

AGENDA

Special Meeting Tuesday, October 14, 2025 - 7:00 a.m. Page Memorial Building Lake Odessa, Michigan

- 1. Call to Order / Roll Call
- 2. Approval of Agenda
- 3. Public Comment on Agenda Items

Under the Open Meetings Act, any citizen may come forward at this time and make comment on items that appear on the agenda. Comments will be limited to three minutes per person. Anyone who would like to speak shall state his/her name and address for the record. Remarks should be confined to the question at hand and addressed to the chair in a courteous tone. No person shall have the right to speak more than once on any particular subject until all other persons wishing to be heard on that subject have had the opportunity to speak.

- 4. Action/Discussion Items:
 - a) Proposed 2025 Development Plan and Tax Increment Financing Plan Update
- 5. Adjournment

Next Regular Meeting: Tuesday, November 11, 2025 - 7:00 a.m.

Fahey Schultz Burzych Rhodes

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September 12, 2025

Via First Class Mail and Email

Roger Swets
Dickinson Wright PLLC
Village of Lake Odessa Attorney
100 Ottawa Avenue NW, Suite 900
Grand Rapids, MI 49503-2405

Mr. Swets (CC: Village Council):

Re: Village of Lake Odessa DDA

Kindly accept this letter on behalf of Odessa Township ("Township") regarding the Village's current activities related to its downtown development authority ("DDA"). The Township appreciates the continued dialogue the Village has kept with Township officials related to DDA activities. However, it would like to make the Village Council aware of a few issues currently under consideration by the Township related to the DDA.

First, it is my understanding from conversations with my client that the Village may be unaware of the Township's decision to limit tax capture upon the formation of the DDA to coincide with the original dissolution date of the Village's DDA Ordinance. Please see attached as **Exhibit A**, a 2005 resolution from the Odessa Township Board that indicated its desire to authorize the Township to exercise (if desired) exemption from tax collection by the DDA after its twentieth year of formation. It is my hope that this resolution, among other things, can help show the Village why decisions to extend the DDA Ordinance's dissolution date are relevant to the Township.

Second, the Township knows that the Village amended its DDA Ordinance to first cause its expiration date to extend to from the last day of February 2025 to December 31, 2025. It also now appears that the Village intends to consider on November 17, 2025 an amendment to the DDA Ordinance to, among other things, amend the boundaries of the downtown district and to eliminate the sunset / dissolution date of the DDA. Given this information, the Township is respectfully requesting that any such action being proposed in November does not occur previously to November. I understand that the Village including its Village Manager has been forthcoming in



notifying the Township of any significant changes; but given the importance of this potential decision, the Township requests transparent communication to my office of any potential change of action (or prompt notification if I have the facts wrong).

Third, I have been made aware that the Village DDA may have been improperly capturing taxes from a variety of properties over the years. I have been told, and appreciate, that the Village intends to correct the improper capture. Please update my office at your earliest convenience on what the intended plan is to remedy this issue.

Last, I know this DDA is unusual as its Ordinance included a dissolution date that could be relevant as to why various governmental units agreed to capture (either fully or temporarily like the Township). In lieu of potential disagreements on the ability / procedure to address this irregularity, the Township would pursue a dialogue to discuss a potential agreement that would address the proceeds of any capture by the DDA and perhaps the issues above in a reasonable manner. If the Village would like to enter such a dialogue, please let me know.

Thank you for your attention to this matter. As always, if you have any questions or concerns do not hesitate to contact me.

Sincerely,

KYLE A. O'MEARA SENIOR ASSOCIATE

Lyle a OMeara

Direct: 517.381.3168 komeara@fsbrlaw.com

CC (Mail Only):

Village of Lake Odessa Council

EXHIBIT A

RESOLUTION SUPPORTING THE DOWNTOWN DEVELOPMENT DISTRICT PROPOSED BY THE VILLAGE OF LAKE ODESSA

WHEREAS, The Village of Lake Odessa has proposed to create a Downtown Develop Authority within Parts of Sections 27, 28, 33 and 34, Odessa Township, Ionia County, Michigan; and,

WHEREAS, a Public Hearing was held on December 20, 2004, to obtain input and begin the process of adopting Village Ordinance #2004-3 to establish the proposed Downtown Development Authority; and,

WHEREAS, the Odessa Township Board is the governing body of a taxing jurisdiction levying ad valorem property taxes that would be subject to capture within the proposed Downtown Development Authority; and,

WHEREAS, the Township of Odessa desires to enter into a mutually beneficial relationship with the Village of Lake Odessa that promotes the common interests of the citizens of the Village of Lake Odessa as proposed; and,

NOW, THEREFORE, BE IT RESOLVED, that the Township of Odessa supports the creation of the Downtown Development Authority in the Village of Lake Odessa as proposed; and,

BE IT FURTHER RESOLVED, that the Odessa Township Board encourages the Council of the Village of Lake Odessa to submit future amendments to the Ordinance creating the proposed Downtown Development Authority and allow the Township of Odessa to exempt Township ad valorem property taxes from being captured within the proposed Downtown Development Authority after the twentieth year.

Adopted this 16th day of February, 2005, by the Odessa Township Board.

Robert Cobb, Jr., Supervisor

Lisa K. Williams, Clerk

ODESSA TOWNSHIP BOARD

RESOLUTION OPTING OUT TAX CAPTURE BY THE VILLAGE OF LAKE ODESSA'S DOWNTOWN DEVELOPMENT AUTHORITY

RESOLUTION NO. _____

At a meeting of the Odessa Township Board, Ionia County, Michigan, held on October 6, 2025, at:00 p.m., Eastern Daylight Time.
PRESENT: <u>Belov</u> , Williams, Rohrbacher, Borrone & Borron
ABSENT:
The following resolution was offered by here and supported by Fawrone

WHEREAS, Odessa Township ("Township") and the Village of Lake Odessa ("Village") are taxing jurisdictions levying ad valorem property taxes that were subject to capture by the Village of Lake Odessa's Downtown Development Authority ("DDA"); and

WHEREAS, under the original Section 2-164 of the Village's Lake Odessa Downtown Development Authority Ordinance No. 2005-01 ("DDA Ordinance"), the term of the DDA expired as of midnight on February 28, 2025, and thus "the authority and the board shall be dissolved no later than the last day of February, 2025"; and

WHEREAS, the original Section 2-163 of the Village's DDA Ordinance provided that "any tax increment financing plan adopted under the provisions of Act 197 shall not extend beyond the last day of February, 2025, unless this division is amended pursuant to the same requirements for adopting the ordinance which creates the authority"; It is further black-letter law in Michigan that amendments to an ordinance must be adopted using actions of "equal dignity" compared to their initial enactment (which would require a public hearing, notice to the Township, and an opportunity for the Township to exempt its taxes from continued capture). Saginaw v Consumers' Power Co, 213 Mich 460, 469; 182 NW 146 (1921); and

WHEREAS, a 2005 Resolution of the Township Board (dated February 16, 2005) regarding the DDA similarity exempts Township tax revenues from capture by the DDA "after the twentieth year." This demonstrates the Township exercising its right upon the initial formation of the DDA to exempt future Township taxes after a set period of time; and

WHEREAS, Act 197 was recently amended and recodified as the Recodified Tax Increment Financing Act, Act 57 of 2018 (the "Act"); and

WHEREAS, the Act, specifically MCL 125.4203, requires specific procedural requirements, such as the holding of a public hearing, before adopting an ordinance to establish a DDA; and

WHEREAS, under the Act, a public hearing is required to establish a DDA, amend the boundaries of a DDA, or approve a DDA's development plan or tax increment financing plan; and

WHEREAS, pursuant to the Village's DDA Ordinance, the DDA was dissolved, and the Village, upon information and belief, did not follow the required procedures to pass an ordinance to establish a new DDA consistent with Michigan law; and

WHEREAS, the purported amendment to the DDA Ordinance to extend the expiration of the DDA did, upon information and belief, not follow the procedures required by the act for establishing or amending a DDA via ordinance or outline the Township's ability to exempt future tax capture, and does not authorize the DDA to capture future Township taxes as: (1) it is blackletter law in Michigan that amendments to an ordinance must be adopted using actions of "equal dignity" compared to their initial enactment, which would require a public hearing, notice to the Township, and an opportunity for the Township to exempt its taxes from continued capture Saginaw v Consumers' Power Co, 213 Mich 460, 469; 182 NW 146 (1921); (2) Village Code 2-163 required any extension of the DDA's tax increment financing plan to be extended pursuant to the same requirements as enacting the original DDA Ordinance / establishing the DDA (including the public hearing, notice to the Township, and an opportunity to exempt from capture). See MCL 125.4203; (3) the plain language of Village Code 2-164 (before any purported amendment) caused the DDA to expire "no later than the last day of February, 2025), which was at midnight on February 28, 2025 (before any purported amendment on February 28, 2025); (4) MCL 125.4230 provides guidance to the Village that reviving its DDA Ordinance after being dissolved needs to undergo the public hearing process discussed above (and opportunity for the Township to exempt itself from tax capture). Accordingly, there is no basis for continuing capture of Township taxes for the DDA without explicit authorization from the Township. Similarly, any such amendment extending the "life" of the DDA Ordinance expressly contravened the Township's intent and (and the Village's inducement of the Township to not object to tax capture) to be able to approve of up to only 20 years of tax capture; and

WHEREAS, even if the amendments to the DDA Ordinance were properly enacted to extend the DDA, it is understood that the DDA is still (under the purported amendments) going to expire on December 31, 2025, which is before Township tax disbursements of Winter 2025 taxes, and would require the Village to provide the Township with an opportunity to exempt itself from capture upon further extension for the reasons above. Therefore, any exemption from future taxes authorized in this resolution shall apply to future attempts to extend the DDA; and

WHEREAS, Section 2-164 of the Code of Ordinances for the Village of Lake Odessa hosted online still lists the dissolution date of the DDA as "the last day of February, 2025"; and

WHEREAS, the Village must re-establish the DDA according to the procedures and requirements set forth in the Act, including MCL 125.4203(3), which allows the Township to "exempt its taxes from capture by adopting a resolution to that effect and filing a copy with the clerk of the municipality proposing to create the authority" as well as other provisions of MCL 125.4203 requiring a public hearing and notice to the Township; and

WHEREAS, upon information and belief, it is understood that the DDA has been improperly capturing property taxes of properties not within its district throughout its lifespan to the detriment of the Township; and

WHEREAS, the Township desires to exempt its taxes from capture, beginning with the Winter 2025 levy, by the DDA for all the legal authority and facts cited above.

NOW, THEREFORE, IT IS RESOLVED by the Township Board of Odessa Township, Michigan, as follows:

- 1. The Township Board, as a governing body of a taxing jurisdiction levying ad valorem property taxes that would otherwise be subject to capture by the DDA (if the DDA was properly re-established), hereby exempts its ad valorem property taxes from capture by the DDA pursuant to legal authority and facts cited within this resolution including the authority granted to the Township by the Recodified Tax Increment Financing Act, Act 57 of 2018, specifically MCL 125.4203(3). Accordingly, no future Township taxes shall be captured by the DDA unless subject to future Township Board approval or an agreement with the Village (this includes for any purported boundary expansion of the DDA).
- 2. The Township hereby directs the Township Clerk to file a copy of this Resolution with the Village Clerk pursuant to MCL 125.4203(3).

Roll call vote:		
YEAS: belov, William	rs, Pohrbacher, Borrone & Baron	
NAYS: NOWL		
ABSENT/ABSTAIN: None		
RESOLUTION DECLARED ADOPTED.		
CERTIFICATION		
STATE OF MICHIGAN)) ss	
COUNTY OF IONIA)	
I, the undersigned, the duly qualified and acting Clerk of Odessa Township, Ionia County,		

I, the undersigned, the duly qualified and acting Clerk of Odessa Township, Ionia County, Michigan, DO HEREBY CERTIFY that the foregoing is a true and complete copy of certain proceedings taken by the Odessa Township Board at a meeting held on otherwise to 2025, and further certify that the above Resolution was adopted at said meeting.

Lisa Williams, Clerk
Odessa Township