical/electrical) reviews/permits. Formal estimates for that are unknown without seeing formal building plans. Example: 27777 Southfield Road (Panera) paid a \$20,004 building permit fee based on the job evaluation being \$1.5 million.

Recommendation: *“I recommend approving the PILOT agreement for 27700 Southfield Road.”*

Recommended Motion:

Moved by Council Member _____ seconded by Council Member _____ to approve Resolution #2025-18, a resolution to approve tax exemption and a payment in lieu of taxes for a workforce housing project to be located at 27700 Southfield Road.

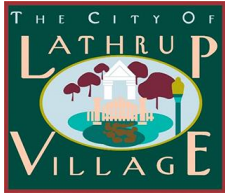
Kelly Garrett
Mayor

Bruce Kantor
Mayor Pro-Tem

Jalen Jennings
Council Member

Jason Hammond
Council Member

Maria Mannarino
Council Member



City of Lathrup Village
 27400 Southfield Road
 Lathrup Village, MI 48076
www.lathrupvillage.org | (248) 557-2600

~Total Annual Rent	\$3,378,240																
~3% Growth Per Year																	
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	TOTAL Payment	~City/DDA Revenue
Current Taxes	\$ 23,000	\$ 23,690	\$ 24,401	\$ 25,133	\$ 25,887	\$ 26,663	\$ 27,463	\$ 28,287	\$ 29,136	\$ 30,010	\$ 30,910	\$ 31,837	\$ 32,793	\$ 33,776	\$ 34,790	\$ 427,775	\$ 205,332.01
4% - PILOT	\$ 135,130	\$ 139,183	\$ 143,359	\$ 147,660	\$ 152,090	\$ 156,652	\$ 161,352	\$ 166,192	\$ 171,178	\$ 176,313	\$ 181,603	\$ 187,051	\$ 192,662	\$ 198,442	\$ 204,396	\$ 2,513,264	\$ 1,206,366.62
5% - PILOT	\$ 168,912	\$ 173,979	\$ 179,199	\$ 184,575	\$ 190,112	\$ 195,815	\$ 201,690	\$ 207,740	\$ 213,973	\$ 220,392	\$ 227,004	\$ 233,814	\$ 240,828	\$ 248,053	\$ 255,495	\$ 3,141,580	\$ 1,507,958.28
6% - PILOT	\$ 202,694	\$ 208,775	\$ 215,038	\$ 221,490	\$ 228,134	\$ 234,978	\$ 242,028	\$ 249,289	\$ 256,767	\$ 264,470	\$ 272,404	\$ 280,576	\$ 288,994	\$ 297,664	\$ 306,593	\$ 3,769,896	\$ 1,809,549.93
7% - PILOT	\$ 236,477	\$ 243,571	\$ 250,878	\$ 258,405	\$ 266,157	\$ 274,141	\$ 282,366	\$ 290,837	\$ 299,562	\$ 308,549	\$ 317,805	\$ 327,339	\$ 337,159	\$ 347,274	\$ 357,692	\$ 4,398,212	\$ 2,111,141.59
8% - PILOT	\$ 270,259	\$ 278,367	\$ 286,718	\$ 295,320	\$ 304,179	\$ 313,304	\$ 322,704	\$ 332,385	\$ 342,356	\$ 352,627	\$ 363,206	\$ 374,102	\$ 385,325	\$ 396,885	\$ 408,791	\$ 5,026,528	\$ 2,412,733.24
9% - PILOT	\$ 304,042	\$ 313,163	\$ 322,558	\$ 332,234	\$ 342,201	\$ 352,468	\$ 363,042	\$ 373,933	\$ 385,151	\$ 396,705	\$ 408,606	\$ 420,865	\$ 433,491	\$ 446,495	\$ 459,890	\$ 5,654,844	\$ 2,714,324.90
10% - PILOT	\$ 337,824	\$ 347,959	\$ 358,397	\$ 369,149	\$ 380,224	\$ 391,631	\$ 403,380	\$ 415,481	\$ 427,945	\$ 440,784	\$ 454,007	\$ 467,627	\$ 481,656	\$ 496,106	\$ 510,989	\$ 6,283,159	\$ 3,015,916.55
Minimum Payment	\$ 120,000	\$ 126,000	\$ 129,780	\$ 133,673	\$ 137,684	\$ 141,814	\$ 146,069	\$ 150,451	\$ 154,964	\$ 159,613	\$ 164,401	\$ 169,333	\$ 174,413	\$ 179,646	\$ 185,035	\$ 2,272,877	\$ 1,090,980.89
~Taxable Value Payment	\$ 670,000	\$ 690,100	\$ 710,803	\$ 732,127	\$ 754,091	\$ 776,714	\$ 800,015	\$ 824,015	\$ 848,736	\$ 874,198	\$ 900,424	\$ 927,437	\$ 955,260	\$ 983,918	\$ 1,013,435	\$ 12,461,272	\$ 5,981,410.71

**The applicant and the City have agreed to a 4.5% annual fee, as reflected in the payment and revenue projections outlined in the attached spreadsheet.*

Kelly Garrett
Mayor

Bruce Kantor
Mayor Pro-Tem

Jalen Jennings
Council Member

Jason Hammond
Council Member

Maria Mannarino
Council Member

WORKFORCE HOUSING RESTRICTIVE COVENANT

(27700 Southfield Road, Lathrup Village, MI)

This Workforce Housing Restrictive Covenant (“Restrictive Covenant”) is made as of _____, 2025 by and between the City of Lathrup Village (“Municipality”), a Michigan municipal corporation, whose address is 27400 Southfield Road, Lathrup Village, MI 48076, and The Surnow Company. (“Sponsor”) a Michigan limited liability company, whose address is 320 Martin Street, Suite 100, Birmingham, MI 48009.

R E C I T A L S:

A. Sponsor is the owner of certain real property in the City of Lathrup Village, County of Oakland, Michigan, as more particularly described in the attached Exhibit A (the “Property”), which is incorporated by reference into this Restrictive Covenant.

B. Sponsor has offered to construct one or more buildings located on the Property to provide one hundred forty-five (145) units of workforce housing (the “Project”) and has applied to Municipality for a workforce housing exemption from *ad valorem* property taxes under Section 15a of the State Housing Development Authority Act, being Public Act 346 of 1966, as amended (the “Act”).

C. In consideration of Sponsor’s offer to undertake the Project, Municipality has agreed to exempt the Project from all *ad valorem* property taxes imposed by any taxing jurisdiction and to accept in lieu thereof payment of an annual service charge for a period of fifteen (15) years as provided by Workforce Housing PILOT Ordinance, Ordinance No. 2025-01 and Workforce Housing PILOT Resolution No. _____ (the “PILOT Resolution”).

D. The annual service charge paid in lieu of all *ad valorem* property taxes for the Property is equal to the greater of the minimum annual service charge (\$120,000 increased annually 5% or the rate of inflation, whichever is less,) or 4.5% of the Annual Shelter Rents collected from the Project and must be paid as provided in the PILOT Resolution.

E. Sponsor and Municipality agree that the economic feasibility of the Project depends upon the continuing effect of the annual service charge in lieu of all *ad valorem* taxes approved by Municipality for the 15-year exemption period.

F. Accordingly, upon recording with the Oakland County Register of Deeds, this Restrictive Covenant will restrict use of the Project to workforce housing for the 15-year exemption period.

NOW, THEREFORE, in consideration of Municipality’s acceptance of payment of the annual service charge in lieu of all *ad valorem* property taxes and Sponsor’s commitment to construct the Project, Sponsor and Municipality hereby covenant as follows:

1. **Definitions.** All words and phrases used in this Restrictive Covenant have the same meaning as defined in the Act and/or the PILOT Resolution.

2. **Workforce Housing Covenant.** The Project will, upon completion of the proposed construction, constitute workforce housing with rents reasonably affordable to households consisting of persons and families whose household income is not greater than 120% of the area median income, as published by the U.S. Department of Housing and Urban Development, adjusted for family size. All of the housing units in the Project will be rented, or available for rental, on a continuous basis to members of the general public throughout the term of this Restrictive Covenant.

3. **Term of Exemption.** The exemption from *ad valorem* property taxes approved by Municipality shall remain in effect in accordance with this Restrictive Covenant restricting use of the Project to workforce housing for a period of fifteen (15) years, the Term of the PILOT shall commence twelve months after both (i) the construction of the Housing Project has been completed and (ii) the Housing Project has received a certificate of occupancy, in order to allow for an appropriate lease-up time for the residential units. __, or so long as the Project is used as workforce housing, whichever is less, and subject to any extension(s) as further outlined herein. Notwithstanding the foregoing, the minimum annual service charge shall commence after December 31st of the year in which the construction of the Housing project begins. The exemption shall automatically terminate upon the foreclosure or the giving of a deed in lieu of foreclosure for the Property.

4. **No Violation.** Sponsor agrees that it will not knowingly take or permit any action that would result in a violation of the requirements of this Restrictive Covenant, the PILOT Ordinance or the PILOT Resolution which are each incorporated herein as if a part of this Restrictive Covenant. Further, Sponsor agrees to take any required action, including the amendment of this Restrictive Covenant, as may be necessary, in the determination of the Municipality or of the Michigan State Housing Development Authority (the "Authority"), to comply with the PILOT Ordinance and PILOT Resolution.

5. **No Violation for Increase in Income.** Units in the Project will continue to qualify as workforce housing units hereunder despite a temporary noncompliance with this Restrictive Covenant, if the noncompliance is caused by increases in the incomes of existing tenants and if actions satisfactory to the Municipality are being taken to ensure that all vacancies are otherwise filled in accordance with the PILOT Resolution until the noncompliance is corrected.

6. **Sponsor to Demonstrate Compliance.** Sponsor will provide Municipality with such certifications, reports, and other information as required by the PILOT Resolution to demonstrate compliance with the PILOT Ordinance and PILOT Resolution. Sponsor will provide Municipality and Authority with an annual verification of compliance with this Restrictive Covenant, in a form specified by the Authority.

7. **Transfer of Ownership.** Sponsor will, prior to a sale or other voluntary transfer of ownership of the Project or any part thereof, notify Municipality in writing, and will enter into any agreements with the purchaser or transferee as may be reasonably prescribed by Municipality to ensure such purchaser's or transferee's compliance with this Restrictive Covenant and Michigan law.

8. **Enforceability.** This Restrictive Covenant is enforceable by Municipality in any court in the State of Michigan having jurisdiction thereof.

9. **Covenant Running with the Land; Binding Effect.** This Restrictive Covenant shall encumber the Property and constitute and be enforced as a covenant running with the land under Michigan law and shall be binding on all successors or assigns of Sponsor or Municipality and any future owner or operator of the Project for the full fifteen (15)-year exemption period.

10. **Extension.** In the event that the Housing Project continues to provide , workforce housing, as defined in Workforce Housing Ordinance, after expiration of the initial fifteen (15) years, the parties may exercise up to three (3), five (5), year options or for as long as required by MSHDA, MEDC or any other state, federal or conventional lending institution, to extend the PILOT Resolution and shall record a new restrictive covenant for each such extension in a form acceptable to the Municipality’s attorney and as executed by the Municipality. Any such new restrictive covenant must be recorded with the Oakland County Register of Deeds.

11. **Miscellaneous.** In the event of any conflict between the terms of this Restrictive Covenant and the requirements of the PILOT Resolution, the requirements of the PILOT Resolution shall prevail. This Restrictive Covenant may only be amended or terminated by a writing signed by both Sponsor and Municipality or by operation of law. The invalidity of any clause or provision of this Restrictive Covenant shall not affect the validity of the remaining portions thereof.

IN WITNESS WHEREOF, is this Restrictive Covenant is effective as of _____, 2025.

[Signature Pages Follow]

[SIGNATURE PAGE TO WORKFORCE HOUSING RESTRICTIVE COVENANT]

CITY OF LATHRUP VILLAGE,
a Michigan municipal corporation

By: _____
Mykale Garrett, Mayor

STATE OF MICHIGAN)
) ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this day of _____, 2025
by Mykale Garrett, as Mayor of the City of Lathrup Village, a municipal corporation of the State of
Michigan, on behalf of the Municipality.

Notary Public, _____ County, MI
My Commission Expires: _____
Acting in _____ County, MI

[SIGNATURE PAGE TO WORKFORCE HOUSING RESTRICTIVE COVENANT]**SPONSOR:**

The Surnow Company
a Michigan limited liability company

By: _____

Print Name: _____

Title: _____

STATE OF MICHIGAN)
) ss
COUNTY OF _____)

The foregoing instrument was acknowledged before me this day of _____, 2024
by _____, the _____ of The Surnow Company L.L.C., a
Michigan limited liability company, on behalf of Sponsor.

Notary Public, _____ County, MI

My Commission Expires: _____

Acting in _____ County, MI

DRAFTED BY:

Scott Baker ,Esq, Lathrup Village City Attorney
27400 Southfield Road
Lathrup Village, MI
48076

WHEN RECORDED RETURN TO:

Lathrup Village Clerk
27400 Southfield Road
Lathrup Village, MI
48076

EXHIBIT A**LEGAL DESCRIPTION OF PROPERTY**

*LAND SITUATED IN THE CITY OF LATHRUP VILLAGE, COUNTY OF OAKLAND, STATE OF MICHIGAN,
DESCRIBED AS FOLLOWS:*

*LOT 1677 AND VACATED SOUTHFIELD SQUARE, FORMERLY KNOWN AS MONTEREY STREET LYING
EASTERLY OF LOT 1677 AND WESTERLY OF LOTS 1665 TO 1689, EXCEPT THAT PART OF VACATED
SOUTHFIELD SQUARE LYING SOUTH OF A LINE DRAWN BETWEEN THE NORTHWEST CORNER OF OF
LOT 1680 AND A POINT 150 FEET FROM THE SOUTHEAST CORNER OF LOT 1677, ALONG THE
EASTERLY BOUNDARY OF SAID LOT 1677, LOUISE LATHRUP'S CALIFORNIA BUNGALOW SUBDIVISION
NO. 3, AS RECORDED IN LIBER 32 OF PLATS, PAGE 26, OAKLAND COUNTY RECORDS.*

TAX ID NUMBER: 40-24-13-303-021

ADDRESS: 27700 SOUTHFIELD ROAD, LATHRUP VILLAGE, MI 48076

DRAFT

MJ_DMS 36659451v5

DRAFT

**CITY OF LATHRUP VILLAGE
OAKLAND COUNTY, MICHIGAN**

**RESOLUTION NO. 2025-
A RESOLUTION TO APPROVE TAX EXEMPTION AND
A PAYMENT IN LIEU OF TAXES
FOR A WORKFORCE HOUSING PROJECT
TO BE LOCATED AT 27700 SOUTHFIELD ROAD**

WHEREAS, the City of Lathrup Village ("City"), City Council enacted Ordinance No. 2025-01 (the "Workforce Housing Ordinance") pursuant to Section 15a of the State Housing Development Authority Act, Act 346 of the Public Acts of 1966, MCL 125.1401 *et seq* (the "Act");

WHEREAS The Surnow Company (the "Sponsor"), a Michigan limited liability company, whose address is 320 Martin Street, Suite 100, Birmingham, MI 48009, intends to construct on the property located at 27700 Southfield Road, Lathrup Village, Michigan (tax parcel identification no. 40-24-13-303-021) (the "Housing Project") and to operate the Housing Project as "workforce housing," as defined in the Workforce Housing Ordinance and the Act;

WHEREAS, the Sponsor has applied to the City for tax exemption and a service charge or payment in lieu of taxes ("PILOT") as provided by the Workforce Housing Ordinance and the Act and has agreed to subject the Housing Project to a covenant running with the land that will restrict the occupancy of the Housing Project for a period of not less than fifteen (15) years, or other period of time that may be required by the Michigan State Housing Development Authority("MSHDA"), or the Michigan Economic Development Corporation ("MEDC") or any other state, federal or any conventional lending institution, to individuals and families whose household income is not greater than 120% of area median income, as published by the U.S. Department of Housing and Urban Development, adjusted for family size, and at rents that are reasonably affordable to such persons (the "Restrictive Covenant");

WHEREAS, the Housing Project will increase the supply of safe, decent and affordable housing in the City, will encourage the growth of the population of the City, and will facilitate the provision of attractive, viable housing units in locations consistent with the goals and objectives of the City's Master Plan;

WHEREAS, the City Council hereby finds that the Housing Project qualifies for an exemption from all *ad valorem* property taxes and a PILOT as contemplated by the Act and the Workforce Housing Ordinance because the Project will:

- increase the number of available workforce housing units in the City;
- encourage expansion of the population of the City;
- facilitate the addition of attractive, viable housing units in locations consistent with the goals and objectives of the City's Master Plan;
- protect and improve the health, safety, and general welfare of the City's residents, business owners, property owners, and the community as a whole;

WHEREAS, those terms not otherwise defined herein shall have the meaning set forth in the Ordinance and/or the Act;

THEREFORE, IT IS RESOLVED, that a PILOT for the Housing Project is hereby approved such that the Housing Project shall be exempt from all *ad valorem* property taxes after December 31 of the year in which the construction of the Housing Project begins. Further, the Sponsor shall pay under the PILOT a service charge equal to an amount that is the greater of the minimum annual service charge (\$120,000 increased annually 5% or the rate of inflation, whichever is less,) or 4.5% of the Annual Shelter Rents (as defined in the Workforce Housing Ordinance), subject to the terms of the Act and the Workforce Housing Ordinance; provided, however, that the PILOT service charge paid each year in lieu of taxes for that part of the Housing Project that is tax exempt under this resolution and the Ordinance but not used for workforce housing must be equal to the full amount of the taxes that would be paid on that portion of the project as if the Housing Project were not tax exempt;

RESOLVED, that the Term of the PILOT for the Housing Project shall be for a period of fifteen (15) years, commencing twelve months after both (i) the construction of the Housing Project has been completed and (ii) the Housing Project has received a certificate of occupancy, in order to allow for an appropriate lease-up time for the residential units. Notwithstanding the foregoing, the minimum annual service charge shall commence after December 31st of the year in which the construction of the Housing project begins. In the event that the Housing Project continues to provide workforce housing, as defined in Workforce Housing Ordinance, after expiration of the initial fifteen (15) years, the parties may exercise up to three (3), five (5) year options to extend the PILOT Resolution or for as long as required by MSHDA, MEDC or any other state, federal, or conventional lending institution.

RESOLVED, that units in the Housing Project will continue to qualify as workforce housing units hereunder despite a temporary noncompliance with this resolution, if the noncompliance is caused by increases in the incomes of existing tenants and if actions satisfactory to the City are being taken to ensure that all vacancies are otherwise filled in accordance with this this resolution until the noncompliance is corrected.

RESOLVED, that no later than December 1 of each year after the December 31 on which tax exemption first becomes effective and every year thereafter so long as the Housing Project is tax exempt, the Sponsor shall provide the City Assessor and the City Administrator with a copy of the Sponsor's operating budget showing the projected Annual Shelter Rent for the next calendar year; and no later than April 30 of each year beginning in the calendar year following the first calendar year during which the tax exemption is effective and every year thereafter, including the year after the exemption terminates, a copy of the Sponsor's financial statements for the preceding calendar year, which may consist of: (i) audited financial statements prepared in accordance with generally accepted auditing standards, if available, or (ii) in the absence of audited financial statements, compiled financial statements prepared in accordance with generally accepted accounting principles and certified by the Sponsor's CPA as correct and complete.

RESOLVED, the PILOT payment for each calendar year shall be due no later than April 15th of the following year;

RESOLVED, that all portions of the Workforce Housing Ordinance are hereby incorporated by reference;

RESOLVED, that the effectiveness of the tax exemption approved by this resolution is subject to the following:

- a. The Sponsor shall provide documentation to the City substantiating its ownership of the Housing Project.
- b. Construction of the Housing Project must commence no later than twenty-four (24) months from the date of this resolution, or this resolution shall be void and of no effect.
- c. 100% of the dwelling units in the Housing Project must be restricted to use as Workforce Housing and will be reasonably affordable to, and occupied by, individuals and families whose total household income is not greater than 120% of area median income, as published by the U.S. Department of Housing and Urban Development, adjusted for family size.
- d. The Sponsor shall submit an affidavit to the Michigan State Housing Development Authority in the form required by MSHDA, MEDC or any other state, federal or any conventional lending institution for certification that the Housing Project is eligible for the workforce housing exemption.
- e. Upon receipt of notification from MSHDA, MEDC or any other state, federal or any conventional lending institution that the Housing Project is eligible for a workforce housing exemption, the Sponsor or MSHDA shall file the certified notification of exemption with the City Assessor before November 1 of the year preceding the first tax year for which the exemption is to be effective.
- f. The Sponsor shall record a Restrictive Covenant in a form acceptable to the City Attorney. The Restrictive Covenant must be recorded with the Oakland County Register of Deeds.

RESOLVED, that the City Administrator is authorized to take necessary administrative actions to implement this resolution.

The above resolution was offered by _____ and supported by _____.

AYES, Council Members:

NAYS, Council Members:

ABSTAIN, Council Members:

RESOLUTION DECLARED ADOPTED.

CERTIFICATE

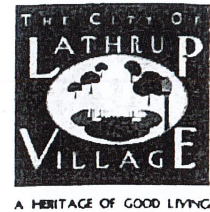
I hereby certify that the foregoing is a true and complete copy of a Resolution adopted by the City Council of the City of Lathrup Village, Oakland County, Michigan at a regular meeting duly called and held on the 15th day of September, 2025, the original of which resolution is on file in my office, and that notice of said meeting was given, the meeting was held and the minutes filed in accordance with the Open Meetings Act, Act No. 267, Public Acts of Michigan, 1976, as amended.

ALISA EMANUAL, CLERK

City of Lathrup Village

Office of the City Clerk

City Hall
27400 Southfield Road
Lathrup Village, MI 48076
(248) 557-2600
aemmanuel@lathrupvillage.org



City of Lathrup Village
Payment in Lieu of Taxes (PILOT)

Municipal Review of Payment in Lieu of Tax (PILOT)
(LATHRUP VILLAGE ORDINANCE CHAPTER 77-50)

Dear PILOT Applicant:

Please read the following information carefully for an overview of the City's Payment in Lieu of Tax (PILOT) application process.

After you complete and submit a Payment in Lieu of Tax (PILOT) application to the City Clerk's Office, the city's review process begins. Our office will forward your application for review to various departments.

The following departments may contact you:

- City Manager
- City Civil Engineering Consultant
- City Planning Consultant
- City Clerk
- Community and Economic Development Director

Upon concurrence from all necessary departments- *applications will be placed on the appropriate City Council agenda for final approval*; applicants will be notified of this meeting.

Application Fee - All fees are to be paid in full upon submission. *Applications received without payment will not be reviewed.*

Applications for new or renewal applications Payment in Lieu of Tax (PILOT). **\$2,300**

We recognize the importance of providing you with a response as quickly as possible – the City of Lathrup Village is committed to working with you diligently. Should you have any questions, please feel free to contact me.

Best wishes in your entrepreneurial endeavors, and thank you for choosing Lathrup Village

Sincerely,

Alisa Emanuel
City Clerk

City of Lathrup Village
Application for PILOT – Payment in Lieu of Tax
(Please submit 90 days prior)



Please complete the following information even if preliminary. This will help to expedite the process. We will schedule a meeting with pertinent departments and the applicant as soon as possible.

Please read the following information carefully for an overview of the City's payment in lieu of taxes application process.

Please indicate the type of application being filed (check all that apply):

- ☒ New
☐ Renewal
☐ Transfer of Ownership
☐ Other

Applicant: THE SURNOW COMPANY

Developer, if different than above: —

Name of Organization, if any: —

Owners of Organization: SAM SURNOW

Address: [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]
 Street City State Zip

Authorized Applicant Representative: JORDAN SHERMAN

Phone No: (248) [REDACTED] E-Mail: [REDACTED]

(Must include - name, address, e-mail address and telephone number of the applying entity, and the legal entity that will own the project, if different from the applying entity. Name of applying entity's representatives, financial guarantors of the project, and name of principals of those entities, addresses, emails, and telephone numbers.)

Type of ownership of project:

- ☐ Partnership ☐ Subchapter S corporation ☐ Individual proprietorship
☐ Corporation ☐ Cooperative ☒ Limited liability company

Federal Identification No. or Social Security No. [REDACTED]

If a corporation, specify the state and date of incorporation: MICHIGAN, 1999

Name and title of individual to contact: JORDAN SHERMAN

Email address: [REDACTED]

Mailing address: 320 Martin Street, Suite 100

City, State, Zip BIRMINGHAM, MI Phone No. [REDACTED]

Indicate the tax incentives applied for and terms:

Property Tax Exemption Payments In Lieu of Taxes:

30 Number of years 2026 Beginning year 2056 Ending year 4% Percent of shelter rents
[including options]
 Minimum payment amount _____ Amount of annual payments (attach schedule if needed)
[SEE ATTACHED PRO-FORMA]

For Transfer of Ownership Only:

TRANSFEROR: CORPORATION, INDIVIDUAL, OR PARTNERSHIP NAME:

---- [not applicable] ----

(First, Middle, Last Name of Officers and/or Directors)

(Phone)

(Address)

(Email)

(First, Middle, Last Name of Officers and/or Directors)

(Phone)

(Address)

(Email)

Have you submitted an application for a similar request to the City of Lathrup Village? ☐ Yes ☒ No

Do you owe city funds for delinquent taxes or utilities bills? ☐ Yes ☒ No

Did you include names of all officers and/or directors as it relates to this application? ☒ Yes ☐ No

Check all that has been included with this application, if an item is not included; please provide a brief explanation why.

- ☒ Legal description of project's real property.
- ☒ Complete list of owners/ownership interests of the project.
- ☒ Background information on applicant and guarantors, including development experience, if any, and all other relevant information pertaining to the PILOT project.
- ☒ Site plan.
- ☒ Attach a detailed narrative describing the PILOT – Include in this section the following:
 - a. Intended usage/target market
 - b. Economic impact
 - c. Environmental impact, including any measures taken to mitigate negative impact or improve the natural environment
 - d. Impact on City infrastructure, including transportation and utilities
 - e. Impact on City services, such as police, fire, emergency medical transport, code enforcement
 - f. Square footage of the building and land area to be renovated
 - g. Architectural renderings, including number and types of units
 - h. Any other information needed to fully explain the project
- ☒ Will the project be located in a new structure or an existing facility?
- ☒ If existing facility, when was it constructed?
- ☒ If new construction, complete the below questions:
 - ☒ Estimated start date for construction of the project outlined in this application.
- ☒ Describe the marketing plan for the project, identifying the intended market. List the types of lessees anticipated. If the project is speculative, how long is full occupancy expected to take and who will manage the project?
- ☒ Briefly describe the ownership and tax information for this project. Include in this section the following:
 - a. State the location of the proposed project by street address and legal description
 - b. Name the property owner at the time of application submittal
 - c. If the applicant does not presently own the property, attach a valid option to purchase the property
 - d. Describe any and all existing financing, options, and liens on the property

- e. State the tax parcel number for all property involved with the project and the current assessed value of the property
- f. Are any assessments presently under appeal? If so, describe the status of the appeal(s)
- g. Will the Project result in the subdivision of any present tax parcel?

- ☒ Provide a detailed development pro forma outlining proposed hard, soft, and financing costs associated with proposed development. Pro forma must also identify all sources of financing and terms, including Applicant equity, construction and permanent financing and any government assistance. Proposals will contain detailed cost breakdowns.
- ☒ Provide a detailed operating pro forma that will include all anticipated major revenues and expenses for the full term of the requested PILOT.
- ☒ Are changes proposed to the public space around the project (Example; sidewalks, lighting, and planting)? If yes, describe.
- ☒ State proposed time schedule for the project including anticipated dates for the following:
 - a. Closing of the loan or contributing financing availability
 - b. First expenditure of funds with regard to the project
 - c. Anticipated date construction will begin
 - d. Anticipated completion date
- ☒ Financial Background:
 - a. Attach current audited financial statements of the applicant and guarantors. If audited financial statements are unavailable, please submit non-audited statements
 - b. State the relationship any applicant or grantor has had with any accounting firm over the last five years and reason for change, if any
 - c. Give three credit references for the applicant
- ☒ Development Team: Name any of the following that will be involved with the Project (with mailing addresses, e-mail addresses, and phone numbers):
 - a. Applicant Primary Point of Contact
 - b. Architects and engineers.
 - c. Construction Project Manager
 - d. General Contractor for project
 - e. Other professionals
- ☒ Please describe any potential conflicts of interest the applicant or any guarantor may have with any City Personnel or City Council members.
- ☒ Describe the following as to any applicant, guarantor, or other person involved with this project:
 - a. Any pending civil litigation involving this property or other business holdings
 - b. Any pending criminal proceedings involving this property or other business holdings
 - c. Any conviction, or other pending criminal matter, that is for any felony offense or any theft-related misdemeanor, involving this property or other business holdings

- ☐ Include a copy of the completed MSHDA application for Low Income Housing Tax Credits within thirty (30) days of submittal to MSHDA. → NOT APPLICABLE, THIS IS NOT A LIHTC DEAL

Applicant or applicant's representatives must execute the following statement and provide it as part of the application.

The person(s) completing this application hereby declares that:

1. They will not violate any of the laws of the State of Michigan or of the United States or any ordinance of the City.
2. Should any of the information provided in this application or any attachment thereto change during the term of the license or any renewal thereof, they will notify the City Clerk in writing within thirty (30) days of such change.
3. They have contacted the Michigan State Housing Development Authority (MSHDA) to ensure eligibility.

The applicant acknowledges that the City may be required from time to time to release records in its possession. The applicant hereby gives permission to the City to release any records or materials received by the City from the applicant as it may be requested to do so as permitted by the Freedom of Information Act, MCL 15.231 et seq.

Date: August 8, 2025

Authorized Applicant Representative:

JORDAN SHERMAN

(Please print)

Jordan Sherman

(Signature)

Alisa Emanuel
City Clerk
(248) 663-6037
Aemanuel@lathrupvillage.org
www.Lathrupvillage.org