

# **RESTATED DEVELOPMENT PLAN AND TAX INCREMENT FINANCING PLAN**

## **CITY OF ROCHESTER HILLS LOCAL DEVELOPMENT FINANCE AUTHORITY (RHL DFA)**

**Adopted by the City Council of Rochester Hills by Resolution  
On \_\_\_\_\_, 2009**

### **Rochester Hills Local Development Finance Authority Board**

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## INTRODUCTION

The purpose of Act No. 281, Public Acts of Michigan, 1986 (Act 281), as amended, (the Local Development Financing Act), is to: encourage local development; prevent conditions of unemployment; and, promote economic growth. The Act provides that if an LDFA Board determines that it is necessary for the achievement of the purposes of Act 281, the Authority is required to prepare and submit a tax increment financing plan to the City Council. The Act further provides that a tax increment financing plan shall include a development plan.

Recent amendments to the LDFA Act have provided for the creation of Certified Technology Parks (SmartZones or “Smart Parks”), which are designed to create clusters of technological businesses and research institutions throughout the state. The SmartZone program is designed to encourage partnerships between municipalities, universities and business by creating an environment of cooperation and competition. In 2001, the City of Southfield applied for and received one of ten SmartZone designations (called the Oakland Automation Alley SmartZone). In early 2002, the Southfield Certified Technology Park was established. In 2002, the City of Rochester Hills and Oakland University were awarded a separate Certified Technology Park (CTP) within the Oakland Automation Alley SmartZone.

Since being designated as a SmartZone by the Michigan Economic Development Corporation, the Oakland Automation Alley SmartZone has been marketed both nationally and internationally by the City’s of Rochester Hills, Southfield and Troy, Oakland County and the State of Michigan as one of Michigan’s prime real estate locations. This plan will define and promote the partnership between the members of the Automation Alley SmartZone and detail needed infrastructure improvements to support numerous major and smaller high-tech businesses within the designated SmartZone areas in Rochester Hills.

In 2005, the City of Rochester Hills amended the boundaries of the LDFA to be coterminous with those of the Certified Technology Park. In addition, the 2005 Plan redefined the amended boundaries of the district as a “business development area”. The Plan applies to property located in Sections 17, 18, 19, 21, 28, 29 and 30 in the City of Rochester Hills. A legal description of the land is attached as Appendix A.

Rochester Hills has long been the home of companies engaged in the automotive industry, either as suppliers or providers of technical or professional support. This strong technology cluster has expanded over the years to include companies engaged in advanced fuel research, advanced computers and life sciences. Today, Rochester Hills’ technology cluster has grown within 12 distinct industrial parks, as well as other areas of the City. All of these parks are located within the CTP.

The purpose of the Development Plan and Tax Increment Financing Plan is to provide for the construction and financing of public facilities within the City of Rochester Hills necessary for the project. Specifically, it will include constructing public infrastructure on 15.6 acres owned by the City of Rochester Hills and preparing the site for new development; extend a public road, Austin Drive, providing access to 30 acres of under utilized and undeveloped land in the CTP; extend Waterview to Leach Road and Leach

Road to the new Adams Road; extend Industrial Drive and Technology Drive to the new Adams Road; extend public utilities along these connection points; acquisition of rights-of-way as needed for the projects above; ongoing maintenance and repair of public infrastructure in the District; and provide funding for administrative and marketing costs.

The Finance Plan will provide for the capture of tax revenues from certain property within the District including the capture of City, County, and Community College

The construction of the public facilities described herein will facilitate economic growth and development in the Authority District and other areas of the City and Oakland County.

The Development Plan contains the information required by Section 15(2) of Act 281 and the Tax Increment Financing Plan contains the information required by Section 12(2) of Act 28

## **PURPOSE OF PLANS**

It is the purpose of this Development Plan and the accompanying Tax Increment Financing Plan to establish the legal basis and procedure for the capture and expenditure of tax increment revenues in accordance with Michigan Public Act 281 of 1986, as amended. The proposals in the plan will facilitate projects that foster new economic growth and development and lead to the creation of new employment opportunities within the City of Rochester Hills.

## Boundaries

**Section 15 (2) (a) A DESCRIPTION OF THE PROPERTY TO WHICH THE PLAN APPLIES IN RELATION TO THE BOUNDARIES OF THE AUTHORITY DISTRICT, LEGAL DESCRIPTION;**

**Section 15 (2) (b) THE DESIGNATION OF BOUNDARIES OF THE PROPERTY TO WHICH THE PLAN APPLIES IN RELATION TO HIGHWAYS, STREETS, OR OTHERWISE;**

The boundaries of the original Authority District and the expanded boundaries for the Local Development Finance Authority of the City of Rochester Hills (LDFA) as established by Resolution of the Rochester Hills City Council are shown on Map 1. The full text of the resolution establishing the LDFA and legal description may be found in Appendix B. The resolution for expanding the boundaries of the LDFA and legal description of the new boundaries may also be found in Appendix B. All real and personal properties within the LDFA and their respective values are listed in Appendix C.

## Existing Conditions

**Section 15 (2) (c) THE LOCATION AND EXTENT OF EXISTING STREETS AND OTHER PUBLIC FACILITIES IN THE VICINITY OF THE PROPERTY TO WHICH THE PLAN APPLIES; THE LOCATION AND EXTENT OF THE PUBLIC AND PRIVATE LAND USES EXISTING AND PROPOSED FOR THE PROPERTY TO WHICH THE PLAN APPLIES;**

Existing streets and public facilities in the vicinity of the property to which the plan applies are shown on Map 1.

The property to which the plan applies will be used for manufacturing, light industrial, office, research, and technology uses. Except for the eventual improvement of vacant sites for such technology, manufacturing and industrial uses and the conversion of vacant land into rights-of-way, no other changes to existing land uses are proposed.