

VILLAGE OF LAKE ORION

COUNTY OF OAKLAND

STATE OF MICHIGAN

RESOLUTION NO. 2026-_____

RESOLUTION DETERMINING TO PROCEED WITH THE 2026 STREET IMPROVEMENT PROGRAM, CONTRACT A; ESTABLISHING THE SPECIAL ASSESSMENT DISTRICT; DETERMINING THE ESTIMATED COST AND ALLOCATION OF PROJECT EXPENSES; ESTABLISHING THE METHOD OF DETERMINING SPECIAL BENEFITS; AND DIRECTING PREPARATION OF THE SPECIAL ASSESSMENT ROLL

At a regular or special meeting of the Village Council of the Village of Lake Orion, Oakland County, Michigan, held on October 26, 2026.

PRESENT: _____

ABSENT: _____

The following resolution was offered by Councilmember _____ and supported by Councilmember _____.

WHEREAS:

1. Section 12.1 of the Charter of the Village of Lake Orion authorizes the Village Council to determine by resolution that all or part of the expense of a public improvement shall be defrayed by special assessment upon properties especially benefited, in proportion to the benefits derived or to be derived; and
2. Section 12.2(b) of the Village Charter requires that a resolution determining to proceed with a public improvement financed by special assessment state the nature of the improvement, its estimated cost, the portion to be financed by special assessment, the portion to be paid from Village general funds, the district or properties to be assessed, and the method of determining benefits; and
3. The Village Council has considered the 2026 Street Improvement Program, Contract A, consisting of pavement improvements and associated drainage, sidewalk, accessibility, restoration, and related work on portions of Grove Street, Clare Street, Lake Street, Flint Street, Andrews Street, Axford Street, and North Shore Drive, located west of M-24 and east of Lake Orion; and
4. The Village's consulting engineers, Nowak & Fraus Engineers, have prepared an October 7, 2026 report, including an opinion of probable project cost, proposed special

assessment district map, proposed assessment schedules, and alternative methodologies for allocating costs among benefited properties; and

5. The engineer estimates the total project cost, including construction, contingency, design, grant implementation, construction administration, inspection, testing, special assessment methodology preparation, and resident interaction expenses, at **\$909,150.00**; and
6. The engineer's report identifies \$250,000.00 in Transportation Economic Development Fund grant funding and a proposed Village contribution of \$159,843.39 from Act 51 street funding, leaving \$499,306.61 to be financed through special assessments; and
7. The engineer has identified the properties proposed to be included in the special assessment district and has prepared three alternative methods for allocating the assessable project costs based upon adjusted street frontage, or a combination of adjusted street frontage and unit assessments; and
8. The Village Council recognizes that the assessment imposed upon each parcel must bear a reasonable relationship to the special benefit conferred upon that parcel by the improvements and that the aggregate assessments must not exceed the aggregate special benefits conferred; and
9. Initial cost estimates were prepared and, on March 23, 2026, the Village Council conducted a public hearing on the advisability of proceeding with the improvement by special assessment, following publication and first-class mailing of notice to the affected property owners at least ten days before the hearing, as required by Section 12.2(a) of the Village Charter; and
10. After the public hearing and considering comments and objections received, and the nature and extent of the benefits to the affected properties, the Village Council determined that proceeding with Contract A improvements, and excluding Contract B improvements, and establishing the special assessment district is appropriate.

NOW, THEREFORE, BE IT RESOLVED BY THE VILLAGE COUNCIL OF THE VILLAGE OF LAKE ORION:

SECTION 1. Determination to Proceed.

The Village Council hereby determines to proceed with the 2026 Street Improvement Program, Contract A, consisting of pavement reconstruction, rehabilitation, resurfacing, associated drainage improvements, sidewalk and accessibility improvements, restoration, and related work as described in the plans, specifications, and October 7, 2026 engineer's report.

The Council determines that the improvements serve a public purpose and are expected to confer special benefits upon the properties within the designated special assessment district through improved access, pavement condition, drainage, safety, and related property-serving improvements.

SECTION 2. Estimated Project Cost.

The estimated total cost of the public improvements is established at **\$909,150.00**, consisting of:

Description	Estimated Cost
Construction, including alternate	\$751,815.10
Construction contingency	\$75,184.90
Engineering design	\$35,112.00
TEDF grant implementation	\$6,000.00
Construction administration	\$17,630.00
Inspection and testing	\$17,408.00
SAD methodology and resident interaction	\$6,000.00
Total	\$909,150.00

These amounts are estimates based upon the engineer's October 7, 2026 opinion of probable cost.

SECTION 3. Allocation of Project Costs.

The Village Council hereby establishes the following proposed allocation of project expenses:

Source	Amount
TEDF grant funding	\$250,000.00
Village Act 51 street funds	\$159,843.39
Special assessments against benefited properties	\$499,306.61
Total	\$909,150.00

The Village's contribution from Act 51 street funds shall be \$159,843.39, as calculated in the engineer's report.

For purposes of Section 12.2(b) of the Village Charter, the portion of project costs to be paid from unrestricted Village general funds is \$89,150.00, provided that the Act 51 contribution is to be paid from restricted street funds and no additional General Fund appropriation has been authorized.

The special assessment portion shall not exceed \$499,306.61 under this resolution, subject to any subsequent action lawfully taken by the Village Council.

The Village Council acknowledges that actual project expenses may differ from estimated expenses and that any adjustment to the special assessment obligations shall be governed by the Village Charter and applicable law.

SECTION 4. Establishment of Special Assessment District.

The Village Council hereby establishes a special assessment district designated:

2026 Street Improvement Program — Contract A Special Assessment District

The district shall consist of the lands and premises identified in the Special Assessment District Map dated October 7, 2026, prepared by Nowak & Fraus Engineers, and the corresponding parcel identification schedule contained in the engineer's report.

The district includes properties identified as receiving special benefit from the improvements along portions of Grove Street, Clare Street, Lake Street, Flint Street, Andrews Street, Axford Street, and North Shore Drive.

The district map and parcel identification schedule are incorporated by reference as **Exhibit A** and shall be maintained in the office of the Village Clerk.

The Village Assessor shall use the identified parcels, subject to verification of current parcel descriptions, ownership, and boundaries, in preparing the special assessment roll.

SECTION 5. Method of Determining Special Benefits.

The Village Council hereby determines that the special benefits accruing to the properties within the district shall be measured and allocated according to the following method outlined in the Village Engineer's report:

Alternative A — Adjusted Street Frontage Method (Cost Per Front Foot/No Unit)

The assessable project cost of \$499,306.61 shall be allocated among benefited properties in proportion to their adjusted assessable street frontage.

The engineer has determined a total adjusted assessable frontage of 4,889.795 feet, producing an estimated assessment rate of \$102.1120 per adjusted assessable front foot.

The frontage factor for each property shall be determined in accordance with the engineer's assessment schedule, including the application of a 0.5 factor to applicable corner-lot frontages and a 1.0 factor to applicable full frontages.

Selected Method: Alternative A.

The Village Council finds that the selected methodology provides a reasonable and equitable means of distributing the cost of the improvements in proportion to the special benefits derived or to be derived by the properties in the district, based upon the evidence presented.

Annual assessments shall be divided into up to 10 equal annual installments as practicable, except that all annual installments but the last shall be no less than \$500.00. Special assessments paid in full prior to June 1, 2027, shall be removed from the special assessment roll and shall not incur any interest charge.

An annual interest charge of 6.00% of the remaining unpaid special assessment balance shall be added to each special assessment beginning on July 1, 2028, and annually thereafter.

The Assessor shall apply the selected method consistently, using the engineer's underlying calculations rather than rounded illustrative rates, and shall identify any property-specific circumstances requiring Council review.

No parcel shall be assessed an amount exceeding the special benefit attributable to that parcel.

SECTION 6. Incorporation of Engineer's Report.

The October 7, 2026 report prepared by Nowak & Fraus Engineers, including the Total Project Cost Opinion, Special Assessment Options, Assessment Methodology Calculations, and Special Assessment District Map, is hereby received and incorporated by reference as the technical basis for this resolution.

The engineer's report shall be designated **Exhibit B** and maintained as part of the official record of the proceedings.

In the event of a discrepancy between an illustrative amount in the engineer's report and the methodology expressly adopted in this resolution, the methodology adopted by the Village Council shall control, subject to applicable law and any subsequent Council determination.

SECTION 7. Direction to Prepare Special Assessment Roll.

Pursuant to Section 12.2(c) of the Village Charter, the Village Assessor is hereby directed to prepare a special assessment roll for the district.

The roll shall identify and describe the lands and premises to be assessed, identify the owners chargeable with the assessments insofar as known, and calculate the proposed assessment against each property according to the method established in Section 5.

Upon completion, the Assessor shall endorse the roll and file it with the Village Clerk.

SECTION 8. Subsequent Hearing and Review.

Following completion and filing of the proposed special assessment roll, the Village Council shall schedule a public hearing for review and correction of the roll pursuant to Section 12.2(d) of the Village Charter.

The Village Clerk shall cause notice of the hearing to be published and mailed by first-class mail to the owners of property within the district, as shown by the current assessment roll, not less than ten days before the hearing.

At the hearing, the Village Council shall consider objections, review the proposed assessments, and determine whether to correct or confirm the roll in accordance with the Charter.

SECTION 9. No Confirmation of Assessments by This Resolution.

This resolution establishes the project, special assessment district, allocation of estimated project costs, and method of determining special benefits.

It does not constitute confirmation of the special assessment roll or establish final assessments against individual parcels.

Confirmation of the assessment roll shall occur only through subsequent Council action in accordance with Section 12.2(d) of the Village Charter.

SECTION 10. Administrative Implementation.

The Village Manager, Village Clerk, Village Assessor, and Village Engineer are authorized and directed to take the administrative steps necessary to implement this resolution, including preparation of the assessment roll, maintenance of the supporting records, and scheduling of the required subsequent hearing.

SECTION 11. Effective Date.

This resolution shall take effect immediately upon adoption.

ADOPTION

AYES: _____

NAYS: _____

ABSENT: _____

RESOLUTION DECLARED ADOPTED.

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Village Council of the Village of Lake Orion, Oakland County, Michigan, at a regular meeting held on _____, 2026, and that said meeting was conducted and public notice was given in accordance with applicable law.

Debbie Nogle, Village Clerk

Exhibit A: Special Assessment District Map and Parcel Identification Schedule, Nowak & Fraus Engineers, October 7, 2026.

Exhibit B: Engineer's Report, Total Project Cost Opinion, Special Assessment Options, and Assessment Methodology Calculations, Nowak & Fraus Engineers, October 7, 2026.