

MEMORANDUM

To: Lake Orion DDA Board

From: Matthew Gibb, Executive Director

Date: November 18, 2025

Subject: Establishing and Implementing Key Performance Indicators for the DDA Strategic Plan

I. Purpose of this Memorandum

The purpose of this memorandum is to outline **why the DDA must adopt Key Performance Indicators (KPIs)** as part of implementing the newly adopted *Strategic Plan 2025–2030*, and **how to establish a standard, repeatable system of review** that aligns with Main Street America accreditation, state compliance expectations, and best practices for high-performing economic development organizations.

This memo provides:

1. The rationale for KPIs based on the content and structure of the Strategic Plan;
2. The legal, operational, and governance value of adopting KPIs;
3. The recommended process for establishing KPIs; and
4. A proposed framework for annual and semi-annual performance review.

II. Why KPIs Are Essential to the Strategic Plan

The DDA’s 2025–2030 Strategic Plan explicitly recognizes that **progress must be prepared, tracked, assessed, and made public on an ongoing basis**. The plan states:

“Our progress toward achieving these goals, and the mission they support, will be prepared, tracked and assessed so that a report of our effort and results is continuously made public.”

This is a clear directive from the Board to establish a **defined, measurable system** for tracking the implementation of goals, action plans, transformation strategies, and priority projects.

Additionally:

A. The Plan Requires Demonstrable Success Metrics

The Plan includes a dedicated “Measuring Success” section that identifies the types of outcomes that should be **tracked, reported, analyzed, and applied** to future updates of the Plan. These

high-level measurements—such as business retention, property value growth, volunteer participation, and community engagement—are *outcome metrics*. KPIs serve as the **operational metrics** that allow the DDA to generate, verify, and report those outcomes.

B. Accreditation and Best Practice Standards Require Measurable Outcomes

As an **Accredited Main Street America Program** for eighteen consecutive years, the DDA must demonstrate an ongoing commitment to measurable performance in the Four Points: Economic Vitality, Design, Promotion, and Organization. The Strategic Plan states that the organization will uphold this accreditation-level rigor.

KPIs are the recognized method to:

- Demonstrate accountability;
- Track progress on transformation strategies;
- Communicate value to the community;
- Support funding, grants, and partnerships.

C. KPIs Align Decision-Making with Values, Mission, Vision, and Areas of Focus

The Plan identifies:

- A Mission;
- A Vision;
- Core Values used as “filters for decision-making”;
- Two Transformational Strategies;
- Five Areas of Focus with detailed goals; and
- Action Plans incorporated by reference.

KPIs ensure that the Board and staff regularly assess **whether ongoing work aligns with these foundational components**. This protects the organization from “mission drift” and ensures that resources are targeted toward the most impactful outcomes.

III. Benefits of Adopting KPIs

A. Improves Governance and Board Oversight

KPIs equip the Board with a clear, objective way to:

- Evaluate performance;
- Prioritize projects;
- Allocate TIF funds consistent with the Plan;
- Validate strategic direction;
- Understand progress toward community-facing goals such as quality of life, tourism growth, and business development.

B. Strengthens Transparency and Public Trust

The Plan commits the DDA to **continuous public reporting** of progress. KPIs create the structure that allows the DDA to generate transparent, defensible, and clear reports.

C. Supports Funding and Grant Applications

Grant-making bodies—including Oakland County, the State of Michigan, the Wilson Foundation, and corporate funders—expect measurable ROI. KPIs allow the DDA to demonstrate:

- Community impact,
- Organizational capacity,
- Data-driven decision-making, and
- Effective stewardship of public funds.

D. Enables Course Corrections and Data-Driven Decision Making

KPIs provide real-time insight into whether a strategy is producing the intended results. If not, the DDA can adjust the approach before investing additional resources.

E. Ensures Alignment with the DDA’s Legal Purpose

The Strategic Plan defines how the DDA meets the statutory purposes of PA 57: preventing deterioration, preserving character, promoting economic growth, and financing public improvements. KPIs help demonstrate that the DDA’s work is consistent with these statutory responsibilities, strengthening legal and operational credibility.

IV. What KPIs Should Measure (Aligned With the Strategic Plan)

KPIs should be customized to the **core areas of the Plan**, including:

1. Lakeshore Economy Strategy

Examples:

- Number of tourism-focused businesses recruited/expanded;
- Trail activation metrics (counts, event attendance);
- Public/private investment leveraged;
- Visitor foot-traffic indicators;
- Market capture and spending data.

2. Community Building Strategy

Examples:

- Volunteer enrollment and retention;
- Partnership attendance and activity level;
- Engagement metrics on communications;
- Participation in DDA-led or DDA-supported programs.

3. Measuring Success Benchmarks from the Plan

Examples:

- Number of new businesses;
- Business turnover rate;
- Growth in taxable value;
- Number of façade grants;
- Repairs and maintenance completed;
- Intergovernmental coordination achievements.

4. Operational and Organizational KPIs

Examples:

- Budget adherence;
- Grant applications submitted/received;
- Projects delivered on time;
- Event attendance;
- Maintenance and safety improvements.

V. Process for Establishing KPIs

The process for developing KPIs should be structured, transparent, and tied directly to the Strategic Plan:

Step 1. Merge Action Plans with Strategic Goals

Each goal under the Five Areas of Focus should produce 2–5 KPIs that measure:

- Output (what the DDA does); and
- Outcome (what impact is achieved).

Step 2. Staff Drafts KPI Proposals

Using the Plan’s goals, staff drafts recommended KPIs based on:

- feasibility;
- available data;
- alignment with budget and staffing;
- Main Street reporting requirements.

Step 3. Board Workshop

A facilitated workshop (1–2 hours) should finalize:

- KPI selection;
- Thresholds for success;
- Reporting frequency;
- Assignment of responsibility (Board, Director, committees).

Step 4. Ratification by Board Resolution

A simple Board resolution adopts:

- The KPI framework;
- Annual reporting cycle;
- Staff responsibility;
- Format for reports.

Step 5. Implementation and Data Collection

Staff maintains monthly and quarterly tracking tools tied to each KPI.

Step 6. Quarterly Review and Annual Report

The Board receives:

- A quarterly dashboard summarizing progress;
- A comprehensive annual KPI report, made public as required by the Plan’s commitment to transparency.

VI. Standard of Review for Ongoing Evaluation

To ensure consistency, KPIs should be evaluated through a **standard of review** adopted by the Board. The standard should include:

1. Relevance

Does the KPI directly support the Mission, Vision, Values, and Strategic Goals?

2. Data Reliability

Is data consistently available, accurate, and maintainable over multiple years?

3. Impact

Does the KPI measure something that truly drives economic prosperity, community connection, or downtown vitality?

4. Resource Alignment

Do the KPIs accurately reflect areas where the DDA is investing time, funding, and staff capacity?

5. Public Transparency

Can the KPI be explained clearly in public reports and easily understood by stakeholders?

VII. Conclusion

The adoption of KPIs is not just advisable—it is **required by the clear language and intent of the Strategic Plan** and essential to demonstrating that the DDA is a high-performing, transparent, accountable, and data-driven public entity.

KPIs will allow the Board to:

- Implement the Strategic Plan with discipline and clarity;
- Strengthen accreditation compliance;
- Validate the impact of TIF-funded projects;
- Improve communication with the community;
- Make evidence-based decisions;
- Deliver measurable progress on every component of the Plan.

With the Board's support, the next step is to assemble draft KPIs for each Focus Area and to prepare a proposed KPI framework and dashboard for Board workshop review.