



COUNCIL ACTION SUMMARY SHEET

MEETING DATE: March 24, 2025

TOPIC DDA Public Infrastructure Fund Calculations and Agreement

BACKGROUND BRIEF:

The 2025 DDA Public Infrastructure Fund Committee has completed its work and has formulated its recommendations for the method of calculation of the required annual contributions from the DDA to the Public Infrastructure Account and a proposed formal agreement governing the responsibilities of each entity and cost allocation. Attached are the approved minutes of February 27, 2025, and the draft minutes from the Committee's March 13, 2025, meeting containing the Committee's recommendations.

The DDA Board met on March 19, 2025, and approved the recommendations of the Committee. The DDA Board did not approve the expansion of the scope of duties of the Committee to perform work on the Village/DDA services agreement as was previously approved by Council.

SUMMARY OF PREVIOUS COUNCIL ACTION:

01/27/2025 - Council established an ad hoc 2025 DDA Public Infrastructure Fund Committee to review proposed projects and available funding and to recommend to the Village Council and DDA Board of Directors projects for funding for FY 2025-26 through FY 2030-31 for inclusion in the Village Capital Improvement Plan and FY 2025-26 Budget, with said Committee to comprise the Village Manager, DDA Executive Director, three (3) members of the Village Council selected by the Council and three (3) members of the DDA Board of Directors selected by the Board, and with the Committee to complete its work and disband on or before March 31, 2025. Council appointed the following three (3) Village Council members to serve on the ad hoc 2025 DDA Public Infrastructure Fund Committee: President Pro Tem Ford, Council member Dandalides and Council member Lamb.

FINANCIAL IMPACT:

The total catch-up required contribution from the DDA to the Public Infrastructure Account for FY 2023-24 and FY 2024-25 is \$142,453. The preliminary estimated FY 2025-26 contribution is \$139,710.

RECOMMENDED MOTION:

#1 – To adopt the method of calculation of the annual contributions from the DDA to the Public Infrastructure Account pursuant to the resolutions adopted by the Village Council on November 28,

2022, and the DDA Board of Directors on December 13, 2022, as follows: (1) the estimated contribution amount for the ensuing fiscal year shall be calculated based on the post-March Board of Review captured taxable value within the DDA district multiplied by the estimated millage rates for all captured taxing units (total current tax captured revenue) less the base year 2022-23 tax revenue as billed by the Assessor (\$896,788) and then multiplied by 75%; and (2) the actual annual contribution amount shall be calculated based on the total DDA captured tax revenue billed by the Assessor in July and December less \$896,788 and then multiplied by 75%.

#2 – To approve the “Agreement Between the Village of Lake Orion and the Lake Orion Downtown Development Authority Regarding Responsibilities and Cost Allocation for Capital Improvement Projects Within the Downtown Development District” as recommended by the 2025 DDA Public Infrastructure Fund Committee and authorize the Village Manager to execute the Agreement on behalf of the Village.

#3 – To adopt the recommendation of the 2025 DDA Public Infrastructure Fund Committee to approve the sidewalk gaps and Paint Creek Bank stabilization as the priority projects within the DDA district for use of the DDA Public Infrastructure Account.