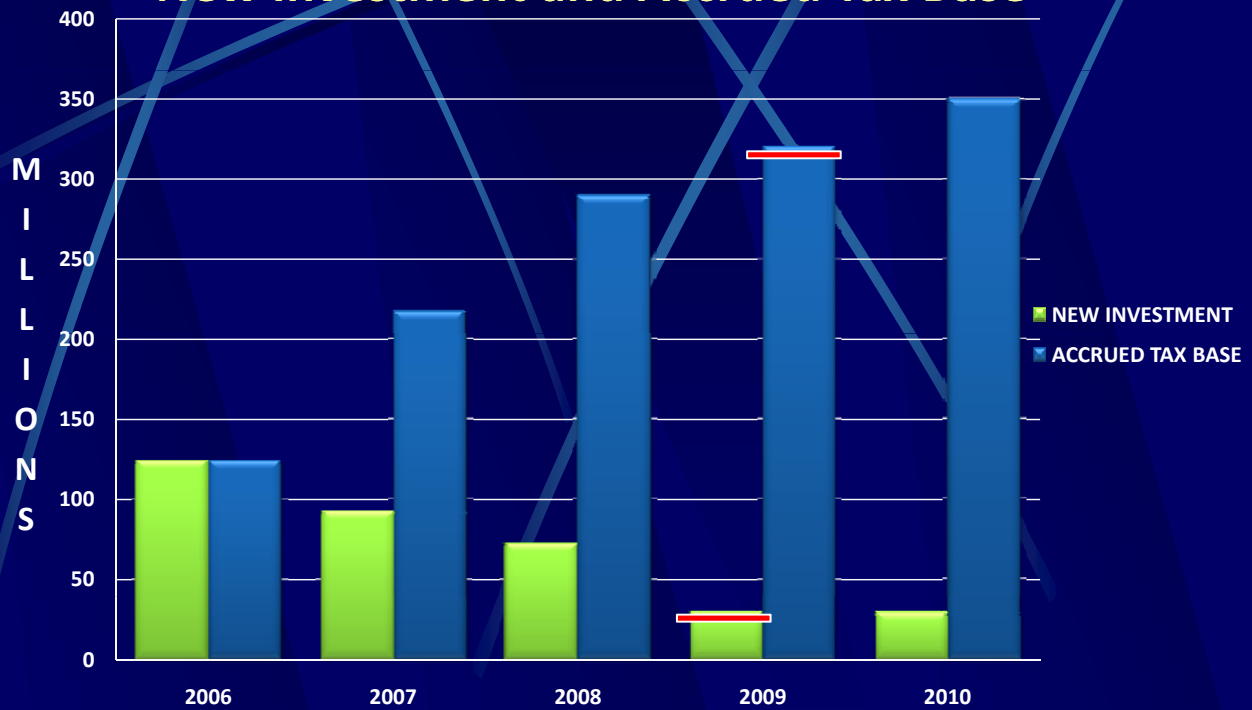


**City of Rochester Hills
Planning and Economic Development Department**

City Council 2010-11 Budget Workshops

August 24, 2009

Planning and Economic Development Department New Investment and Accrued Tax Base



Planning and Economic Development Department

So what does this new investment mean?

\$313m in New Investment generates \$1.52m in new tax revenues for the City with \$585,000 to the General Fund!
For 2009 and every year after!

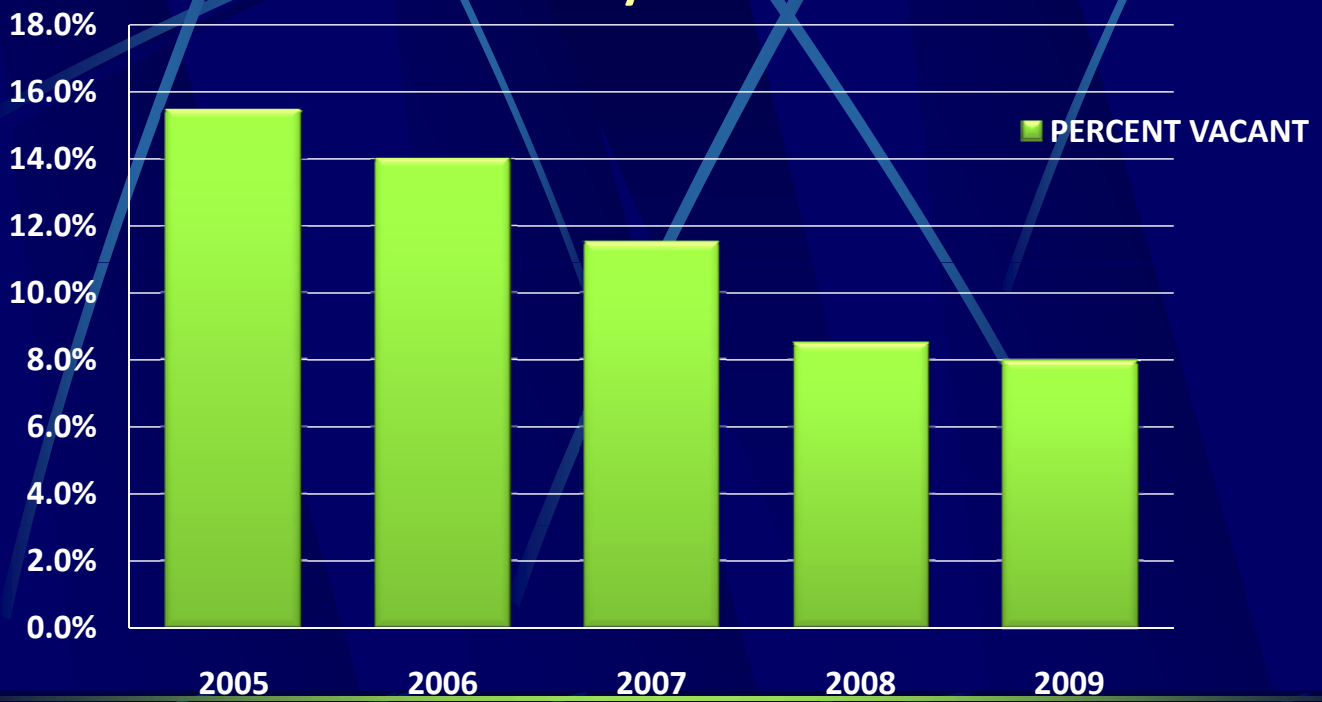
In General Terms...

- \$313m in new investment equates to \$156.5m SEV (Half of Market Value)
- SEV is the same as Taxable Value used to calculate taxes
- One mil equals \$1 paid for every \$1,000 of taxable value
- \$156.5m divided by 1000 equals 156,500 base units
- City taxes are 9.7060 mils or \$9.71 for every \$1000 of value.

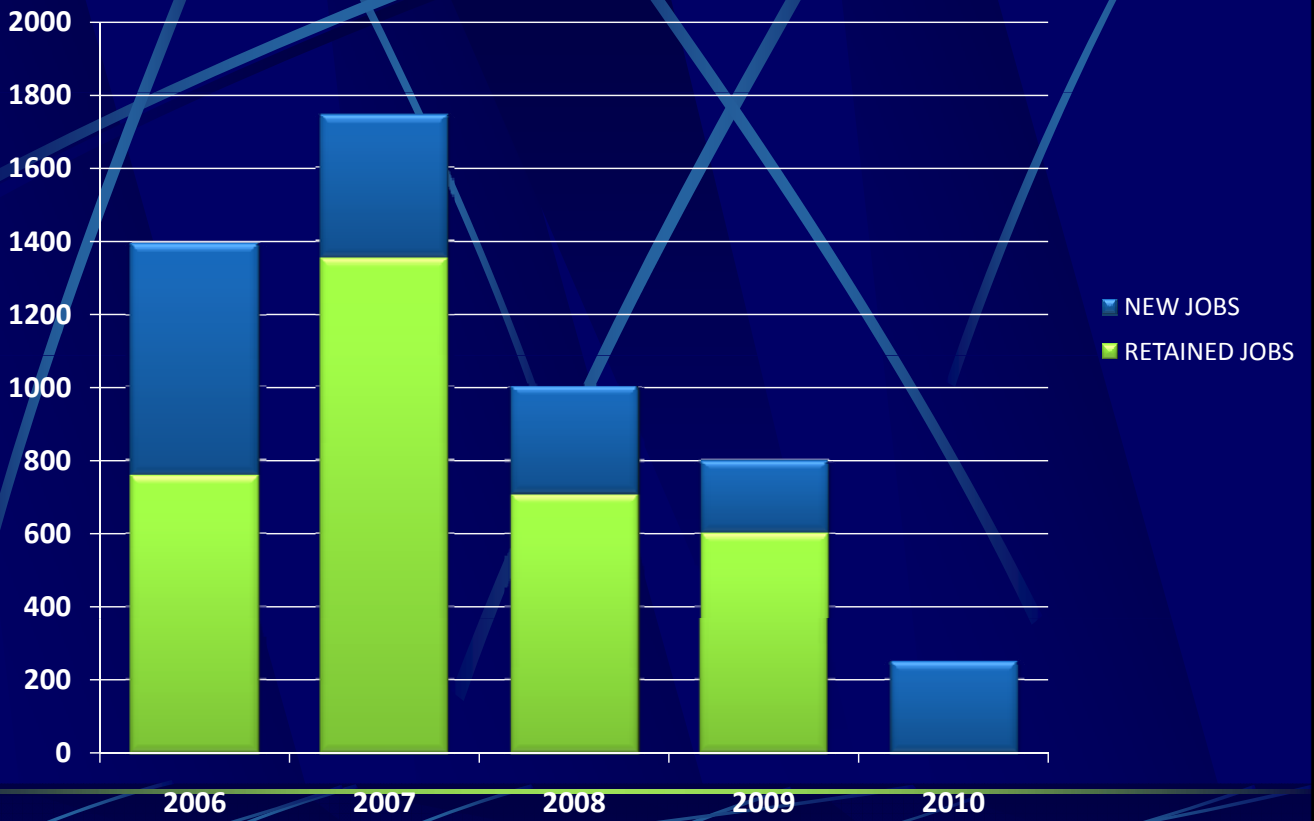
Bottom Line...

- 156,500 x \$9.71 results in the \$313m in new investment generating about \$1.52m in taxes to the city.
- Of this \$1.52m about \$585,000 goes to the General Fund and the balance to the dedicated millages.

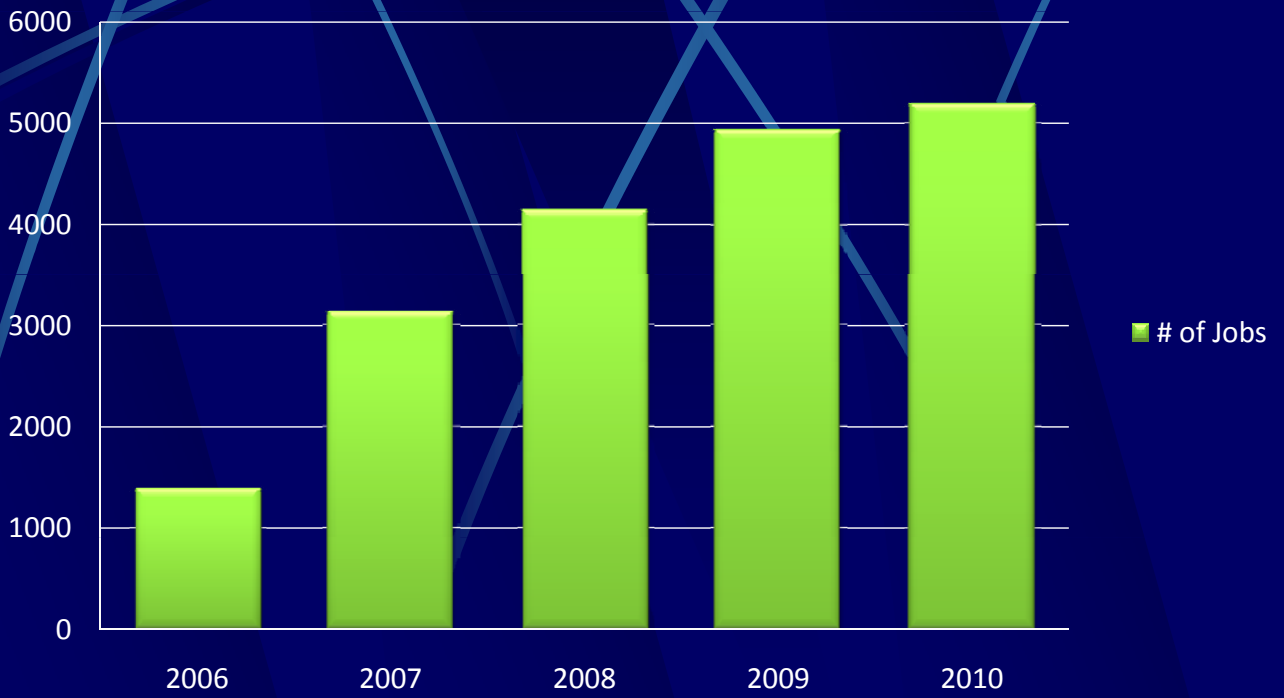
Planning and Economic Development Department Industrial/High Tech Buildings Vacancy Rate



Planning and Economic Development Department Retained and New Jobs



Planning and Economic Development Department Retained and New Jobs Accumulative since 2006



Planning and Economic Development Department

So Why Do It?

- **New Investment =**
 - **expanding tax base = increased tax revenue**
- **Low vacancy rates =**
 - **productive facilities that maintain property values and can lead to a demand for redevelopment**
- **Retained/New Jobs =**
 - **improves housing demand keeps schools strong supports local businesses and services AND provides employment opportunities for our residents!**
- **Each payroll dollar gets re-spent about 5 times**
- **And Finally... Because Council said so!**

Planning and Economic Development Department City Council Goals and Objectives

GOAL: ECONOMIC / TAX BASE:

To retain investment, maintain the tax and employment base, support redevelopment, and uphold high property values in the City.

Objective (#1): Continue to **attract businesses that focus on R&D and "High-Tech"**.

Objective (#2): Continue support and coordination with **OU Inc and SmartZone Initiatives** as part of **City's attraction and retention** program.

Objective (#3): Implement the new **Master Land Use Plan and the new Master Thoroughfare Plan**.

Objective (#4): Implement current systems and processes and develop a seamless system that minimizes time for approvals and eliminates redundancies.

Objective (#5): Implement the **Brownfield Redevelopment Policy**.

Objective (#6): Encourage the **Mayor's Business Council** to provide input and feedback to the City.

Objective (#7): **Encourage businesses** to take an active role in the local economy.

Objective (#8): Continue development of Ordinances for maintenance of existing residential and commercial buildings.

Planning and Economic Development Department City Council Goals and Objectives (cont'd)

GOAL: COMMUNITY TRUST & PARTICIPATION

Objective (#3): **Engage residents through outreach** in the decision making process... [Planning Commission, ZBA, Public Notice Requirements]

Objective (#7): Develop a **recognition program for resident service on City boards, commissions**, committees and other acts of volunteerism.

GOAL: INFRASTRUCTURE MANAGEMENT

Objective (#3): Implement the new **Master Thoroughfare Plan**.

Objective (#10): Establish and implement a long-term **street lighting policy** [Planning Commission].

GOAL: EFFECTIVE GOVERNANCE

Objective (#3): **Communicate the City's vision, mission, goals and objectives effectively...**

GOAL: ENVIRONMENT

Objective (#1): To move towards a more green city - not only city hall and facilities **but promotion within the community and businesses** and which **businesses we attract**.

Planning and Economic Development Department

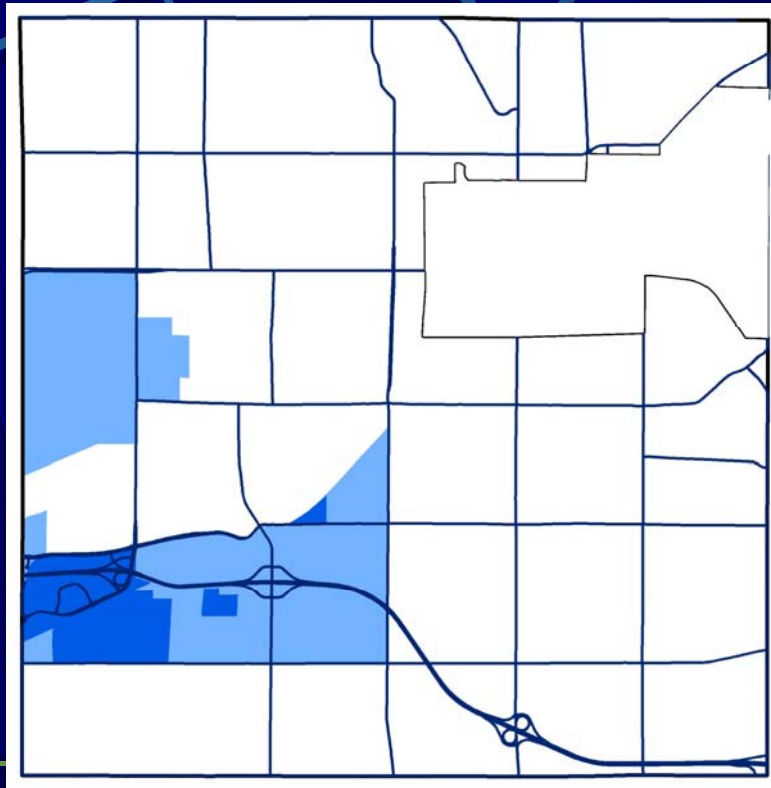
Small in Dollars Yet High in Value Cost Centers...

	<u>2009</u>	<u>2010</u>	<u>%</u>	<u>2011</u>
• 400 - Planning Commission	\$ 10,710	\$ 8,610	-19.6%	\$ 8,360
• 410 - Zoning Bd. of Appeals	\$ 6,350	\$ 5,850	-7.9%	\$ 5,850
• 804 - Historic Districts Comm.	\$ 10,420	\$ 10,170	-2.4%	\$ 10,170
• 843 - Brownfield Redevelopment	\$ 37,710	\$ 40,920	8.5%	\$ 40,920
<i>Revenue Only – No Expenditures</i>				
• 851 - SmartZone	\$ 451,030	\$ 419,870	-6.9%	\$419,870
• 893 - Economic Development Corp.	\$ 670	\$ 670	0%	\$ 670

Planning and Economic Development Department

- Department Expenditures 2009 - \$1.169m
2010 - \$0.896m, **Down 23.3%**
2011 - \$0.882m, Down 1.7%
- Department has Reorganized
- Personnel Costs (GF) down 18% (\$96,400)
- Professional Services down by 63% (\$37,600)
- Interfund: MIS down 22% (\$37,600)
- Wetland/Environmental Consultant down 85% (\$83,000)
- Department Costs down \$272,000 (23.3%)
...That's \$272,000 less dependence on General Fund

Planning and Economic Development Department Local Development Finance Authority Area



Planning and Economic Development Department Local Development Finance Authority Fund

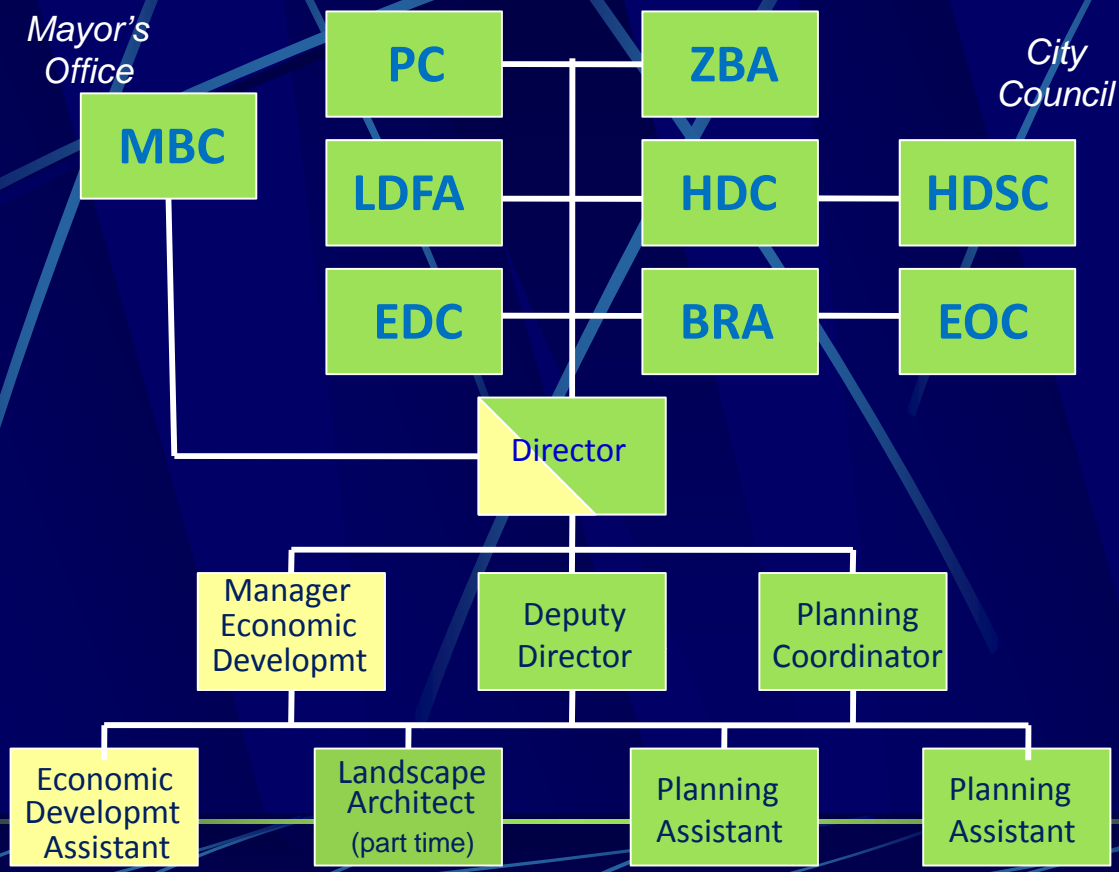
- M-59 Corridor Study process has begun
- Technology Drive extension moved to 2010
- LDFA Infrastructure Master Plan Update
- Half of personnel costs for ED Manager
- Concrete slab replacement will continue
- Entranceway Grant Program proposed - \$10,000
- Expenditures
2009 - \$1.183m
2010 - \$0.511m, Down 56.8% from 2009
2011 - \$0.287m, Down 43.8% from 2010

Now about that reorganization!

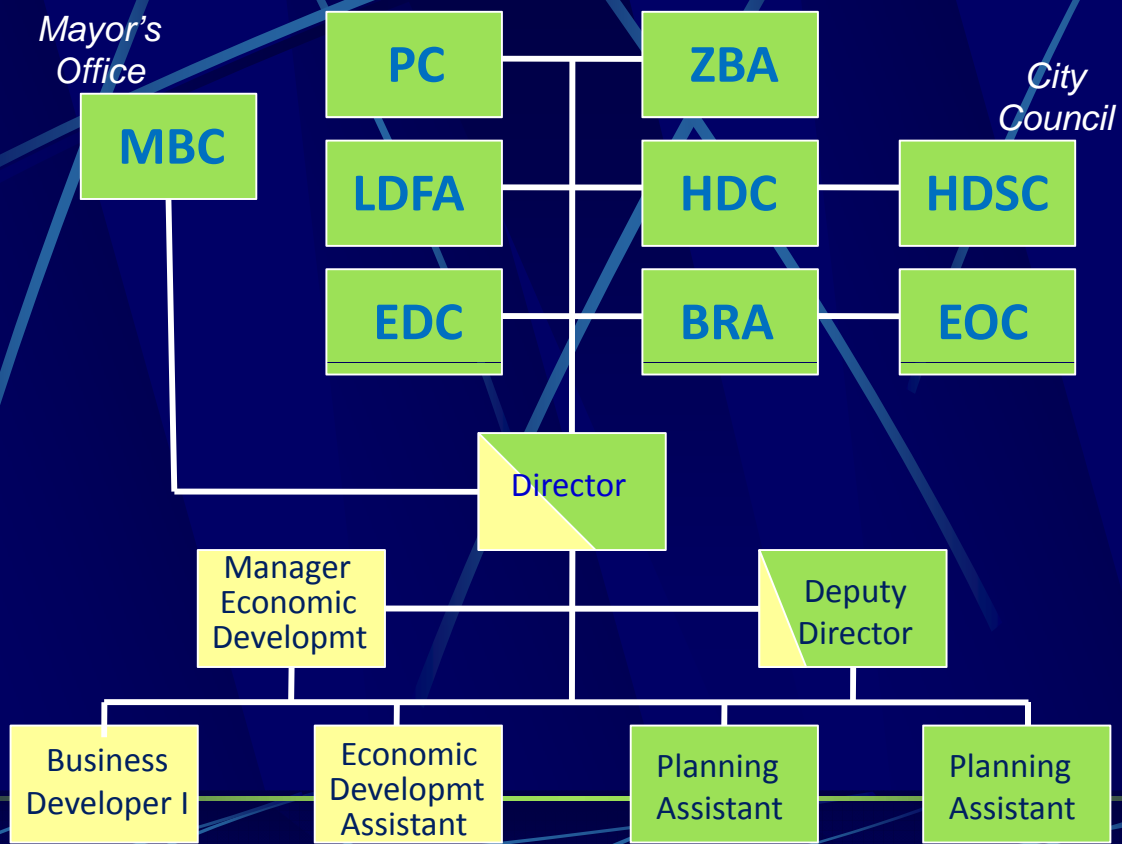
Planning and Economic Development Department Full Time Staff



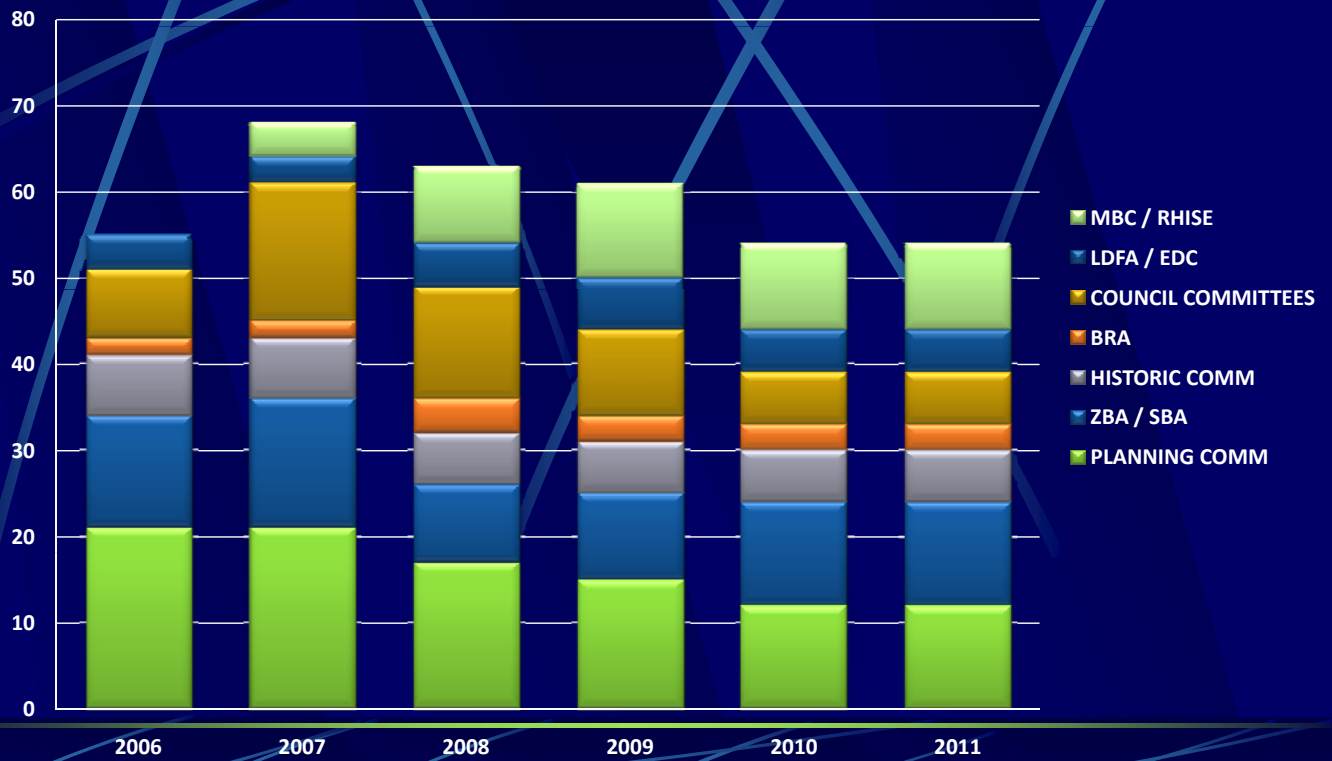
Planning and Economic Development Department 2009 Organization Chart



Planning and Economic Development Department 2010 Organization Chart



Planning and Economic Development Department # of Meetings for Boards and Commissions



Planning and Economic Development Department

Department Summary...

	2009	2010	%	2011	%
• 400 - Planning Comm	\$ 10,710	\$ 8,610	-19.6%	\$ 8,360	- 2.9%
• 401 – Plan/ED Depart	\$ 1.169m	\$ 0.897m	-23.3%	\$ 0.882m	- 1.7%
• 410 – ZBA/SBA	\$ 6,350	\$ 5,850	-7.9%	\$ 5,850	0.0%
• 804 – HDC	\$ 10,420	\$ 10,170	-2.4%	\$ 10,170	0.0%
• 843 - Brownfield Redev.	\$ 37,710	\$ 40,920	8.5%	\$ 40,920	0.0%
• 848 – LDFA	\$ 1.183m	\$ 0.511m	- 56.8%	\$ 0.287m	-43.8%
• 851 – SmartZone	\$ 451,030	\$ 419,870	-6.9%	\$ 419,870	0.0%
• 893 - ED Corp.	\$ 670	\$ 670	0%	\$ 670	0.0%
• <i>General Fund</i>		- \$ 275,000		- \$ 15,250	
• <i>LDFA Fund</i>		- \$ 675,000		- \$ 223,000	

**City of Rochester Hills
Planning and Economic Development Department**

Thank you

- Q & A -