

# DRAFT FOR DISCUSSION PURPOSES

## ADMINISTRATIVE SERVICES AGREEMENT

Lake Orion Downtown Development Authority  
and  
Village of Lake Orion

THIS AGREEMENT is entered into this \_\_\_\_ day of \_\_\_\_\_, 2025, by and between the Lake Orion Downtown Development Authority ("DDA"), a statutorily authorized unit of the Village of Lake Orion, having an address of 118 N. Broadway St., Lake Orion, MI 48362, and the Village of Lake Orion ("Village"), a Michigan municipal corporation, having an address of 21 E. Church St., Lake Orion, MI 48362. Collectively, the DDA and the Village may be referred to as the "Parties."

### RECITALS

WHEREAS, the DDA was established and remains statutorily authorized pursuant to PA 57 of 2018, as amended, to promote economic growth and revitalization within the Downtown District; and

WHEREAS, the Village provides various administrative services necessary for the effective operation of the DDA, including but not limited to financial management, tax increment financing (TIF) fund administration, legal compliance, and recordkeeping; and

WHEREAS, PA 57 authorizes the levying of an administrative fee to reimburse the municipality for services rendered in managing DDA-related financial and administrative responsibilities; and

WHEREAS, the Parties desire to define the scope of administrative services provided by the Village and to establish the compensation structure for such services.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Parties agree as follows:

1. ADMINISTRATIVE SERVICES PROVIDED BY THE VILLAGE. The Village shall provide the DDA with the following administrative services, including but not limited to:
  - a. Financial Management & TIF Administration:
    - i. Collection, distribution, and reconciliation of TIF revenues in accordance with PA 57.
    - ii. Preparation of financial reports and annual budget assistance.
    - iii. Processing of payments, invoices, and reimbursements related to DDA operations.
    - iv. Coordination with auditors for the annual audit and financial review of DDA accounts.

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- b. Legal & Compliance Services:
    - i. Assisting the DDA with verified compliance with PA 57 and other applicable state and local laws.
    - ii. Preparation and submission of required reports to the State of Michigan and other regulatory bodies.
    - iii. Coordination of public notices, meetings, and record-keeping per Open Meetings Act and FOIA requirements.
  - c. Administrative & Clerical Support:
    - i. Assistance with board meeting minutes, and record retention.
    - ii. General support for DDA requests for proposal, public notifications, and policy updates.
    - iii. Oversight of DDA agreements, contracts, and funding mechanisms.
2. ADMINISTRATIVE FEE STRUCTURE. In consideration of the administrative services provided, the DDA agrees to pay the Village an annual administrative fee in the amount of TEN PERCENT (10%) of the annual TIF Revenue Capture, as reported on the state of Michigan PA57 Annual Report, as may be adjusted from time to time. The administrative fee shall be paid in quarterly installments on or before the following dates each year:
- June 30
  - September 30
  - December 31
  - March 31
3. TERM & TERMINATION. This Agreement shall be effective as of July 1, 2025, and shall remain in effect for a period of one (1) year, with automatic annual renewals unless terminated in accordance with this section. Either Party may terminate this Agreement with or without cause by providing 180 days' written notice to the other Party. In the event of termination, the DDA shall compensate the Village for any services rendered up to the termination date.
4. GOVERNING LAW & DISPUTE RESOLUTION. This Agreement shall be governed by and interpreted in accordance with the laws of the State of Michigan. Any disputes arising under this Agreement shall first be resolved through good faith negotiations. If unresolved, disputes shall be subject to binding arbitration pursuant to the Michigan Uniform Arbitration Act.

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5. MODIFICATIONS. This Agreement may be modified only in writing, signed by authorized representatives of both Parties.
6. ENTIRE AGREEMENT. This Agreement constitutes the entire understanding between the Parties regarding administrative services and supersedes any prior agreements, whether written or oral.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

Village of Lake Orion

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By: Darwin McClary  
Title: Village Manager

Date: \_\_\_\_\_

Lake Orion Downtown Development Authority

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By: Matthew Gibb  
Title: Executive Director

Date: \_\_\_\_\_