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Ms. Sara Roediger, Director
Department of Planning & Economic Development
City of Rochester Hills
1000 Rochester Hills Drive
Rochester Hills, MI 48309

VIA ELECTRONIC MAIL

Re: ***The Legacy Project / Local Brownfield Revolving Fund***

Dear Director Roediger:

This is intended to summarize and confirm our various communications since the last Brownfield Redevelopment Authority (BRA) about the establishment of a Local Brownfield Revolving Fund (LBRF). The Michigan Brownfield Redevelopment Financing Act, 1996 PA 381, authorizes a local BRA to establish an LBRF. Tom Wackerman of ASTI has separately provided you with a memo explaining what a LBRF is and how it works.

PA 381 does not spell out any formal process or procedure for establishing an LBRF, and upon looking into this, it would appear that one is typically established through the approved brownfield plan and set up and managed administratively by the municipality. In fact, that is what can and has happened concerning the Legacy project. Under sections 2.7 and 2.10 of the approved brownfield plan, an LBRF is established, and it indicates the rate and schedule of incremental tax capture for the LBRF will be determined on a case-by-case basis. So there is no need for any formal resolutions or ordinances to create the LBRF. It is just a matter of implementation of the LBRF and to have the City's Fiscal Team manage and account for the LBRF tax captures, earnings, and expenditures.

Very truly yours,

John D. Staran

JDS/ijd

Enclosure

cc: Mr. Tom Wackerman, ASTI
Mr. Joe Snyder, Chief Financial Officer