



**City of Lathrup Village**  
 27400 Southfield Road  
 Lathrup Village, MI 48076  
[www.lathrupvillage.org](http://www.lathrupvillage.org) | (248) 557-2600

TO: Mayor & City Council  
 FROM: Mike Greene – City Administrator  
 DATE: April 20, 2026  
 RE: 27700 Southfield Road – PILOT Share Agreement

**Background Brief:** Enclosed for your consideration is a proposed Annual PILOT Capture Sharing Agreement between the City of Lathrup Village and the Lathrup Village Downtown Development Authority (DDA) for the property located at 27700 Southfield Road. This Agreement is made possible via the City’s PILOT Ordinance and the approved LVDDA Cost Share Agreement.

The property has been approved for a Payment in Lieu of Taxes (PILOT) under the City’s Workforce Housing PILOT Ordinance (Ordinance No. 2025-01). Under this program, qualifying workforce housing developments pay an Annual Service Charge in lieu of traditional ad valorem property taxes in accordance with the State Housing Development Authority Act.

Because the property is located within the Downtown Development Authority district, a portion of the PILOT payment may be captured by the DDA consistent with the DDA’s Tax Increment Financing plan unless otherwise agreed upon by the City and the DDA.

The proposed agreement establishes a mutually agreed-upon distribution of the Annual Service Charge, allocating 50 percent to the City of Lathrup Village and 50 percent to the Lathrup Village Downtown Development Authority. This arrangement allows both entities to benefit from the project while ensuring resources remain available for municipal services, downtown infrastructure improvements, and economic development activities within the DDA district.

The agreement will remain in effect for the duration of the PILOT exemption applicable to the property, including any approved extensions.

**Previous Action:** N/A

**Economic Impact:** Below is an estimate of what the revenue split could look like once the project is completed and units are being rented.

	Today – Tax Bill	PROPOSED – Via PILOT
	<b>\$23,000</b>	<b>\$152,000</b>
Other Tax Authorities Receive	\$12,000	\$76,000
DDA Receives	\$11,000	\$38,000
City Receives	\$0.00	\$38,000

If a PILOT share agreement is not approved, and the project continues to move forward, the City is not entitled to any annual service charges.

**Recommendation:** It is my recommendation to approve the proposed agreement.

**Recommended Motion:**

Moved by \_\_\_\_\_ seconded by \_\_\_\_\_ to approve the annual PILOT capture sharing agreement for 27700 Southfield Road between the City of Lathrup Village & Lathrup Village Downtown Development Authority (LVDDA), contingent upon LVDDA Board approval.

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Bruce Kantor Mayor	Kelly Garrett Mayor Pro-Tem	Jalen Jennings Council Member	Jason Hammond Council Member	John Sousanis Council Member
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