

**CITY OF LIVONIA
PUBLIC HEARING**

Minutes of Meeting Held on Wednesday, October 2, 2024

A Public Hearing of the Council of the City of Livonia was held at the Livonia City Hall Auditorium on October 2, 2024.

MEMBERS PRESENT: Brandon McCullough, President
Martha Ptashnik, Vice President
Carrie Budzinski
Rob Donovic
Scott Morgan
Laura M. Toy

MEMBERS ABSENT: Jim Jolly

OTHERS PRESENT: Carter Fisher, City Attorney
Mark Taormina, Planning and Economic Development Director
Debbie Lichtenberg, Finance Director

The Public Hearing was called to order at 7:02 p.m. with Council President Brandon McCullough presiding. This item is regarding the Proposed Budget for the City of Livonia for the Fiscal Year ending November 30, 2024, and the property tax millage proposed to be levied to support the proposed budget.

This item will be moved to the Regular Meeting of **October 21, 2024**.

The Public Hearing is now open. There were approximately 5 persons in the audience.

McCullough We'll jump right into item number one. And right now, Councilman Jolly may or may not be here. He was running late. If he's here, great. If he is not, he'll be absent. The first one is a big one, we've been studying a lot. We've had multiple meetings. I always like to tell people that, I know it's not a packed house, but just to give some context, there's a lot of work that goes into this from the Administration and we bring it forward. We've had, I think, two meetings, one, especially. We dive deep into the huge budget book that you see. So, I don't want anyone to think out there, we take this lightly. It's just we've studied it a lot, and we get to this point, this is the public hearing. So, if you have questions or anything, we're gonna open it up for questions from the public. Seeing a few people here, if you'd like to speak, I'll let you know when, but this is for your input. So, if you have some things we'd like to hear it. Other than that, I'm going to open it up to Council. If Council has any anything they want to add to the budget. And then if we want to call up, we do have Deb Lichtenberg with us, who's our Finance Director, that can be on hand to answer any questions. We

also have our Treasurer, Susan Nash in the back and Mr. Nash, good evening. So, with all due, I'll open up to Council. Councilman Donovan.

Donovic Thank you this is a very, very big deal meeting. I just want to let everyone know that it's Mark Taormina's birthday tonight. Mark is here with us. Can we sing happy birthday? Mr. President? Happy birthday. I'll go to Councilwoman Budzinski.

Budzinski Okay, yes, so we were told to bring our questions here, so I've got a lot of questions. You're going to want to answer them. Yeah, so, question number one is, how are grants configured in the budget, and what grants, have we received? We added the Government Affairs position to apply for more grants. What grants have been applied for that we received in 2024, or are there outstanding ones? How do we track that?

Lichtenberg So, grants don't enter into the budget until they have been secured. So, we generally don't include in the budget any grants that are simply applied for or that we just intend to apply for. We wait until we've actually gotten confirmation that we are going to receive that. In this budget, the main grants that would be included would be related to the senior Wellness Center Project, but that's where the major ones are. There are also recurring grants that are received by the Police Department, because those are not competitive grants, and they are really similar to some other state funding, they're included. I can't think of any other major ones off the top of my head.

Budzinski Do you think the new finance position that you approved would, in terms of that big picture tracking, would there be a way? I mean, I think whether we get them or not, it's sometimes nice to show the effort that the city's putting forth, so they can actually incur some cost to tracking what grants are being pursued or then, obviously I think we have to approve all. I know we tend to approve grants, but we get the fire ones that come before us. I mean, we do know, and it is public record, but...

Lichtenberg Right, so any grant that has a matching requirement of any size always has to come before Council. Whenever I'm aware of it, I make sure that all of them come to Council, because even though grants bring money in, they're not always free and they're not always going to align with the goals that we have. So, I think it's a good practice for them to come before Council. At our last leadership meeting, I actually had that conversation with the other directors, and that is something that we are working on and the new budget position will be providing regular report outs on grant activity.

Budzinski And then, I know that the fire contract is still in negotiations. What's the buffer for that in the budget since it can't be predicted?

Lichtenberg So, once the contract is settled, we will come back to you with a budget amendment. Within the general fund, there are a few areas where we have some contingency for unexpected changes or changes that aren't defined at this time. We had talked a bit about that in the termination pay area of the budget is where we would likely shift funds from that department into the Fire Department for any changes that might be necessary.

Budzinski Then you answered some of these questions in that email, yeah, just a couple hours ago. So, I noticed there was a fairly large increase for the Rec Athletic budget. Do you know what that was related to? It's on page 18.

McCullough Councilwoman Buzinski, if I may. If this makes any sense, because I know this is a public hearing, and I think we all have a lot of questions still, I'll be completely honest. I mean, today, obviously this is more for the public. Obviously, there's going to be some motions potentially that come out of this. Would it be easier if we were to submit our list of questions and give you a fair timeline to respond to them? The issue that I see, it's, I don't know if it's doing, but we seem to be getting things from the Administration, like an hour before meetings or a couple hours and usually heard the agreement that is loosely agreed upon, it's anything that's 24 hours we usually punt it. I left today's on just because we have the meeting, but I've made multiple, please speak as needed, but I have a list, and I don't want to be here, do you want to be here till midnight? At least from my vantage point, I'm still well, always away from with some items. But would it be easier if we submit to maybe an internal process so that way, we can get these answers?

Lichtenberg Right, so, I'm completely flexible on however you want to address it. Obviously when I received them, and can respond, as I did with the few questions from the previous meeting that you received today, I can give thorough responses. But if there are questions that you want answered today, or if there's questions that come from the public...

McCullough Council, I'll leave it open to you, but I'd like to at least for mine, I'll save mine for at least the email, and if it works, I mean, maybe we just make sure we copy just as we do now, because there is some kind of a procedure that we go through Mayor staff to email, and it's been working. Okay, I think that there are different things at times that we could be better on, but at least to belabor this meeting and stuff. But I'll hand it back. Feel free.

Budzinski Yeah, well, I can say I specifically asked the Mayor where I should address my questions and she told me very specifically that this was the platform to do it.

McCullough Do you mind if I go to Councilwoman Ptashnik?

Ptashnik The only thing I was gonna say, and I completely understand the President's point of it would be more efficient for us to be able to email directly, but I think it is a public hearing, and if we have questions, we should get them on the record, even if they can't be answered right now, and that would be fine, but I think our questions should be on the record. And if we're gonna make any motions tonight to approve or go forward with the budget, I think we...

McCullough I'm totally good with that, guys. I just I have some, because obviously whatever comes out of here with that will next go to a council meeting, so...

Ptashnik And I fully expect that you may not remember what's on page 22 line 47 or whatever, and we may need some time for some answers, but I'd like to get the questions out.

Toy I concur with what the Vice President just said, but I also think there's, I mean, it's a public hearing, so there's folks in the audience that probably listen to some degree. And maybe we don't do every single question everyone has, but maybe that is a public record. Let's hope so that future Councils can look back at this budget and say, Oh, they questioned that because, and there was the answer because. So that's helpful, and it's educational for the next folks, because there's going to be four new bodies sitting here at some point, and next year in I'm just thinking that right be helpful Mr. President and others that that is at least required for the public as well.

Lichtenberg Right. And my intent would be to compile any questions that we get and respond in memo form to anything I can't answer this evening, so that everybody is has access to the response.

Toy I thought so, I just wanted to voice it out. Thank you. Sorry, Carrie.

Budzinski No problem. Yes. So, do you want us to just read our questions for the record and allow you to come back to us?

McCullough So if I may, if I may, let's do this. If there's a question that you need more time on Deb, just let us know, and we can table that for a response. Okay, let's, let's go through. The floor is yours.

Budzinski Thank you. Yes. So, the Rec Athletic Funds, obviously, we could come back to it, but it had an increase from \$144,000 to \$212,000 so I was just curious about what that was regarding. And I didn't know if it's general, It doesn't look like it.

- Lichtenberg Right. And if you go to page 14 of the budget, you'll see that increase is related to Capital Outlay. There's \$60,000 of Capital Outlay that is included in that department that was not there last year.
- Budzinski Great. Thank you. And then the Sheldon pool investment, which I think is great, again, this might be less, even more, Ted, just in terms of, is that sufficient to get the pool in more meaningful condition? I mean, I took my boys this last year, and they cut their foot on the bottom because it's so rough, and it was absolutely filthy because there's were no filters. And so, I'm thrilled that we're investing in the public pool. I was just curious if, what's the outcome of that, what that's going to look like.
- Lichtenberg Right. So, that's one that I would have to defer to Ted. That is based on what was submitted by the department, so I will give you more feedback on what's going to be included in that great. Thank you.
- Budzinski And then I saw that the PD already was doing a lot of investment. They had \$400,000. The Plymouth Road Development Authority, so just curious about what that was in reference to.
- Lichtenberg The PRDA, generally budgets approximately that amount each year. So, it's those improvements really are looked to be done in an incremental basis. And we have Mark here tonight, so if you have any specific questions, But there are things this year, the improvements to the intersection streetscape was part of what that budget was spent on. So, it would be similar projects to continue to improve that corridor.
- Budzinski Then the boiler replacements for DPW. I was just curious. That's for the new building, I imagine? And I was wondering how old those current boilers were that are being replaced? It was page 31. \$700,000.
- Lichtenberg I'll get back to you on that.
- Budzinski And then, you know, also on that page, we noted a lot of lawn mowers, which, when I had visited the fleet maintenance crew and talked to them about transitioning to electrical vehicles, or alternative energy source things, they suggested that lawn mowers would be one of the areas that it could be an efficiency for replacement. And I see that there are 10 new ones that are going to be purchased. Was the city planning to look at EV models?
- Lichtenberg Not to the best of my knowledge, but I will follow up on that as well.
- Budzinski And the same is true for, there's a transit vehicle there, and the new library van. The library van in particular would only be going between, the new vending machines and Sandberg and Civic Center, could get lots of mileage for little energy and a van and also be used for an energy source

if they took the van for like music under the stars or the kids concerts, things like that.

We have contractual services on page 44 for \$60,000. Did we have a specific project in mind for that?

Lichtenberg Yes, the mayor had addressed that during our budget study session that is related to the Town Center, or City Center Project. There were conversations with Plante Moran Real Pointe that, especially in the area of the future development, the economic development piece that there may be the need and the benefit for some lobbying services or other legislative advocacy that would benefit us multiple fold if we were to use that money for that. If we were to do anything of that type, that would have to come back to Council for approval before that spending would take place.

Budzinski Okay, yeah, so just curious of who in Lansing would be lobbyist, since we have the Government Affairs position. Is the Clerk's Office hiring? I saw an increase in their staff budget on page 50. I was just curious if they were adding a role, or if it was just related to increased cost for running elections?

Lichtenberg The clerk's office is not adding a position. And the page that you were looking at was?

Budzinski 50. General Fund said for salaries and wages, it was a \$50,000 increase. I was just not sure, could maybe just be paying increases.

Lichtenberg Salaries and wages is going from \$364,000 to \$379,000. The light is really bad. Over here.

Budzinski Sorry, that was, that was more clerical error on my part, so not the Clerks. Were we planning on adding another inspector? You know, that's something we've talked a lot about, we talked about blight in the community, and I didn't know Mr. Hanna found that to be a need or not. And I couldn't tell from the salaries and wages on their page which was 105.

Lichtenberg The best place to look if for any changes in staff numbers, would be the budget, the supplement, which has all the positions listed. But no, there is no There were no requests for positions other than the two that were included for the budget, the Fiscal Services Manager and the Capital Improvements Director.

Budzinski That wrapped up my questions. Thank you, Mr. President.

McCullough Thank you. Vice President, the floor is yours.

- Ptashnik Okay, thank you, Mr. President. So I actually have a couple of questions as well. I want to know how many people received more than one step, because I know personnel costs are going to be a big part of our budget. About how many people have received more than a step, which a step is typically what we've receive?
- Lichtenberg So, the only way that there would be more than one step is if somebody was at step one, the next step, I believe, comes at six months, and then the next one, I believe, comes at one year. So, I'm not a person in the Civil Service, so I will double check that, but I know, in my experience in my department, you start at step one. The first increase comes at six months once you finish your probation, and then there's the second increase at a year, and then subsequent to that, it's on an annual basis.
- Ptashnik And that's what I thought, but this is my first time through this process, so I'm trying to learn. When I look at the Governmental Affairs position, it appears that that salary jumped more than a few steps. And I guess I'm trying to figure out why it's out of line, then with the other positions. And I'm just looking for some rationale or criteria for this budget. I'm not giving it an opinion or reflection on the person in the position, but why is this happening? And I just want to make sure the compensation package is in line with what we voted on.
- Lichtenberg Right. So, if the amount that is included in there is more than what the step increase would be, there would simply be unexpended funds, because the only way that a position can accelerate through steps would be if it came before this Body. So that cannot be done administratively or through any other action.
- Donovic Can I pipe in real quick? When we asked that question, Vice President, and I know you just made that comment, and I want clarification, please. That's the way I understood it. Step increases, unless they're going to see the normal schedule would have to come before this body. But last year, we had a situation where elected official did something different, and through that, through that process, we found out that elected officials can give step increases at their leisure. Essentially, is what our ordinance is. Can we get some clarification on that? And I guess what Council Vice President Ptashnik is asking, is that position getting a big step increase, because the elected official, which is the mayor, just gave that person, which is the elected official's prerogative if they want to. But I think it's important that we have that clarification, if that could happen or not, and to the City Attorney, if I'm right, that elected, which would be the mayor, treasurer and clerk, can give a step increase how they see fit. But, I thought you can only do that at the beginning, and then that position would follow a normal schedule, step Increase, moving forward, and it doesn't look like that on this. information before us.

Lichtenberg So we've hired in it higher than step one, and that's okay at the beginning, but I didn't think you could jump. That is my understanding, and I serve on the personnel review committee as well, so anything that is outside the norm has to come through that committee first. I also, because payroll is under my umbrella, no payroll changes are made without a certificate that is signed in multiple places. And I have an eagle eye staff that if anything is not, I's dotted and T's crossed. It's going to be brought to my attention to make sure that it follows, if it's not a contractual, if it requires Council approval, that that's in place, and part of that certificate package.

Toy If I may, real quick. You know, I was always taught legislative body or the administrative body proposes and the legislative body discloses, so as the old language goes. But what concerns me is, just rewind several years ago, around City Treasury and the Council was a little frisky, and because they didn't get rid of the Treasurer at that time, when went out to a vote of the people, it would be a four to one after I filed for Treasurer, which was really kind of nasty, but so be it, such is politics. But what they tried to do, and did, is eliminate my deputy from the budget so I had no deputy going into that Treasurer. Point being, I think this body can do a heck of a lot, and I'm not sure if the attorney agrees with me or not, but if you go back to propose and disclose. You have a lot of power, Council, to take away funds, to put funds in, I'm a prime example of that several years ago. I don't think much has changed since then. If we wanted to get rid of and not advocating we get rid of deputies, or any of the rest, and just telling you in past experiences what has happened, that's all. This is our most powerful thing is the budget.

Donovic Five votes we can do what we want to do.

Toy Bob Nash used to say that. Sorry. Thank you.

Ptashnik So I guess my point is, if we're only going to have a step increase, that's one step or whatever, I'd like to see that reflected in the budget. So that would be clear. So, that was my issue with that.

This business we already talked about, the Fire Department, I cannot emphasize enough, us adequately funding LFD. It's going to be essential for us to, I mean, obviously we have to be mindful of the budget, of course, but if we're going to recruit and retain, we have got to put additional funds aside for LFD. I urge Council to join me in that we're going to definitely need to allocate additional funds, not just what's there, not just go for what happens in arbitration, but we've got, we're losing personnel there, so we've got to do something there.

The library. I have some questions here. It shows that the entire library system was going to show a loss of \$850,000 but I was looking for the Civic Center, and maybe I just didn't see it. I thought we were getting upgrades to ADA bathrooms, and I didn't see the funding.

Lichtenberg That's already approved. So that would not be reflected here. That's part of the Phase One Project that will be coming in the next couple.

Ptashnik I figured it was something like that, but I just couldn't find it.

Noble, I know, technically not library anymore, it's been out of commission, so it would be part of the library budget. But I noticed there's not one penny dedicated to Noble whether it's to maintain or demolish, we can't just ignore it. So, I guess I have some concerns there. Whether we're gonna demolish it or maintain the building, in some fashion, we have to have some sort of finding assuming it isn't just going to sit there. And I'm also concerned about the amount of money being spent on Sandburg in addition to this, I guess that one is that.

My next question has to do with the admin fee that we passed, that 1% on the non-homestead school operating at the PRDA when we passed it, one of the things that I made perfectly clear in the motion, and I know Mr. Jolly made a motion to second it, but I made sure that we had this in there. It was not to be an automatic renewal. It was, and I know we have to vote on the budget, but we were supposed to vote on that from each time to renew it. So, I just want to make sure that we don't necessarily assume, I'm not saying I'm not going to support it, but in the spirit of transparency, that's we did set that up that way. I would love, it's about \$305,000, right now. I would love to be able to find somewhere else the budget. I'm not saying we're going to be able to this year, but I think we need to have a vote on that one.

And then my last question has to do with our fleet maintenance. I noticed in 2022 it was only, we were only putting about \$14,000 there for outsourcing, and now it's about \$165,000. This is over 10 times increase that just seemed just exorbitant to me. And I wasn't sure, it's on page 112, I guess, right?

Lichtenberg And that is a direct result of not being able to staff mechanic positions.

Ptashnik I guess when I talked to them, part of it's not being able to pay. And I'm wondering, would it be who likes to try to hire and pay mechanics? Obviously I don't know the answer to that, but that is that what it is, because we have to outsource so much now?

Lichtenberg Yeah, and that that is not unique to Livonia. I've seen that in every community that I've been with. It's very difficult to have skilled trades on staff. Even if we were to increase the wages that we were paying by 10, 15, 20% it's very likely we still would not be able to compete on a salary basis. That's really consistent in in a lot of areas, but it's more reflected in those specific types of positions.

- Ptashnik I mean, that was one that just kind of jumped off. But okay, but really, I mean, obviously the step issue, putting money set for LFD, and the admin fee.
- Budzinski I just wanted to piggyback on the topic related to fleet maintenance and the outsourcing, because it's such a large number, I understand that we're piecemealing doing these repairs so that they don't come before Council. But if all of the business is going to one specific mechanic at a rate of, what did you say was, again, \$165, isn't that an expenditure that would normally come up for a council?
- Lichtenberg So, I don't know off the top of my head whether it actually has or not. Oftentimes we will have blanket PO's for preferred providers, so I will have to double check and see if a blanket PO has come before you.
- Donovic I know to Council on this point. We did vote on that, my memory escapes me, I think a year and a half ago or so for the approved X amount of dollars. I just don't remember exact details.
- Lichtenberg Councilmember Ptashnik, I wrote down library, and Noble, the fact that nothing is being budgeted there. Was there another question I was supposed to be...
- Ptashnik No, I was really, it was mostly I didn't see the ADA bathrooms, and I figured, okay, we'll cover it, but that was just what I was concerned with, we have to maintain the basics. One way or the other, we have to have the money.
- McCullough If you don't mind, but I've got a list, so I'm just touching base on stuff. So, fire contract was there, so I want to be on record to say that is obviously at least, I think, Council is really ensuring that we stay a top area for First Responders. I know I'm hearing rumblings that we're losing people to different areas because of different costs. So, at least that's on my list bigtime, to have this put aside, I think it's a great idea.

The second one I have is, if you go to, and I'm pointing out something, if you go to DPW Public Service under Building Maintenance, and you look at the requests that they push forward. Kind of giving Council some context, I get to do this on the other side, and I've actually worked with Deb in Novi when we will put together our wish list. And usually what happens is, everybody gets their wish list. They write a presentation, get estimates, and then it goes up the chain, goes to Council and there are approvals and denials. I want to point out that, I forget what exact page, 31, so DPW, Public Service, Building Maintenance. And the reason I'm bringing this up is we just approved, I think, a wish list for a Facilities Manager, which is good, which is great. But if you look at it, there's a proposal of over \$3.6M and an allocation of \$M so this is to me, as the cart before the horse. We're gonna hire somebody, but we're not gonna

give them any money to do stuff with. And so some of these items that I bring up, and this is why, you know, I hate dwelling on it, but as a Facilities Manager, I tell you, what, if I looked at this and I had zero allocation, I brought, what am I going to do to sit, you know, in the boiler room, drink coffee and look at stuff?

Donovic Council President, to that point, why did the Administration go with a Director position, and we didn't really talk about a lot at the meeting, as opposed to a deputy that would have went under DPW, Building Department. What was the logic?

Lichtenberg So, there were conversations, many, many conversations about where this position would best align. We talked about it potentially being under Inspection and because of the building aspect of that. We talked about it being under Planning as part of the growth of the city. We talked about it being under DPW, because Facility Maintenance is currently there. We talked about it being under Finance, because the Capital Improvement Plan really works hand in hand from the budget standpoint. And where we really ended up was that it wasn't the intent of where we wanted to go with it didn't align perfectly. Didn't make sense specifically in any one position one area, because it's really going to be touching on many. So, the thought was to make that its own department, starting with a director who would be able to come in and get the lay of the land and develop a plan for going forward and potentially then, make suggestions about how that could be built out. If needed, get the staffing to the point where we could maintain the buildings and other facilities that we have. So there, I guess the answer is that there was a lot of conversation had, and that's where things landed.

McCullough So, kind of going, and for the record, this is out of the three points in depth. I'm not trying, you know, I know you're just standing up there. But these are the questions that I do have that kind of from that last meeting. But out of that, the \$3.6M that was requested, \$150M is being proposed to be approved. One of them is a transit van. The other is an F150. Those are taking precedence over building 12 boiler replacement, two at \$350,000. Replace eight rooftop units at building 12 for \$32K each. Building 13, HVAC. City Hall Annex, chiller. I'll agree with you on that one, because we're potentially going to be looking at renovation or tearing this building down. City Hall bottle fillers, \$25K, denied. Civic Center Library boiler replacement, \$500K. I'm not going to go through these, but there's a list of about probably another ten of these, including turbo vacuums for \$1K each that could help our custodial staff. This is what they've asked for, and it's denied. And what I'm trying to bring up to this, is what's going to happen, and I don't want to wish it on anything, but we're so reactive on everything, which means that that boiler that costs \$350K in here, when it fails and we have emergency repairs, is going to be double that. The radiator heaters, just like the air handlers, it's all emergency work. We got flying cranes, and we're going to pay triple what we should have if we

budgeted. And I know we can't sit there and grow, money off trees, but I look at this and I have no offense to our fleet. I'm sure the fleet is in terrible shape, but a lot of these are risk. You know, a lot of these are risk. This could be indoor air quality, it can be mold. It could be environmental causes with this. And these are employees and our citizens that go into these buildings. And I know we're making a push, but now, when we're requesting a director level position for Facilities Manager at, probably \$100K, and then if you add all the perks with it, this could be easily, but we're not funding any repairs. What are they gonna do the first year, until they get on, so these are, that's just one. And like I said, I want, I'll send these out. The other one is Property Maintenance staff. This goes to the Inspection. I think, it's funny, because Councilwoman Budzinski, Councilman Ptashnik, Rob and I've been fighting with this one every single year. And I think all of us have so adding personnel so we can become proactive rather than reactive. That's been on there, it's never been in my five years, it's never been pushed forward. Greenmead Master Plan. I mean, there's foundations, there's repairs. We have that sitting. I also put on here Noble/Sandberg funding sources, just as Vice President brought up. Obviously, Noble is a very touchy subject, but that park is suffering. And when we took this on in all these meetings, we always said, hey, I know Five and Farmington is the focus. I get it, but we do have 36 square miles. And, you know, Council has said, this is our chance to say yay or nay to some items. And at least for me, I'm way far away from really, you know, stamp and seal of approval on this. And I know we're pressed on time, I also have time here additional DPW staff so that we can be proactive rather than reactive. As I said the last Council meeting, I send in, I probably, I think we probably all average, you know, 10 to 30 resident requests every week, and pushing forward to the Administration. And lately it's been no, no, no, no, no. And it's staffing. It's we can't pay anybody. So right now, we have the ability to say, hey, well, let's make sure we do pay people the right ways, or let's fill up these things. I'm so I think I'm so sick of hearing, find a way to know stuff instead of pay, you know, an excuse we don't have staff. The citizens are suffering basically from it. And the last thing I put on here is salary survey. I've been bringing it up for years, and I do know what it's going to show. It's going to show that we are compensating extremely low compared to neighborhood communities. Extremely. And hence, that is exactly the reason that we're having the hiring issues that we've had plaguing us for so many years. What was that salary survey going to show? It's going to show problems, and hopefully it gives us a path to push forward. Now that some those are my list, I'm going to be quiet. I'm going to move on to Councilmember Morgan.

Lichtenberg Yes, excuse me for just one moment. I do want to emphasize just with those capital projects, good or bad, some of that, as you said, was delayed additionally because things are up in the air with Five Mile and Farmington projects, and the conversation, the greater conversation regarding funding sources, and if we're going to be asking for additional revenue sources,

would we be including additional bond funds that would be able to cover some of these costs? So again, and I do understand the concerns. I think we all do. I think it's, you know, it's clear I would love to be funding more than this, but as we all know, we start with a pot of money, and we decide how we're going to spend it this year, and unless that pot gets bigger, it's, you know, we have to make decisions about where funds get...

McCullough And it goes back to when you approved the Notice of Intent for the bond at \$41M. And I still think that is a highly inflated number, and that's why I asked, can this go to different building maintenance areas. And I remember saying at that meeting too, is, listen, you have broken windows around the city. And I had said, I'm so pumped up. We're going to be doing this Five and Farmington City Hall, but at the same time, the city cannot suffer the rest of the 35 square miles. And for that reason, and I was assured at that meeting. Oh yeah, we're gonna be pushing it around. And, you know, a lot of things are just sitting and they're getting pushed out. And so I think at least for my vantage point, I'm not gonna be supportive of a budget unless it includes some seed money to start tackling a lot of these broken windows, truthfully.

Morgan Councilman Morgan, with all that, I had a question regarding this meeting recording, I guess Mark is recording this for us. Thank you.

Donovic Unless anybody has any other questions, if it's okay, I was going to offer an approving, committee and denying.

McCullough So, we have, an approving, committee of the whole and a denying. Basically, what that means for the audience is that there's three motions on table the next council meeting. I think, is that gonna be on the next one? I'll define the dates. But please check out our correspondence online. I'm going to go back to Council. Council, do you have anything with the motions? Seeing none. Audience? Does anybody have any communication that would like to speak on the proposed budget? Oh, come on. It's fun. All right with that. Unless Council has anything else I'm going to close this item to move on to item number two., so we do have an approving, denying, Committee of the Whole.

As there were no further questions or comments, the Public Hearing was declared closed at 7:48 p.m.

**CITY OF LIVONIA
PUBLIC HEARING**

Minutes of Meeting Held on Wednesday, October 2, 2024

A Public Hearing of the Council of the City of Livonia was held at the Livonia City Hall Auditorium on October 2, 2024.

MEMBERS PRESENT: Brandon McCullough, President
Martha Ptashnik, Vice President
Carrie Budzinski
Rob Donovic
Scott Morgan
Laura M. Toy

MEMBERS ABSENT: Jim Jolly

OTHERS PRESENT: Carter Fisher, City Attorney
Mark Taormina, Planning and Economic Development Director
Debbie Lichtenberg, Finance Director

The Public Hearing was called to order at 7:48 p.m. with Council President Brandon McCullough presiding. This item is regarding an appeal of the denial of the Planning Commission regarding Petition 2024-06-02-10 submitted by Wanda Massage Institute requesting waiver use approval to operate a massage establishment at 37625 Ann Arbor Road, located on the south side of Ann Arbor Road between Newburgh Road and Ann Arbor Trail in the Northeast $\frac{1}{4}$ of Section 31.

This item will be moved to the Regular Meeting of **October 21, 2024**.

The Public Hearing is now open. There were approximately 5 persons in the audience.

McCullough Mr. Taormina, the floor is yours.

Taormina Thank you. This is a request, as you indicated, to an appeal request involving the denial of the waiver use petition involving a massage establishment. In this case, the property is located on Ann Arbor Road. It's actually between Ann Arbor Road and Ann Arbor Trail. Access is provided to the site from both streets. In this case, this multi-tenant building is about 15,000 square feet. Wanda Massage Institute would occupy a unit that is roughly 1800 square feet, located at the west end of the building. It would face Ann Arbor Road, or to the north. Few conditions related to massage establishments include they cannot be located within 400 feet of another massage establishment, nor can they be 400 feet within any school, from any school, place of worship, state licensed daycare facility, library, playground, public park. In this case, the Middle Rouge Parkway is located directly across Ann Arbor Road, about 120 feet from the property and so that particular condition would have to be waived

or modified by Council. This Petitioner proposes what has been described as more of a training school for massage therapists. It would include classroom instruction as well as performing massages on clients that provided a detail regarding the layout of the unit includes a couple of massage rooms offices, as well as a classroom and break room. No modifications would be made to the building's exterior. Parking is adequate to serve the use. Planning Commission after having held a Public Hearing on this item, did deny it and is the reason for the appeal this evening. Thank you.

McCullough Thank you, Mr. Taormina. I'm gonna open up to the Council. Is the petitioner here? So, petitioner is here, if you'd like to come up just to maybe field some questions from Council, or, you know, why don't I hand the floor to you, if you could do a name and address and tell us a little bit about what your business is. Council, feel free to jump in at any time, and then I'll go to the audience after. While you guys are getting prepared. Why don't go to Council? If we can ask some questions, maybe for Mr. Taormina.

Donovic Council President, to Mr. Taormina, remind me again, why was this denied? What were some of the rationales from the Planning Committee?

Taormina Five reasons were provided in the denying resolution, mainly related to their noncompliance with all the general standards and requirements of the zoning ordinance, and the fact that the petitioner had not adequately established a need for the use in this in the in the neighborhood.

Donovic Thank you, sir.

McCullough Councilwoman Budzinski.

Budzinski I just got a question for law or Mr. Taormina. Does our ordinance differentiate between a school and a massage parlor? Would the massage services be provided by students, maybe as a training purposes make it a massage parlor. As this relates to the zoning being closest to residential or school.

Fisher I don't think the ordinance contemplates sort of that level of granularity in terms of, is it a massage school or massage parlor, or whether there's training going on. I think the definition of parlor is pretty broad, and this is probably included.

McCullough Good evening if you could get your name and address for the record, and then just tell us a little bit about the business that you're proposing.

Jada Yes, my name is Jada, and this is Ben. He's also an assistant, but back to school right now. We are here to represent the Wanda Massage Institution. And our address is 37625 Ann Arbor Road, Livonia. And thank you again for being here to hear us as the voice. And we actually, after

we got email letter, we actually did some research regarding that. So, we noticed that there is a term calling us Massage Institution. So, after we started thinking, and we're trying to do such training school inside of massage establishment, so we prefer we actually trying to be a training school inside of massage establishment. That's called in the denial letter. So, after we saw these the that came by the measurement of Mr. Drew, we actually try, we want to make some modification of our training plan, so changing from we won't provide any massage services to the public, that's the change we're going to make. To let the city know about we try to avoid the misunderstanding between those concepts, especially in the letter. We call them site establishment, so I guess they may have some issue with local rules. So that's the things we want to mention that in our appeal too.

McCullough So, if I may, and Council, feel free to jump in so, you're still going to be performing massages inside the establishment as a training mechanism?

Jada Yes, but we won't open to public to offer any services. So maybe between a teacher to students only, or the student to students. So, it's not gonna open to public to charge money from outside, like residents around it. So, it's only so just represented with our purpose being, the school is only training and professional training.

McCullough Do you have a training facility somewhere else right now or is this gonna be the first?

Jada This is our second in the Michigan State.

McCullough Where is your current?

Jada The current one is in Westland.

McCullough And that's open right now in operation?

Jada Exactly. We actually print out a couple of the pictures of our school from Westland. So ,we've already been here, like, more than six years already, and for the last two years, even without impact by the covid, and we still able have like 50 students, successfully, more than 50 graduates.

McCullough Thank you. I'll go to Vice President, then Councilwoman Toy.

Ptashnik So thank you for coming today. Would this be an additional location, or are you replacing the Westland location?

Jada No, it's going to be additional one. So, the present school. You can see it's already packed. The classroom is very small. So that's reason why. Well, after we compare a couple of like a property around this, like several cities around here, around the Westland, and so far, this location is still the best because they have, like in the middle they have a classroom open

area as really good for the classroom. That's reason why I would pick this location.

Ptashnik Okay, so then, so your funding, your source of revenue, I guess. It wouldn't come from charging customers coming in for to get massage, it would be tuition? Is that what we're looking like for students?

Jada Yes, carefully, actually, in the program, actually, we already include, I think, after this submitted all those paperwork, I think it's included in there. We actually have 100 hours of the hands-on training experience is required by the Federal Massage Association. So, we tried to give lessons only for that purpose, but because we have, like, really misunderstanding of those, like massage establishment concepts. So, we're a little afraid of that. So, we try to work this out. So, by thinking about maybe ask the student to finish their hands-on in another location of massage school to avoid this concept misunderstanding.

Ptashnik I have another question I think probably is going to go to Mr. Fisher in Law. If we were to approve this establishment, is there a way that we can dictate that it is for educational purposes only, and will they really be no outside customers? I mean, I don't know what our parameters are on something like this.

Fisher You know, I think you probably could issue an approving resolution stipulating that the approval is subject to this being used as an educational facility, and to sort of expand on my previous answer, to the extent that it is only being used as an educational facility and there are no massages offered for pay. You know, it could be argued that this falls outside the zoning ordinances concept of a massage establishment. The zoning ordinance talks about massages, exercise and practice for pay.

Ptashnik And that's, I guess, where I was getting to, because this is more, I guess what I'm seeing is an educational facility than it is truly a massage facility.

McCullough Councilwoman Toy.

Toy Several questions, if I may. Who owns your company, your corporation, your LLC rules, do you own it?

Jada The business owner, his name is Jun Long Zhu. He's the owner.

Toy And what kind of experiences does he have within the massage industry?

Jada Oh, he actually performed as owner to manage all different kind of massage school, with more than 10 years' experience, not only in Michigan. I think he started his business in California. Right now, he still have, one or two, just one in Los Angeles area. You not only do the school for the program for the massage license, they also have, like, another program called, I think it's another 100 hours training for help the students

who pass through the board exam. So, it's like kind of two programs so totally at all is like more than 10 years.

Toy Thank you. What brings him to Livonia? Then? Why? Why is he picking Livonia to be at? If he only has one in California. Help me understand that.

Jada I think he also had another establishment in Georgia, but as far as I now in Michigan, because they first established in the Westland and pretty successful. And it's not only open for the local Michigan students to attend to this program. It's actually also come from other states

Toy Okay. And how many years has he been in business doing these kinds of educational venues, if you will.

Jada From as far as I know, it's more than 10 years for the location of Westland, is almost six years it might before for the covid.

Toy And what is your what is your title in in the organization?

Jada As a current, I was with school assistants, and a current school assistant. So, we also manage, like the students, like study plan as long as model, like operation, daily operation of the school.

Toy Okay, and your background and in your training, is in?

Jada My background is Oriental medicine.

Toy Okay, yeah. Great. All right and are you a citizen of United States.

Jada No, I'm no.

Toy Okay. Are you Miss?

Ben I'm a current resident.

Toy You're a current resident, okay? And how do you get your students. How do the students come to you?

Jada You mean the marketing flyer?

Toy Marketing would be fine.

Jada Yes, actually, the special, the specialty of our program is our students attracted by our bilingual program because most of students also coming from China. Their English is not their first languages, so they have difficulty to go through the program. But our program offered because our instructor, he is very experienced physical therapist, and field is more than 20 years in this field, and he also able to speak Chinese, which is bilingual,

so to help a lot of students struggle with like medical terminology and something like that. So, this is our very special advantages.

Toy So the percentage of your students come from various backgrounds, would you say, or a lot of them from out of state or out of country, would you know?

Ben I think more, so, for our students can be not out of state. Yeah, most of our students. They want to help their scale to get help their career to be proven, they have to, if they want to do perfect professional massage therapy, they have to get educated. They have to get licensed. They have to get a certificate. So, our program help them get license and certificate.

Toy Do you have a copy of your training program as to how many weeks it is, what they learned, what it is? Do we have copies of that? I don't have my

Jada Yes, actually, we think we submitted, we don't have the packet right now, but we actually submitted to our application package, I think is involved with that.

Ben Yeah, we can forward to that.

Toy Oh, that'd be great. Yeah, great. Okay, and how long have you guys been in the business? A lot of years or months or weeks?

Jada Oh, I work for the company since 2019 the first location in Westland, okay for five years.

Toy Okay. Thank you. You, Miss?

Jada I'm the assistant before her, but I'm currently not working for them anymore. I'm here to be a translator for helping.

Toy My last question would be, what type of placement do these young people or older people have once they complete your program? Where do they go or what? Who hires them usually? Is your placement successful, pretty much on a percentage basis? So, do you understand what I mean?

Ben Yeah, after they graduated and after they get licensed from the Federal State Massage Therapy, so, most of the massage therapy, the old massage store and the provide massage service to the public.

Toy Okay, so there may be walls, things like that?

Ben Yeah, that kind of thing, yeah. Our students go to some spot, like a spa.
Toy I'd be interested to know your owner's background, if he has any kinds of tickets, if you will, or different notices, if you will, that we could investigate because you have been denied by our Planning Commission. I take that kind of thing seriously. These people are well meaning, usually on the

Planning and not that you shouldn't appeal to us. I think it's great, except that there's a lot of there's a lot of questions when it comes to certain facets of this industry, and I want to be really clear about what we're putting in our city, that's all and I think you've answered most those questions, and I really appreciate it. Thank you very much.

McCullough Councilman Donovic, then Vice President.

Donovic A few questions. First, thank you both for being here this evening. I do appreciate it. This is our job. We have to ask these questions and go through this process. We do thank you for being here, Council, as you will see your packet, I have some concerns, and I would share those concerns of the Planning Commission. I agree with those concerns, but even equally concerning, the petitioners building, they owe in 2000, this is of June, so I'm not sure if anything's changed since then, but they owe \$18,900 for summer taxes. In 2023 not 24, 2023 \$18,000 and almost \$900 for summer taxes and then winter taxes. They owe \$20,800 for winter taxes, and that's almost \$40,000 in taxes from 2023. Then also the back bills for water. They originally owed over \$9,000 in water payments. A \$2,000 water payment was made in June of this year. They still have an outstanding balance of \$8,000, so that is roughly almost \$50,000 this property owner owes the city of Livonia. You couple the items from the Planning Commission, their reasonings for denial, plus the building owner owes the city. Nearly \$50,000 I'm not okay with moving forward. So those are some of the concerns that I had. Thank you.

McCullough Councilwoman Vice President.

Ptashnik Thank you. Stole my thunder a little bit on that one Mr. Donovic, I was actually worried about that as well. Where's the Westland location?

Ben The address is 6565 North Wayne Rd.

Ptashnik Okay, are you currently operating out of the Ann Arbor Road location?

Ben We're not. We have to get approved by you guys. We're not done yet, because when I look up the website, it says that's where you're operating at, I guess I'm confused.

Jada Yeah, actually, it's not like opening, just take a picture. So, we're actually able to use it before, but we're actually not opening anything like there's no students in there. We're not really doing anything yet

Ptashnik So, you already have a lease in your plan.

Jada Yes, that's the reason why we, after we still want to be here to, you know, sort this evening, because actually, we are very lucky to be able to get the landlord here today finally, and maybe she can answer, like, some of the, you know, the taxes, yeah, the stats, things. We actually, we already rent this place. Actually, that's the only way we can access the building to do

some like setup, to ask the city to, you know, get inspection and everything. So, it's like to pre prepare things. So yeah. Besides that, we are not reopening anything for that location.

Ptashnik So you don't run any classes in the Livonia location?

Jada No, everything is in the Westland, the one on Wayne Road.

Ptashnik That's my question. Thank you.

McCullough One question. What is the location called in Westland? Is it, it's not this, it's not a teaching, I'm looking at it right here. It says, M Spa.

Jada Sorry, no, it's called The Perfect Massage School.

McCullough With the address that you gave me, the 6565 Wayne, it's coming up M Spa.

Jada No, it's not true. We actually can show you, what do you have a picture?

McCullough What's the business called?

Jada Perfect Massage School. Perfect School of Massage?

McCullough You know, at this point I'm going to go back to Council. We do not have a motion on the table. It seems like there's still a lot of information missing from this to even render a decision in favor right now, you've said that you have a school. I'm looking at it right now. So, you said The Perfect School, but there's also one called M Spa that has that same address.

Jada No, that's not true, right now, that property is only for class, and a lot of classes, even online.

McCullough Well, at this point I'm going to cruise by it. I mean, right here, it says M Spa, 6565 North Wayne Road, Westland, Michigan, 48185 so just food for thought.

Jada Actually, that school do have a license, a massage license, but actually they're not really taking any like customer from public either.

McCullough Okay Council, do we have a Vice President?

Ptashnik At this time I just don't feel comfortable moving forward. Mr. President, I'd like to offer a denial on this motion.

McCullough Thank you. So, we have a denying. Council, do we have any other motions or feedback? Councilwoman Toy, the floor is yours.

Toy I understand the motion that's been put forward. If what I'd like to see as one Council person, if your owner, the owner that actually runs this stuff, if he would please appear. I know it's a great habit when they send in others, but with the owner appears, he can get down to business a little bit more. As our President has said, there's some unanswered questions. I'm not saying I'm jumping up and down about improving on this at all. I just think that fairness to you and full transparency that may be very helpful, because there are a lot of, as my colleagues have pointed out, a lot of things. And also, I'd like to talk to the owner, which Councilman Rob has brought up, of these unpaid balances that he has. So, that's very concerning to our city. Thank you.

Donovic Go over to Councilwoman Toy's position. I'm looking at the public website, and it may not be 100% accurate, but I'm fairly certain it is accurate. They owe \$12,722 for winter 2022 taxes they owe \$14,647 for winter 2021 taxes, they owe \$15,068 for winter 2022 taxes, 2023 tax in the summer of \$18,868, 2023 winter, \$20,736, and summer, 2024, \$9,000 I mean, I'm starting to lose track, Council. So, I own properties, and you pay your property taxes, and that's a lot. I mean, I'm looking at total amount due, total amount paid, last paid, and there's been a few that have been paid over the last four or five years, but there's \$1000s and \$1000s and \$1000s of dollars owed, and this is not in consideration with the water bill either. Thank you, Council.

McCullough Thank you. I'm gonna go to Councilwoman Budzinski, and then I'll ask you for your name and address, and you can have the floor.

Budzinski And that's fine, because I thought I heard them say that you are the property owner.

Ben I represent property owners.

McCullough All right, can we have name and address for the record?

Ben I work for, it's a small family business, and I help manage the day to day maintenance, operations, office building.

McCullough Okay, Councilwoman.

Budzinski Through the Chair, so are you or the family represent responsible for the property taxes and water?

Ben There's some, there's been, it's been a hard time for these buildings with vacancies and just some empty spots, and they fall behind making some payments towards the taxes.

Budzinski Is the family and the perspective lessees/ school training center related in any way, or is this a, I mean, are the property owners and the tenants in business together?

Ben No, there's a mortgage broker that comes in and shows the empty offices and suites and markets the availability. And was in touch with this massage school and brought them forward as a potential tenant to build some empty spaces in rental I've been in and had a look, and they big classroom. There are some few empty spaces, and it looks like they're trying to there's posters and diagrams and things lying around. They're trying to set up some kind of educational massage facility. It's quite a professional building. There are offices, there are dentists with chiropractors, and it looks like it would fall in with the style of the building.

Donovic Thanks, Council President, Miss, thank you for being here tonight. I understand you're the representative of the entity that owns the property. Doing some quick math, the entity owes the city and the county of about \$102,000 in back taxes. And those are going back to 2020. Yes, they made two payments in 2021, and 2022 it's actually completely insane that the county is not foreclosed on this building that owing the community \$102,000 plus the \$9000 water payment that you guys did make \$2,000. This is public record information on BS&A website. Our County Clerk, excuse me, our Treasurer is here this evening as well. But these are various payments that have not been made, and that's just on the BS&A website. We could definitely confirm that with our Treasurer's Office, but this is public information that I have with both on BS&A online website and then additionally, again, owing \$9,000 and back to water payments. But you guys made a \$2,000 payment in June. That's just absolutely not acceptable, and I'm not going to be in favor for the reasons that the Planning Commission laid out, and then also signing a lease for the tenant. Paying \$15, \$16, bucks a square foot, whatever may be, is not going to make a difference when you owe the residents in our community that much money. Yeah, it's unacceptable. Taxes, absolutely.

McCullough Well, right now, we do have a motion on the table for denial. I'm going to go back to Council. Do we have anything from the audience on this matter? So, we have a denial. We have a denial on the dock. I think this is going to be at the next Council meeting. Check the correspondence with the website if you want to reach out to the Council Office or check the website. But this should be reported out probably the next Council meeting. Livonia.gov is the city's main website, is going to post all the agendas. Anyone from? With that, I'm going to adjourn this meeting at 8:17pm.

As there were no further questions or comments, the Public Hearing was declared closed at 8:17 p.m.