City of Lathrup Village

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

TO: Mayor & City Council

Mike Greene - City Administrator FROM:

DATE: June 16, 2025

1st Reading – PILOT Ordinance RE:

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 based on June 2 Study Session feedback, the Council was ready to proceed with the first reading of a PILOT ordinance while also looking at the possibility of hosting a PILOT Town Hall at a future date.

Previous Action: June 2, 2025 – Study Session Discussion

Economic Impact: N/A

Recommendation: It is my recommendation to approve the 1st reading a schedule a 2nd reading. **Recommended Motion:** Moved by Council Member ___ seconded by Council Member _ to approve the 1st reading of 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, & scheduled a 2nd reading for July 21, 2025.