

**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: June 2, 2025  
RE: Study Session

#### **DRAFT – PILOT Ordinance**

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 purpose of this item is to continue our discussion regarding the draft PILOT ordinance. When ready, this ordinance will follow the City's normal procedures and go through a first and second reading during regular City Council meetings.

Included in your packet is the estimated taxable value of the school project from Oakland County for reference.

#### **Assessing Services**

As the Council is aware, communities that contract with Oakland County for assessing services have been raising concerns, and in some cases, changing vendors, after the Oakland County Board of Commissioners voted to raise rates.

There are 19 cities and 13 townships that contract with the Oakland County Equalization Division for assessing services, which determine taxable values. The county charges communities on a per-parcel basis. The contracts are for three years, beginning July 1.

The County's new rate model offers two options to communities: the Initial Rate Model or the Smoothed Model. For Lathrup Village, both models cost ~\$205,862 over the 3-year contract. The smoothed rate model would cost the City ~\$47,348 in year 1 and ~\$90,184 by year 3. The Initial Rate Model would cost the City ~\$65,670 in year 1 and ~\$71,862 by year 3. REMINDER – Before the County decided to change its rate structure at the last minute, our yearly bill was approximately \$38,000.

Due to this excessive rate change, the City published an assessing RFP with only one additional response other than Oakland County.

The City of Southfield submitted a proposal to become the City Assessor at a flat rate of \$50,000 per year (\$150,000 over the three-year contract).

Cost-wise, Southfield provides a better deal overall over the next three years.

The purpose of this item is to gather initial feedback from the Council and take any questions you may have before staff brings this item back for Council consideration at the June 16 Regular Meeting.

The City budgeted \$58,000 in the FY 26 budget for assessing services.

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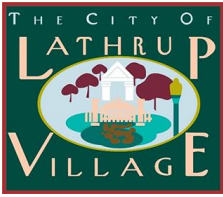
Kelly Garrett  
Mayor

Bruce Kantor  
Mayor Pro-Tem

Jalen Jennings  
Council Member

Jason Hammond  
Council Member

Vacant  
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### **Southfield Fire & Dispatch Contracts**

Both the Southfield Fire and Southfield Dispatch contracts expire at the end of June 2025. This item is to briefly review the proposed contract extension with the City of Southfield for fire and dispatch services before staff brings this item back for Council consideration at the June 16 Regular Meeting.

### **San Jose – Siren Activated Gate**

The City has been awarded \$21,356 from Oakland County through the 2025 Local Road Improvement Program (LRIP). The funding was approved to support the installation of a siren-activated gate on San Jose Boulevard. The purpose of this discussion is to gather Council feedback on this potential project before staff begins working with City Engineering to refine our plan and place a project out to bid.

### **National Fitness Campaign – Annie Lathrup Fitness Court**

During our FY 26 budget discussions, the proposed Annie Lathrup Fitness Court project was pulled due to budget constraints. I have informed the NFC of this decision; however, at the start of this quarter, the NFC has started a funding development program to assist communities in bringing these courts to fruition (as we are not the only community that is having this issue). While they do not have partner-facing materials finished yet, the NFC wanted staff to ask Council if they would be open to matching the \$50,000 that the NFC pledged to this project, and if so, the NFC can add Lathrup Village to their funding development program pipeline. At that point, when the partner-facing materials are finalized internally, I can share them with the City Council.

Based on my call with the NFC, their funding development program appears to be a subsequent grant assistance program (similar to our LexiPol service). Where the NFC would manage seeking/obtaining additional grants to help offset the cost of these projects for partner communities.

REMINDER – The FY 26 draft budget included \$175,000 for this project. The NFC ask would reduce the City's commitment by \$125,000.

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