

A. CALL TO ORDER:

A Special Meeting of the Troy City Council was held on Monday, April 16, 2025, at City Hall, 500 W. Big Beaver Rd. Mayor Baker called the meeting to order at 6:01 PM.

B. ROLL CALL:

- a) Mayor Ethan Baker
- Theresa Brooks
- Rebecca A. Chamberlain-Creanga
- Hirak Chanda
- Mark Gunn
- David Hamilton
- Ellen Hodorek

C. PUBLIC COMMENT:

David Kniffen	Spoke in opposition of a bond proposal.
Jen Peters	Spoke in support of a bond proposal

D. BUSINESS STATED IN THE SPECIAL MEETING NOTICE:**D-1 2025 Bond Proposal Discussion**

City Manager Nastasi introduced the discussion topic and indicated that based upon feedback from City Council, they narrowed topics to library, roads, public safety and parks and recreation. He said that Jaymes Vettraino has been part of the process from the beginning and turned the presentation over to Mr. Vettraino to provide an update on how the proposal has progressed to today.

Mr. Vettraino presented the process leading up to and the information discussed at the 2025 Capital Conference in January. He said City staff provided a list of Capital projects prior to the Capital Conference and the highest priority projects totaled \$199.98 million dollars. He said during the Capital Conference, City Council considered the need, cost, and tax impact to the tax payers when prioritizing the Capital needs. He said City Council determined the library, public safety, streets, City Hall, and parks and recreation were the highest priority and requested more information on those projects. He said City administration researched project feasibility and cost analysis on those projects and conducted community engagement to obtain feedback on the highest priority projects. Mr. Vettraino said the library, roads, public safety and parks gained the most general support with a clear desire to keep the impact on the taxpayer as low as possible based upon feedback provided to City Council members and City staff. City administration estimates \$112 million for library, roads, parks and public safety with the library is estimated at \$50 million, \$10 million for public safety, \$35 million for roads, and \$17 million for Parks and Recreation. Mr. Vettraino shared upcoming meetings leading up to consideration of a bond proposal and communicated that the City will prepare educational information for residents.

Mayor Baker thanked Mr. Vettraino for his presentation and involvement in this process. Mayor Baker welcomed questions from City Council.

Mayor Pro Tem Gunn asked about the bond amounts, what would be required for a renovation versus a complete tear down, and what would the building be used for if a new library building is built. City Manager Nastasi responded that the library amount is based upon a study estimating the price per square foot times the square footage building for a community of our size. Mr. Bovensiep responded that the bones of the library is not the issue, but renovating the library and have it function as a modern-day library is the concern. He said consultants have been used to renovate and add space and the current design will not provide a sufficient return on investment. He said architects have looked at the library, submitted proposals to renovate it, and the bids came back too expensive. Mayor Baker recalled that it would be approximately \$40 million to build a new library and over \$20 million to renovate the existing library. Library Director Dumas said consultants have come in and said the library is vastly undersized and the option explored did not expand the footprint of the library. She said a consultant evaluated the building in 2008 and determined that the building cannot support a second floor, so the only option is to expand the footprint. Mr. Bovensiep said that whether or not City Hall is included in the bond proposal, there are infrastructure issues with City Hall that need to be addressed and they discussed options for repurposing the library during the Capital Conference.

Council Member Chamberlain-Creanga commented on the tariffs and their effects on the Budget. City Manager Nastasi said that extra costs are factored in when planning projects. He said he cannot predict the future, but transparency to the residents is a priority and they would prioritize, provide options, and obtain community feedback throughout the entire process. Mayor Baker asked about the flexibility with the bond language. City Attorney Bluhm said that City Council will be required to approve the bond language and it must state what the money will be used for, but it does not require the exact dollar amount. She said transparency is a key component in the ballot language. Mr. Maleszyk said that should there be any overages, there are contingencies such as fund balance that can be used. He said for the bonds, the figures can vary every day and a rough estimate of 1.0 mill is approximately \$124 million.

Council Member Hamilton asked if there is any flexibility with the June 30th meeting date. City Attorney Bluhm said there is some flexibility with the June 30th date, but it is important to have time to prepare and get the information to the public. Council Member Hamilton asked about the projects for parks. Mr. Bovensiep discussed some of the projects with Parks & Recreation and explained that most are already planned expenditures. He said any projects not included in the bond would then compete with other higher priority capital projects. Council Member Hamilton asked when the bond interest rate is determined. Mr. Maleszyk said the schools face the same situation. He said City Council will need to tell City administration the total dollar amount, and the timing of the bonds and projects will depend on that total dollar amount and interest rates at that time. Council Member Hamilton said it is important to keep it under 1 mill.

Council Member Chanda referenced the June 9th date and asked for clarification on the timeline. City Manager Nastasi said there is some flexibility with that date, but there are definite timelines that need to be met in order for the proposal to be included on the November 2025 ballot.

Council Member Hodorek said that Mr. Vettraino's presentation dated back to the Capital Conference in January; although, City Council has been discussing Capital needs for years. She said the City has been creative and fiscally responsible as possible and has had to kick the

can down the road. She said there is a sense of urgency because there are many projects and every time the can is kicked down the road, it costs the City more money. City Manager Nastasi said the sense of urgency is correct because capital needs are becoming more abundant and they are always competing with other projects. Mr. Maleszyk said that other communities are in the same situation proposing millages with higher dollars and a larger millage rate. Council Member Hodorek said that as a resident, she wants Troy to be competitive with other communities but other communities have millages for various services. She commented that the City has added only a handful of positions from the 1/3 of the staff that was cut during the Great Recession and confirmed if that is still correct. City Manager Nastasi said we have been doing more with less for years and that makes it difficult when competing with other communities and the private industry. He said it has been difficult to retain employees because employees have more responsibilities.

Council Member Hamilton commented that any increase in tax revenue has been put into the Operating Budget to help restore services and positions in the police department that were cut during the Great Recession. He said approximately half of the cuts to the police department have been restored and the Capital Budget has taken the brunt.

Council Member Brooks commented on the possibility of renovating a vacant building. Mr. Bovensiepe said anything is possible, but he said the Civic Center complex was designed for civic use so there is one-stop place for residents. He said he doesn't believe the people who use the library would look for a building off of Civic Center campus. Council Member Brooks commented that City Council has been fiscally responsible and the longer we wait to take action, costs are not going to come down. She said this is not a want, but a need and it needs to be done soon. She said it is the most fiscally responsible thing to do.

Mayor Pro Tem Gunn commented that the bond proposals should be split so the voters can decide. He asked if there should be more effort to find ways to increase revenue, such as a big attraction, or we will be facing this in another 10 years. Mayor Baker asked Mayor Pro Tem Gunn how does a city make money when half of the income is property taxes. Council Member Hamilton said Troy's millage rate is the second lowest in Oakland County and other cities increase their millage rates to increase taxes. Mayor Baker commented that City Council has been exploring options, but the City faces challenges because it is primarily built out. He commented that he doesn't believe residents would support the City selling park land to earn money. Council Member Hodorek spoke about the history of the public-private partnership with the Civic Center property, the pushback from the residents, and that the City lost time. She said the plan was designed in such a way that it could be revisited in the future. Council Member Hodorek said other communities have millages for services, but Troy's City Charter was changed in the mid-2000's and has an operating millage cap requiring any increases to go to the vote of the people. She said a millage increase requires time to accrue money; whereas, a bond provides instant money like a loan. She said if the residents vote no on a bond proposal, then City Council will know they cannot provide the services residents pressure them to provide. Mayor Pro Tem Gunn expressed concerns with the highest bond amount approved by other communities listed in the presentation being \$18 million. Mayor Baker responded that other communities have millages for services, not bonds so they are not comparable to Troy. Mayor Baker said there are residents that will vote no on every bond proposal or tax increase, but he knows the City needs it. Council Member Hamilton commented that it has been 26 years since the residents of Troy have invested back into the community.

Council Member Chamberlain-Creanga commented that she had her a-ha moment and now understands the need for a bond proposal. She said taxes generate \$7 million from development, the unassigned fund balance is \$23.6 million and policy requires a minimum balance, and there will be \$1.7 million left in capital. She said unless Troy seeks other sources of money, it will affect public safety. She said she supports a bond proposal and keep it at \$112 million and under 1 mill.

Council Member Chanda commented that the City needs this bond proposal and that a City of this size cannot have a Capital Fund balance at \$1.7 million. He said he supports a bond proposal under 1 mill.

Council Member Hamilton asked about the April 28, 2025 Joint Meeting. Mrs. Dumas said the April 28th meeting will discuss the design and site plan and possibly the size, but not cost estimate.

Council Member Hodorek said there are issues with City Hall that need to be addressed, but she doesn't feel City Hall should be part of the bond proposal. City Manager Nastasi said that City Hall has been removed from the bond discussion and it has been limited to library, public safety, roads and parks and recreation.

Mayor Baker said there is consensus from City Council to move forward with bond proposal language. He said there are residents that will never vote for any proposal, and there are residents that vote begrudgingly for it, and there are residents that vote excitedly for it. He said our City is aging and a bond proposal borrowing money versus a general tax increase is the best chance to provide the services the residents and businesses want.

Mayor Pro Tem Gunn asked about paying back the bond. Mayor Baker said the bond millage is set to pay back the bond payments, so it will not come out of the annual budget. Council Member Hodorek said she is in favor of a bond versus a tax increase. Mayor Pro Tem Gunn commented that he is in favor of splitting the bond proposals because other bonds have been split, and he does not want to risk it failing because everything is combined into one proposal. Mayor Baker said he is not in favor of splitting the proposals because he does not want to send the message of picking between the library and roads. He said capital needs are all equally important.

Council Member Brooks said she is not in favor of splitting the proposals based upon resident feedback done during the preliminary public engagement.

Council Member Chanda said he is not in favor of splitting the proposals because all are equally important and keep it under 1 mill. He said it is not enough money in the long run, but the City will manage. He said it is important to educate residents of the impact on services in the event the proposal fails.

Council Member Chamberlain-Creanga said communication is so important and that relaying the message that capital needs are all important. She said the benefit of a debt millage is that it cannot be rolled back by Headlee. Council Member Hamilton said bonds can also be refinanced if the interest rates drop.

Council Member Hodorek said that splitting the proposals communicates the message that voting for one will be good for the City, and that is inaccurate. She said the City needs all of it

and she has concerns that \$112 million is not enough. She said given the circumstances, they are doing the fiscally responsible choice because the capital projects are all critical and splitting the proposals could pit different projects against each other. Mayor Pro Tem Gunn expressed concerns about the voter turnout for a local election. Council Member Hodorek stressed the importance of community engagement and said that as a senior citizen, it is critical to have a community that is safe, vital, and vibrant to age in place.

Mayor Baker thanked Jaymes Vettraino for his presentation this evening. He asked City Manager Nastasi if anything further is needed from City Council to proceed. City Manager Nastasi said on April 28th there is a Joint Special meeting with City Council and the Planning Commission to review the ground floor concept for the library and May 30th is the schematic design and cost estimate. He said there is consensus of City Council to proceed with a bond proposal for 1 mill or less for library, roads public safety and parks and recreation. He said they will have City staff start on community engagement and move forward to meet the tight timeline. He thanked Mr. Vettraino for the presentation and City staff for answering questions this evening. He said for City Council to reach out to his office should they have any questions.

E. OTHER BUSINESS:

F. ADJOURNMENT:

The Meeting **ADJOURNED** at 7:47 PM.



Mayor Ethan Baker



Cheryl A. Stewart, CMC, MiPMC2
Deputy City Clerk