LATHRUP VILLAGE

City of Lathrup Village

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

TO: Mayor & City Council

FROM: Mike Greene – City Administrator

DATE: July 21, 2025

RE: 2nd Reading – PILOT Ordinance

Background Brief: A Payment in Lieu of Taxes (PILOT) ordinance establishes the framework for the City to enter into an agreement with a developer, where the developer pays a specified amount instead of traditional property taxes, primarily used to incentivize affordable housing projects.

The City Council has discussed a draft PILOT ordinance over the past few months and held the ordinance's first reading during the June 16, 2025, City Council meeting.

If the PILOT ordinance is approved, it would become effective 10 days after publication, meaning the City could start accepting applications within the next month.

Previous Action: June 16, 2025 – First Reading

Economic Impact: N/A

Recommendation: It is my recommendation to adopt the PILOT ordinance.

Recommended Motion: Moved by Council Member ______ seconded by Council Member _____ to adopt Ordinance #2025-01 - An Ordinance to Amend the City of Lathrup Village Code of Ordinances at Chapter 77. Urban Redevelopment, by Adding a New Article, Article III. Workforce Housing PILOT, to Provide for Approval of an Exemption From Ad Valorem Property Taxes for Housing, as Authorized by Provisions of the State Housing Development Authority Act of 1966, Public Act 346 of 1966, As Amended,