



27400 Southfield Rd
Lathrup Village, MI 48076
(248) 557 - 2600
www.lathrupvillage.org

To: DDA Board of Directors

From: Austin Colson, Director – Community & Economic Development/DDA Director

Date: February 21, 2025

RE: FY25/26 DDA Budget – Draft v1

The city has adopted a budget calendar which anticipates an approved FY 25/26 Budget in May. In order to meet the city's milestones, a draft budget has been prepared for the DDA Board of Directors to provide comments and feedback. A final budget for the DDA Board of Directors to consider and approve is expected in March. The adopted document will then be forwarded to City Council for inclusion in the city's overall budget approval process.

Due to the reassessment of Michigan First Credit Union's building, the DDA's Tax Increment Financing Authority (TIFA) revenue is expected to decrease by \$103,000 for the upcoming fiscal year. This significant reduction in captured tax revenue directly impacts the FY 2025-2026 budget, resulting in a projected budget shortfall of approximately \$15,000 to \$20,000. The DDA will need to carefully evaluate potential adjustments to expenditures and explore alternative funding sources to ensure continued support for economic development initiatives and district programming.