



City of Rochester Hills
AGENDA SUMMARY
NON-FINANCIAL ITEMS

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Legislative File No: 2025-0377

TO: Mayor and City Council Members

FROM: Sara Roediger, Planning & Economic Development Director

DATE: August 27, 2025

SUBJECT: Public Hearing: 2025 Restated Local Development Finance Authority Development and Tax Increment Financing Plans

REQUEST:

City Council is requested to hold a public hearing on September 8, 2025 to consider the approval of the 2025 Restated Local Development Finance Authority (LDFA) Development and Tax Increment Financing Plans which include a 20 year extension to the Rochester Hills LDFA.

BACKGROUND:

Established under Michigan Public Act 281 of 1986 (now PA 57 of 2018), the primary mission of the LDFA is to encourage local development, prevent unemployment, and promote economic growth. The LDFA aims to achieve these goals by providing for the financing and construction of public facilities, infrastructure and programming necessary for projects that foster new economic growth and development, leading to the creation of new employment opportunities within Rochester Hills.

In 1995, the City of Rochester Hills created a LDFA to support the infrastructure and business development needs of its high-tech business community. The opportunity to accumulate designated tax increment revenue to reinvest in the LDFA district is a valuable financial and economic development tool. Over its duration, the LDFA has funded over \$13.6 million in economic development investments.

The current LDFA plan, adopted in 2009 is set to expire on December 31, 2025. On August 14th, the LDFA Board approved the 2025 Restated LDFA Development and Tax Increment Financing Plans that include a 20 year extension of the LDFA and updated project list within the Development Plan. The extension will not involve any changes to the existing boundaries and will allow the LDFA to maintain its current base year and fund balance. The updated Development Plan removes all completed projects, retains remaining projects, and includes new general project sections for future opportunities. Projects are grouped under the following seven categories:

1. Road Construction & Maintenance
2. Infrastructure/Utilities Enhancements
3. Multimodal Transit Projects
4. Placemaking Investments
5. Strategic Planning & Stakeholder Economic Development Initiatives
6. Program Development/Marketing/Promotions: Business Attraction & Retention
7. Program Development/Marketing/Promotions: Talent Attraction & Retention

The Tax Increment Financing Plan includes updated tables and appendices from the 2009 plan, Parcel Identification and Initial Assessed Valuation, and Millage Rates. The Rochester Hills LDFA currently has no debt and does not own any property. It captures tax revenue from the City of Rochester Hills, Oakland County, Oakland Community College, the Rochester Hills Public Library and Huron-Clinton Metroparks Authority.

The City has hired Dickinson Wright to assist with the extension process, ensuring compliance with PA 57 of 2018 and any other legal and/or policy requirements. Legal counsel has indicated that an extension of an LDFA is straightforward, requiring approval from the LDFA Board and City Council. A public hearing must be held a minimum of 60 days prior to City Council’s action/approval of a restated Development and Tax Increment Financing Plan. All required public hearing notifications have been published and mailed to taxing jurisdictions.

The updated LDFA Development and TIF Plans will then go before City Council for approval in November. To ensure the continuation of the LDFA, the approved plans must be provided to the Secretary of State by the December 31, 2025 expiration date.

RECOMMENDATION:

City Council is recommended to hold a Public Hearing on September 8, 2025 to consider the approval of the 2025 Restated Local Development Finance Authority (LDFA) Development and Tax Increment Financing Plans which include a 20 year extension to the Rochester Hills LDFA.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Mayor		
City Clerk		

Contract Reviewed by City Attorney ☒ Yes ☐ N/A