

Village Council Resolution

From Sonja Stout <stouts@lakeorion.org>

Date Tue 3/31/2026 1:46 PM

To Matthew Gibb <gibb@downtownlakeorion.org>; Lynsey Blough <bloughl@lakeorion.org>

Matt,

I have included the motion that was adopted at council at the last meeting. Let me know if you have any questions or need anything else for the upcoming DDA meeting.

MOTION made by President Rutt, Seconded by President Pro Tem Ford to award the contract for the Atwater Park Basketball Court Replacement Project construction to lowest qualified bidder Titan Pavement of Waterford, Michigan, in the amount of \$57,956.20 in accordance with the firm's bid proposal dated February 4, 2026, and to authorize the Village Manager to execute all necessary documents relating to this contract subject to the DDA approving the resolution.

VOTING YEA: Rutt, Ford, Moshier, Lamb, Dandalides, Comparoni Jr., Papacek

VOTING NAY: None

ABSENT: None

MOTION: Carried

Sonja Stout

Clerk/Treasurer



21 East Church Street
Lake Orion, MI 48362
(P): 248-693-8391 ext. 102
(F): 248-693-5874
Hours: 7:30 AM- 5:30 PM



The mission of the Lake Orion DDA is to enhance the economic potential and preserve the historical character of the Lake Orion DDA District, *the heart and hub of the Orion Community*, through promotional activities and an organizational structure that focuses on community involvement with local businesses, residents and other stakeholders.

DDA Board Meeting

DATE: December 13, 2022

FROM: Molly LaLone, DDA Executive Director

SUBJECT: Resolution for Designation of Future Tax Increment Revenues from the DDA TIF Capture to be Dedicated for Public Facility Infrastructure in DDA District.

BACKGROUND BRIEF: The Village and the DDA both approved the formation of a joint committee to explore the legal options regarding how to use DDA tax capture to focus on the downtown district public facility infrastructure costs by way of a dedicated account for the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of public facility infrastructure performed by the Village. The joint committee has reviewed the issues and the available data and is recommending that the Village adopt a budgetary resolution to provide that 75% of all future tax increment revenues captured from the DDA TIF, from all newly realized Captured Taxable Value commencing from the execution of this Resolution and corresponding DDA Resolution, be transferred to a dedicated DDA District Public Facility Infrastructure account for the Village to construct, renovate, repair, remodel, rehabilitate, restore, preserve or reconstruct any and all “public facilities” within the defined boundaries of the DDA district on behalf of the DDA, and further, that the DDA retain the remainder of the 25% of all future tax increment revenues from the DDA TIF, from all newly realized Captured Taxable Value, commencing from the execution of this Resolution and corresponding Resolution of the DDA, which shall be utilized in any lawful manner by the DDA as determined by the DDA.

SUMMARY OF PREVIOUS COUNCIL ACTION: Creation of a joint Village and DDA Committee and appointment of Village Council Members to same.

FINANCIAL IMPACT: Increase in Tax Increment Revenues from DDA TIF capture to be dedicated to public facility infrastructure needs for the Village in the DDA district.

RECOMMENDED MOTION: To adopt Resolution 2022-001 to designate a portion of future tax increment revenues from the DDA TIF capture to be dedicated for public facility infrastructure in the DDA district.

LAKE ORION DOWNTOWN DEVELOPMENT AUTHORITY
RESOLUTION 22-001
RESOLUTION FOR DESIGNATION OF TAX INCREMENT REVENUES FROM THE
DDA TIF CAPTURE TO BE DEDICATED FOR PUBLIC FACILITY
INFRASTRUCTURE IN THE DDA DISTRICT

MOTION BY: SECOND BY: AYES: NAYS: RESULT:
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WHEREAS, the Lake Orion Downtown Development Authority is a duly established Downtown Development Authority, established by the Village of Lake Orion, pursuant to Part 2 of the Recodified Tax Increment Financing Act, Public Act 57 of 2018, being MCL 125.4201, *et seq.* ("DDA"); and

WHEREAS, the Village of Lake Orion is a Michigan municipal corporation duly established under The Home Rule Village Act, Public Act 278 of 1909, being MCL 78.1, *et seq.* ("Village"); and

WHEREAS, the DDA has the statutory authority to plan and propose for the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a "public facility," an existing building, or a multiple-family dwelling unit which may be necessary or appropriate to the execution of a plan which, in the opinion of the DDA Board, aids in the economic growth of the downtown district pursuant to the Recodified Tax Increment Financing Act, Public Act 57 of 2018, being MCL 125.4207; and

WHEREAS, the Village owns and has the responsibility to construct, renovate, repair, remodel, rehabilitate, restore, preserve or reconstruct "public facilities" as defined in MCL 125.4201(x), within the DDA district, that are necessary and appropriate to the execution of the DDA Development Plan and which aid in the economic growth of the DDA district; and

WHEREAS, the DDA has met, studied and discussed the needs for ongoing maintenance and improvements to the Downtown District public facility infrastructure as a means to maintain and increase business and residential property values in the Downtown District; and

WHEREAS, the Village has met and analyzed the Downtown District and concludes that the maintenance and improvements to the public facility infrastructure in the Downtown District is vital to the Downtown District and the Village as a whole; and

WHEREAS, both the Village and the DDA have determined and agreed that the Village is best situated to address the public facility infrastructure needs of the Downtown District in coordination with the infrastructure of the Village as a whole; and

WHEREAS, both the Village and the DDA have determined and agreed that a dedicated public facility infrastructure account is a viable response to the Downtown District public facility infrastructure needs, with the Village best positioned to use those funds to coordinate infrastructure construction, maintenance and improvements to the Downtown District; and

WHEREAS, the Village and the DDA both approved the formation of a joint committee to explore the legal options regarding how to use DDA tax capture to focus on the Downtown District public facility infrastructure costs by way of a dedicated account for the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of public facility infrastructure performed by the Village that joint committee supports this Resolution; and

WHEREAS, the joint committee has reviewed the issues and the available data and has recommended that the Village adopt a budgetary resolution to provide that 75% of all future tax increment revenues captured from the DDA TIF, from all newly realized Captured Taxable Value commencing from the execution of this Resolution and corresponding DDA Resolution, be transferred to a dedicated DDA District Public Facility Infrastructure account for the Village to construct, renovate, repair, remodel, rehabilitate, restore, preserve or reconstruct any and all “public facilities” within the defined boundaries of the DDA District on behalf of the DDA, and further, that the DDA retain the remainder of the 25% of all future tax increment revenues from the DDA TIF, from all newly realized Captured Taxable Value commencing from the execution of this Resolution and corresponding DDA Resolution, which shall be utilized in any lawful manner by the DDA as determined by the DDA.

NOW, THEREFORE, BE IT RESOLVED, by the DDA that the Village has the responsibility to construct, renovate, repair, remodel, rehabilitate, restore, preserve or reconstruct “public facilities,” as defined by MCL 125.4201(x), within the DDA District, which is necessary and appropriate to the execution of the DDA Development Plan and aids in the economic growth of the DDA District and the Village as a whole; and

BE IT FURTHER RESOLVED, that as part of the DDA budget, the DDA shall transfer to a dedicated public facility infrastructure account, 75% of all future tax increment revenues captured from the DDA TIF, from all new realized Captured Taxable Value commencing from the adoption of this Resolution and corresponding Resolution of the Village, on a monthly basis; and

BE IT FURTHER RESOLVED, that the Village shall invoice the DDA to utilize the dedicated public facility infrastructure funds to construct, renovate, repair, remodel, rehabilitate, restore, preserve or reconstruct any and all “public facilities” as defined in MCL 125.4201(x), within the defined boundaries of the DDA District on behalf of the DDA; and

BE IT FURTHER RESOLVED, that the current tax increment revenues from the DDA TIF capture shall remain with the DDA, in its general fund for use by the DDA, and that the residual 25% of the future tax increment revenues captured from the DDA TIF, from all new realized Captured Taxable Value commencing from the adoption of this Resolution and corresponding DDA Resolution, shall be retained by the DDA, in its general fund for the use by the DDA, and to be utilized by the DDA as provided for by law; and

BE IT FURTHER RESOLVED, that this Resolution shall remain effective though the duration of the currently approved DDA Tax Increment Financing and Development Plan ending December 2039 and, if the DDA Tax Increment Financing and Development Plan is extended, the term of this Resolution shall be extended to the same term; and

BE IT FURTHER RESOLVED, that nothing in this Resolution shall be construed or shall have any impact on the current Agreement between the parties for the provisions of Village services to the DDA.

CERTIFICATION

I, Susan C. Galeczka, Clerk for the Village of Lake Orion, do hereby certify that the foregoing is a true and original copy of Resolution #2022-043 adopted at the Regular Meeting of the Lake Orion Village Council held on the 13th day of December, 2022.

*Susan C. Galeczka, CMC, MiPMC
Village Clerk*

Dated: December 13, 2022

Parcel No.	Tax Billing Code	Base Value	2022 Taxable Value	2022 Captured Value	2023 Projected	2024 Projected	2025 Projected	2026 Projected	2027 Projected	2028 Projected	2029 Projected
TOTALS:		10,230,700	46,490,130	36,259,430	36,636,862	37,018,058	37,403,057	37,791,897	38,184,616	38,581,254	38,981,848

Mills	Taxing Jurisdiction	Percentage	Capture
12.6756	Village	100%	12.6756
5.0447	Orion Twp	100%	5.0447
0.2339	NOTA	100%	0.2339
4.3602	Oakland County	100%	4.3602
0.2089	HCMA	100%	0.2089
1.5057	OCC	100%	1.5057
			24.0290

11.3534

TIF Revenue	871,277.84	880,347.15	889,506.92	898,758.07	908,101.50	917,538.15	927,068.95	936,694.83
Set Point 2022 for Revenue Share		(871,277.84)	(871,277.84)	(871,277.84)	(871,277.84)	(871,277.84)	(871,277.84)	(871,277.84)
Difference		9,069.31	18,229.08	27,480.22	36,823.66	46,260.31	55,791.10	65,416.99
75% growth Dedicated to Capital Outlay with DDA District		6,801.98	13,671.81	20,610.17	27,617.74	34,695.23	41,843.33	49,062.74
25% unassigned tax capture		2,267.33	4,557.27	6,870.06	9,205.91	11,565.08	13,947.78	16,354.25

Attachment: Tax Capture with rev share 2022-2039 (5547 : Resolution for Designation of Future Tax Increment Revenues from the DDA TIF

Parcel No.	Tax Billing Code	Base Value	2022 Taxable Value	2022 Captured Value	2030 Projected	2031 Projected	2032 Projected	2033 Projected	2034 Projected	2035 Projected	2036 Projected
TOTALS:		10,230,700	46,490,130	36,259,430	39,386,440	39,795,069	40,207,775	40,624,600	41,045,584	41,470,770	41,900,200

Mills	Taxing Jurisdiction	Percentage	Capture
12.6756	Village	100%	12.6756
5.0447	Orion Twp	100%	5.0447
0.2339	NOTA	100%	0.2339
4.3602	Oakland County	100%	4.3602
0.2089	HCMA	100%	0.2089
1.5057	OCC	100%	1.5057
			24.0290

11.3534

TIF Revenue	871,277.84	946,416.77	956,235.71	966,152.63	976,168.51	986,284.35	996,501.14	1,006,819.90
Set Point 2022 for Revenue Share		(871,277.84)	(871,277.84)	(871,277.84)	(871,277.84)	(871,277.84)	(871,277.84)	(871,277.84)
Difference		75,138.92	84,957.86	94,874.79	104,890.67	115,006.50	125,223.29	135,542.05
75% growth Dedicated to Capital Outlay with DDA District		56,354.19	63,718.40	71,156.09	78,668.00	86,254.88	93,917.47	101,656.54
25% unassigned tax capture		18,784.73	21,239.47	23,718.70	26,222.67	28,751.63	31,305.82	33,885.51

Attachment: Tax Capture with rev share 2022-2039 (5547 : Resolution for Designation of Future Tax Increment Revenues from the DDA TIF

Parcel No.	Tax Billing Code	Base Value	2022 Taxable Value	2022 Captured Value	2037 Projected	2038 Projected	2039 Projected	Property Notes
TOTALS:		10,230,700	46,490,130	36,259,430	42,333,915	42,771,959	43,214,376	

Mills	Taxing Jurisdiction	Percentage	Capture
12.6756	Village	100%	12.6756
5.0447	Orion Twp	100%	5.0447
0.2339	NOTA	100%	0.2339
4.3602	Oakland County	100%	4.3602
0.2089	HCMA	100%	0.2089
1.5057	OCC	100%	1.5057
			24.0290

11.3534

	TIF Revenue	871,277.84	1,017,241.64	1,027,767.41	1,038,398.24	Total Capture 2022-2040	17,147,279.69
	Set Point 2022 for Revenue Share		(871,277.84)	(871,277.84)	(871,277.84)		
	Difference		145,963.80	156,489.56	167,120.39		1,464,278.51
	75% growth Dedicated to Capital Outlay with DDA District		109,472.85	117,367.17	125,340.29		1,098,208.88
	25% unassigned tax capture		36,490.95	39,122.39	41,780.10		366,069.63

Attachment: Tax Capture with rev share 2022-2039 (5547 : Resolution for Designation of Future Tax Increment Revenues from the DDA TIF

DDA/VC JOINT SUBCOMMITTEE

NOVEMBER 2022 REPORT

TIMELINE

- Joint Subcommittee met: August, September, October & November
- Explored Current Capture, Revenue Breakdown, Legal Options & Path Forward

CURRENT DDA REVENUES (22-23)

- \$459,309 Village Tax Capture (19%)
- \$158,915 County Tax Capture (.03%)
- \$191,612 Township Tax Capture (3%)
- \$54,596 OCC (.03%)
- \$7,575 Huron Clinton Parks (01%)
- **\$872,007 Total Capture from Taxing Jurisdictions**
- Plus Estimate of \$12,000 State PPT Reimbursement

VILLAGE V. NON-VILLAGE REVENUE

- \$459,309 Village Tax Capture
- \$412,698 Tax Capture from other Taxing Jurisdictions

- For every \$1 that comes from the village, \$0.90 comes from jurisdictions outside the village.

DDA SERVICE CONTRACTS

- \$70,000 Village Services (Administration)
- \$55,000 DPW
- \$101,000 Police
- **\$226,000 Regular Service Contracts paid to the village from DDA**
- \$459,309 VLO Capture - \$226,000 contracts = \$233,309 remainder of capture

WHAT ABOUT THE FUTURE?

- For every \$1,000,000 in taxable value, the DDA captures \$24,029 (approximately \$12,680 from VLO & \$11,349 from other jurisdictions)
- For \$10 million the DDA captures \$240,290 (approx. \$126,800 from VLO & \$113,490 from other jurisdictions).
- With the significant redevelopment projects forthcoming in the village the total taxable value has the potential to greatly increase.

WHAT ABOUT THE FUTURE?

- The benefit of the TIF is a substantially greater capture of the levied taxes since the increases in taxable values are not distributed to the other taxing jurisdictions and instead are part of the TIF capture.
- On the other side of the coin is that the village is in need of critical infrastructure funding and monies from the increased taxable value as a result of the forthcoming redevelopment projects would help toward these projects.

WHAT ARE THE OPTIONS?

- Do nothing – things stay as is
- Amending the DDA district boundaries to reduce the size of the district
- Amending the TIF Plan to exclude or remove any number of parcels from the DDA

WHAT ARE THE OPTIONS?

- Find creative options for the DDA to collaborate with the village in providing for critical infrastructure needs. MCL125.4207 allows for a DDA to plan and propose the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction a public facility...which, in the opinion of the board, aids in the economic growth of the downtown district.
 - Public facility means street, plaza, pedestrian mall, and any improvements to a street, plaza, or pedestrian mall including street furniture and beautification, park, parking facility, right of way, structure, waterway, bridge lake, pond, canal, utility line or pipe, building and access routes to any of the foregoing, designed and dedicated to use by the public generally, or used by a public agency.

WHERE THE COMMITTEE LANDED

- Option 4: Collaboration
- Proposed resolution 2022-043 in front of council today
- This resolution is the result of a desire of representatives of both boards wanting the best for the village on all levels.
- To summarize it: The DDA will designate to a public infrastructure account, 75% of all future tax increment revenues captured from the DDA TIF from all new realized Captured Taxable Value from the date of adoption of the resolution. The remaining 25% will be used as legally allowed by law by the DDA

FUTURE IMPACT

- For every \$10 million in increased taxable value:
 - \$180,217 will be designated to a Public Infrastructure Fund, annually
 - This is a 42% increase, or \$53,417 annual increase over the taxes captured from the VLO
 - \$60,073 will stay in the DDA General Fund
- This new fund will then be utilized by the DDA to pay for public facility construction, repair, etc. within the DDA district, including, but not limited to: roads, water pipes, bridges, and sidewalks.

**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**

This Agreement is made and entered this _____ day of _____, 2025 by and between the Village of Lake Orion, a Michigan municipal corporation, whose address is 21 E. Church Street, Lake Orion, MI 48362, ("Village"), and the Lake Orion Downtown Development Authority, organized and existing pursuant to the authority of Part 2, of the Recodified Tax Increment Financing Act, Public Act 57 of 2018, being MCL 125.4201, et seq, whose address is 118 N. Broadway St. Lake Orion MI 48362, ("DDA"), for the purpose of fixing the rights and obligations of the parties relative to the construction of "public facilities" improvements ("Projects") within the boundaries of the Downtown Development District.

Whereas, the Village and the DDA have passed and certified Resolutions, attached as Exhibit B, designating that a portion of the annual Tax Increment Finance Plan (TIFP) revenue, derived from the approved Tax Increment Finance Plan Amendment No. 4, shall be provided as funding support for capital improvement Projects that qualify as "public facilities" improvements under MCL 125.4201 et seq and as described in the TIFP; and

Whereas, the Village and the DDA have reached an understanding with each other regarding their respective responsibilities for an annual appropriation of TIFP revenue to a dedicated Capital Improvement Project Fund ("Fund"), the administration of Project management and cost, financing and reimbursement to the Village, and desire to enter into this Agreement to memorialize that understanding.

THEREFORE, in consideration of the premises, the mutual understandings of the parties and in conformity with applicable law, the Village and the DDA agree as follows:

1. **Incorporation of Enabling Resolutions.** Each Resolution for Designation of Tax Increment Revenues from the DDA TIF Capture to be Dedicated for Public Facility Infrastructure in the DDA District, which were adopted and certified by the Village on November 28, 2022 and the DDA on December 13, 2022, is hereby incorporated and made a part of this Agreement.
2. **Capital Improvement Project Fund.** The DDA shall create the Fund within its annual budget, to hold and appropriate seventy-five percent (75%) of all future

captured revenue deriving from the annual increase in ad valorem value within the Downtown District. The calculation methodology of the appropriations to the Fund are included in Exhibit A.

The Parties shall mutually account for the annual contribution into the Fund, including the review and approval of any necessary audit, equalization or related revenue support. The contribution shall be budgeted and transferred to the Fund not less than quarterly, with a report provided to the Village Council and DDA Board by their respective representatives.

3. **Identification and Selection of Project(s)**. The Village and the DDA shall undertake and complete the identification and selection of Project(s) to construct, renovate, repair, remodel, rehabilitate, restore, preserve or reconstruct “public facilities” as defined by MCL 125.4201, et seq, within the DDA District, restricting such Project(s) to those necessary and appropriate to the execution of the TIFP no later than February 28 of each calendar year.
4. **Project Management**. The Village will enter into, and be solely responsible for, any necessary contracts with any and all contractors, suppliers, professionals, or material providers, for the Project(s). The Village will administer and manage all contracts and related work necessary for the completion of the Project(s). In all contracts, agreements, work orders, or similar instruments used for the planning, development and completion of selected Project(s), the Village shall require that the contracted party indemnify the DDA for any claims or lawsuits by third parties arising from the work and must require the contracted party to name the DDA as additionally insured on a general liability insurance policy(s).
5. **Project Reimbursement**. The DDA is responsible for funding, by invoiced reimbursement, its identified share of the Project(s) in accordance with the following;
 - a. The Village, prior to initiating a selected Project, shall submitted to the DDA a Project plan, estimated total cost, proposed timeline, proposed DDA share of cost, whereupon the DDA shall timely review and approve the project.
 - b. The Village shall provide financing for the project as defined in the Project Plans and be responsible to pay all Project expenses in a timely fashion.
 - c. Upon completion of the Project, or at another time as set forth in the Project plan, the Village will invoice the DDA for its share of the Project costs, as authorized in the approved Project plan, The DDA will remit said funds within thirty (30) days of receipt of an invoice from the Village.
 - d. The parties agree that management and contracting of the Project will be the sole responsibility the Village.
 - e. The Project cost allocated to the DDA, as set forth in an approved Project Plan, is fixed and binding between the parties and cannot be changed except by written

Amendment to the Project Plan and re-approval of the amended plan.

6. **Miscellaneous.**

- a. This Agreement constitutes the complete agreement between the parties on the subjects contained herein and there are no other agreements between the parties concerning these subjects.
- b. Any prior agreements on the matters addressed in this Agreement are hereby rescinded, revoked or terminated.
- c. Other than as specifically set forth herein, this Agreement may be modified or amended only by a written agreement approved by the governing body of each of the Parties.
- d. The headings in the Agreement are for convenience only, and shall not be considered as a part of the Agreement but the Recitals are an integral part of the Agreement.
- e. This Agreement shall be governed by the laws of the State of Michigan and shall be interpreted in a manner consistent with applicable law.
- f. If any portion is held to be illegal, invalid, or unenforceable, the remainder of the Agreement shall be deemed severable and shall remain in full force and effect.
- g. Nothing in the Agreement shall be construed as a waiver of governmental immunity or other defenses to liability of either party or any officer or employee of either party.
- h. The Agreement does not create a separate legal entity, a public body corporate, or a joint venture.

IN WITNESS WHEREOF, both Parties have caused this Agreement to be executed as of the date first written above, pursuant to a resolution of its governing body.

VILLAGE OF LAKE ORION,
A Michigan municipal corporation

LAKE ORION DOWNTOWN
DEVELOPMENT AUTHORITY

By: Darwin McClary
Its: Manager

By: Matthew Gibb
Its: Executive Director

EXHIBIT A
FORMULA FOR ANNUAL CAPITAL IMPROVEMENT ALLOCATION

Calculating 75% of the captured revenue

Reported Revenue:

2022 Tax Capture Billed Revenue	\$896,788
2023 Tax Capture Billed Revenue	\$963,680
2024 Tax Capture Billed Revenue	\$1,019,833

Allocating 75% of increased TIF revenue capture:

2023 Reported Revenue	\$963,680
Base Annual Revenue Capture	<u>\$896,788</u>
2023 CIF Due	\$ 66,892 x .75 = \$50,169
2024 Reported Revenue	\$1,019,833
Base Annual Revenue Capture	<u>\$896,788</u>
2024 CIF Due	\$ 123,045 x .75 = \$92,284

“CATCH UP” FUND TRANSFER AMOUNT - \$142,453

EXHIBIT B
ADOPTED AND CERTIFIED ENABLING RESOLUTIONS