

City of Rochester  
DOWNTOWN DEVELOPMENT AUTHORITY

DEVELOPMENT PLAN  
and  
TAX INCREMENT FINANCING PLAN

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## ACKNOWLEDGEMENTS

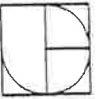
The following Development Plan and Tax Increment Financing Plan for the City of Rochester Downtown Development Authority is the result of the efforts and input of many individuals and commissions since the early 1970's. To all who contributed their time and assistance, recently as well as those previously, we wish to thank you and express our gratitude. The following is a partial list of these outstanding contributors:

Rochester City Council  
Rochester Downtown Development Authority  
Rochester City Beautiful Commission  
Rochester City Planning Commission  
Kenneth A. Johnson, City Manager  
Thomas L. Werth, Mayor



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## INTRODUCTION

The Downtown Shopping District in the City of Rochester, like the downtowns of many mature communities, has experienced change during the past decades. The downtown was once the center of activity for the entire surrounding geographic area. However, during the last decade, population and development trends have resulted in construction of new commercial centers nearby. While this phenomenon was beyond the ability of the City to control, recently enacted state legislation has given the City and its downtown district an opportunity to remain competitive with nearby commercial centers.

### Creation of the Downtown Development Authority

State legislation authorized a new "tool" to be used by cities in their efforts at downtown revitalization. This legislation is known as the Downtown Development Authority Act and is Public Act 197 of 1975, as amended. A copy of Act 197, as amended, is found in the Appendix. The title of the Act is as follows:

An Act to provide for the establishment of a Downtown Development Authority; to prescribe its powers and duties; to correct and prevent deterioration in business districts; to encourage historic preservation; to authorize the acquisition and disposal of interest in real and personal property; to authorize the creation and implementation of a Development Plan in the district; to promote the economic growth of the districts, to create a Board, to prescribe its powers and duties; to authorize the levy and collection of taxes; to authorize the issuance of bonds and other evidences of indebtedness; and to authorize the use of tax increment financing.

Pursuant to the provisions of Act 197, as amended, the Rochester City Council adopted Ordinance No. 1982-3 on May 10, 1982. This Ordinance provided for the creation of the Rochester Downtown Development Authority hereinafter referred to as the "DDA". The DDA was given all the powers and duties prescribed for a Downtown Development Authority pursuant to Act 197, as amended. A copy of Ordinance No. 1982-3 is found in the Appendix.



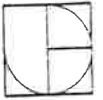
Pursuant to Ordinance No. 1982-3, the Rules of Procedure of the DDA were adopted on August 26, 1982 and forwarded to the City Council. The Rules of Procedure were approved by Resolution of the City Council on September 13, 1982.

As part of Ordinance No. 1982-3, the City Council established the Downtown District empowering the DDA to legally exercise its legislative powers. The boundaries described in this ordinance were subsequently revised by the City Council (Ordinance No. 1983-1) on January 24, 1983. The complete description of these boundaries can be found in the Appendix and are also illustrated on Development Area Boundaries Map (page 3).

#### Legal Provisions

Act 197, as amended, is intended to provide local officials with the means of addressing the need for revitalization of their downtown districts. The Act provides the legal basis for this tax increment financing and development plan.

Section 14 of Act 197, as amended, authorizes the DDA, upon a determination that it is necessary for the achievement of the purposes of the Act, to prepare and submit a tax increment financing plan to the City Council. Tax increment financing results from the "capturing" of tax revenues by the DDA which are derived from the increase in assessed valuation in the development area over the valuations of the area at the time the development area was established. Tax increment revenues accrued to the DDA from the application of the tax rates of all political subdivisions (city, county, school district, community college, etc.) levying taxes in the development area. The tax increment revenues may be used by the DDA to make public improvements within the development area, provided by Section 7 of Act 197, as amended. The tax increment financing plan includes a detailed explanation of the tax increment procedure, the amount of the bonded indebtedness, if any, to be incurred, duration of the tax increment program, statement of the impact of the program on all taxing jurisdictions in the development area, and a statement of the amount of tax increment revenues to be used by the DDA.



Section 17 of Act 197, as amended, requires that whenever a Downtown Development Authority decides to finance a project within the development area through the use of tax increment revenues, or revenue bonds, it must prepare a Development Plan. The Development Plan must contain the designation of the development area (the area within which tax increment revenues are to be captured and expended for public purposes); the projects to be undertaken; the estimated cost of the projects; an estimate of stages of construction and the time of completion; the proposed method of financing the project; and the impact upon the existing character of development in the area.

Section 18 of Act 197, as amended, provides for the adoption of the tax increment financing plan and development plan by the City Council only after conducting a public hearing.



## DEVELOPMENT AREA

This section of the report will present an overview of the DDA's purpose in creating the development area, the improvements proposed for it, the strategy inherent in the selection of the proposed improvements, and the methods proposed to finance these improvement. The basis upon which the DDA determined the necessity for the development area and the rationale for its boundaries are also explained.

### Purpose

The DDA has determined that the establishment of the development area and the activities proposed therein, as stated in this Development Plan, are necessary and appropriate to prevent deterioration, promote economic growth, and increase property tax valuation in the Downtown District. It is for this public purpose that the tax increment financing and development plan has been prepared.

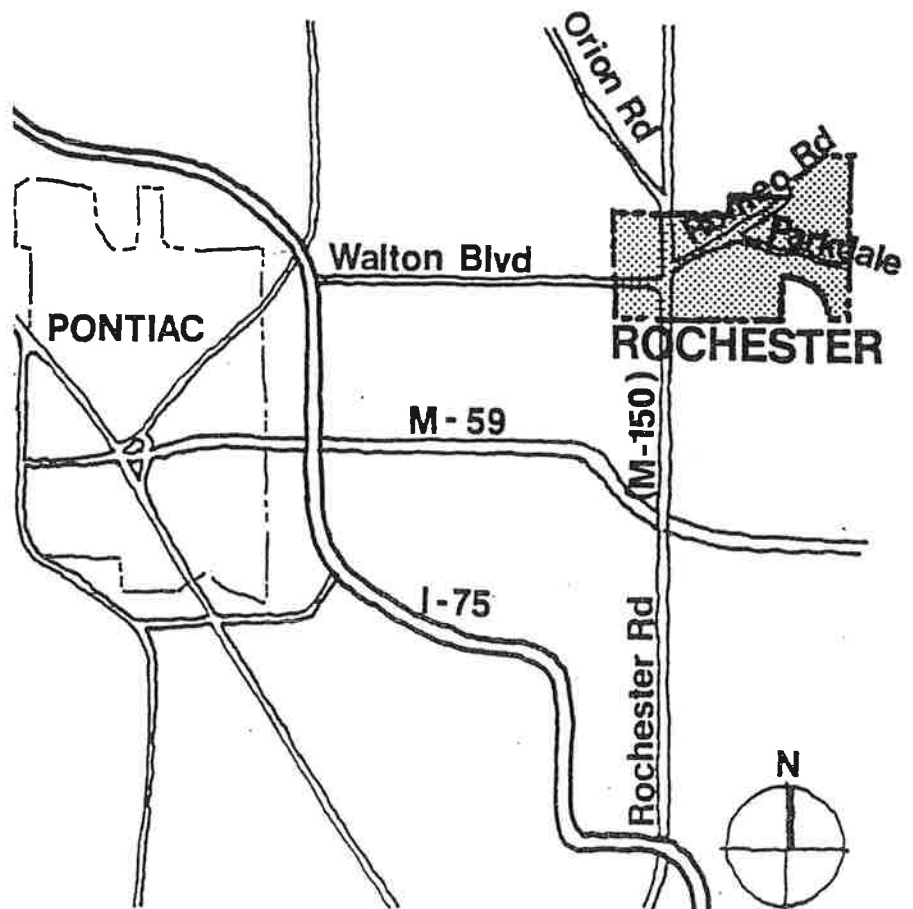
The specific purpose of the Development Plan is to define the improvements proposed for the development area, estimate their cost, stages of construction, document the impact that these activities are expected to have on the existing nature of the Downtown District, indicate for whom the proposed activities are being undertaken, and the method proposed for financing the proposed activities. The specific purpose of the tax increment financing plan is to provide the legal authority and procedure necessary to permit the DDA to finance improvements deemed necessary to achieve the public purposes of this plan through the use of financing powers granted by Act 197, as amended.

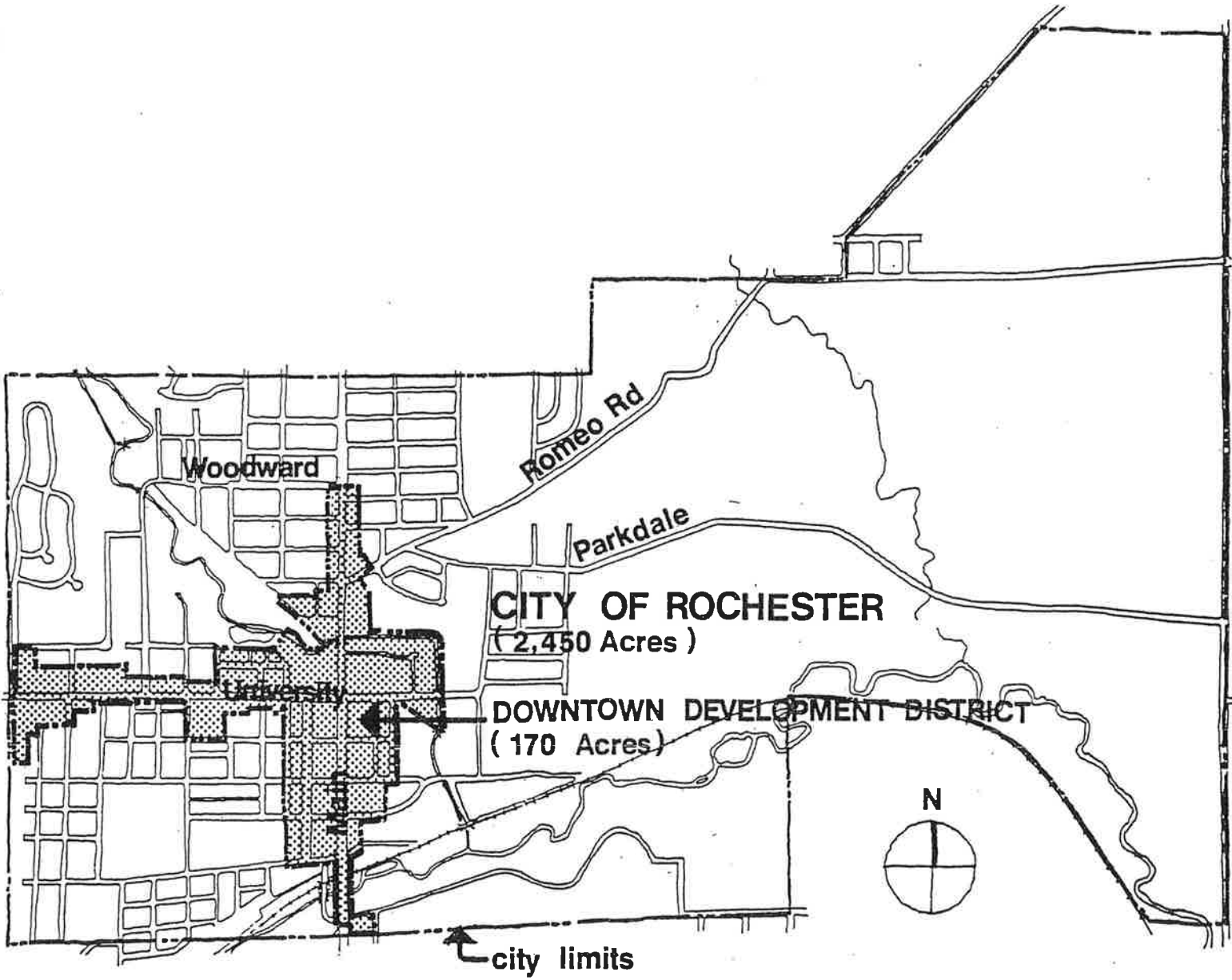




### General Location

The development area generally embraces the central business district, and the major north-south and east-west entry routes within the 2,450 acre City of Rochester. The dominant north-south artery is Rochester Road (M-150), also known as Main Street within the development area and City. South of the City, this road is a major state trunkline route carrying over 15,000 vehicles per day. It ties into M-59 and I-75 on the south and Orion Road and Oakland Township on the north. The major east-west thoroughfare is Walton Blvd., also known as University Drive within the development area and City. This road also carries over 15,000 vehicles per day. It also ties into I-75 approximately 5½ miles west of the development area. Parkdale and Romeo Roads join with each other and bring traffic from the east. Romeo Road merges with Rochester Road near the north boundary of the development area.





**LOCATION MAP**



## Boundaries

### Physical Description

The development area extends from the southern city limits at the Grand Trunk Railroad Bridge, to Woodward Street on the north, and generally from Water Street on the east to Pine Street on the west through the CBD, and then west along University Drive to the western city limits at Great Oaks Blvd. Also included in the area is the City Civic Center, the Rochester Community Schools Administration Building and a large vacant parcel of property called "Olde Towne Center".

The land area is approximately 170.4 acres with about 12% being made up of street and alley rights of way. The north-south development area distance is approximately three quarters of a mile, while the east-west distance varies from three-tenths of a mile through the CBD to almost one-half of a mile along University Drive.

### Rationale

The boundaries of the development area have been established to provide the greatest opportunity for the DDA to achieve its purpose - to forestall deterioration and promote economic growth in the downtown district as well as along the major entry routes into the downtown core.

Within the development area boundaries, there are three parcels of property that have been identified as having the potential to increase significantly in assessed value over the next few years. One is a vacant parcel of property encompassing approximately 13 acres and identified as "Olde Towne Center". This site has excellent potential for a major commercial - office development in the near future. Olde Towne Center is situated at the northerly boundary of the present CBD area. Another major undeveloped parcel is situated just west of the CBD on University Drive embracing approximately 2.9 acres and identified as "Great Oaks Office Center". This site is scheduled to be developed in two stages, and will ultimately consist of 34,000 square feet of office rental space.

The 20,000 square foot first stage is presently under construction, and is scheduled to be completed in 1983. A third parcel of property presently occupied by the Rochester Community Schools Administration Building (formerly the Central Junior High School) and its four (4) acre site, will probably be vacated by the school administration in the next two to four years. At that time, it would then be made available for private development.

All three of these parcels provide significant near and long term potential for increasing the assessed value of the development district. The proposed improvements included in the development plan are intended to maintain an attractive development climate to ensure the timely development of these parcels and other improvements within the downtown area. The remainder of the properties within the development district have been included for one or more of the following reasons:

1. It is property upon which the DDA proposes to make public improvements necessary for the overall upgrading of the downtown area.
2. It is property which will permit maximum flexibility in the development of appropriate future public improvements to be financed by the DDA.
3. The entry, transition, specialty and CBD zones represent an integrated area which should be treated as a single unit in planning for the upgrading of the City's major commercial areas.
4. It is property planned for development or redevelopment in the future which may require DDA financial involvement.

#### Improvements Proposed

The DDA has assessed the current conditions in the development area, defined goals and objectives for comprehensive improvements and made development recommendations as follows:



- Improve the visual environment throughout the district through the addition of/or improvements to streets and walkways; landscaping; pedestrian scale lighting fixtures; street graphics and signage; street furniture; convenience furniture; and all other like elements to facilitate pedestrian movement, comfort and convenience.
- Expand and improve off-street parking facilities on a continuing basis and until the number of spaces satisfy the needs of the development area.
- Replace and/or upsize existing water, sanitary and storm sewers as necessary within the development area.

Provide for improvement to the alleyways by the relocation of overhead utilities to underground service; installation of centralized trash compactors; design an appropriate traffic system for all vehicles and deliveries; and encourage the emphasis on rear entry access of stores in the CBD.

Create plazas and other landscape "people places" for passive refuge in the development area.

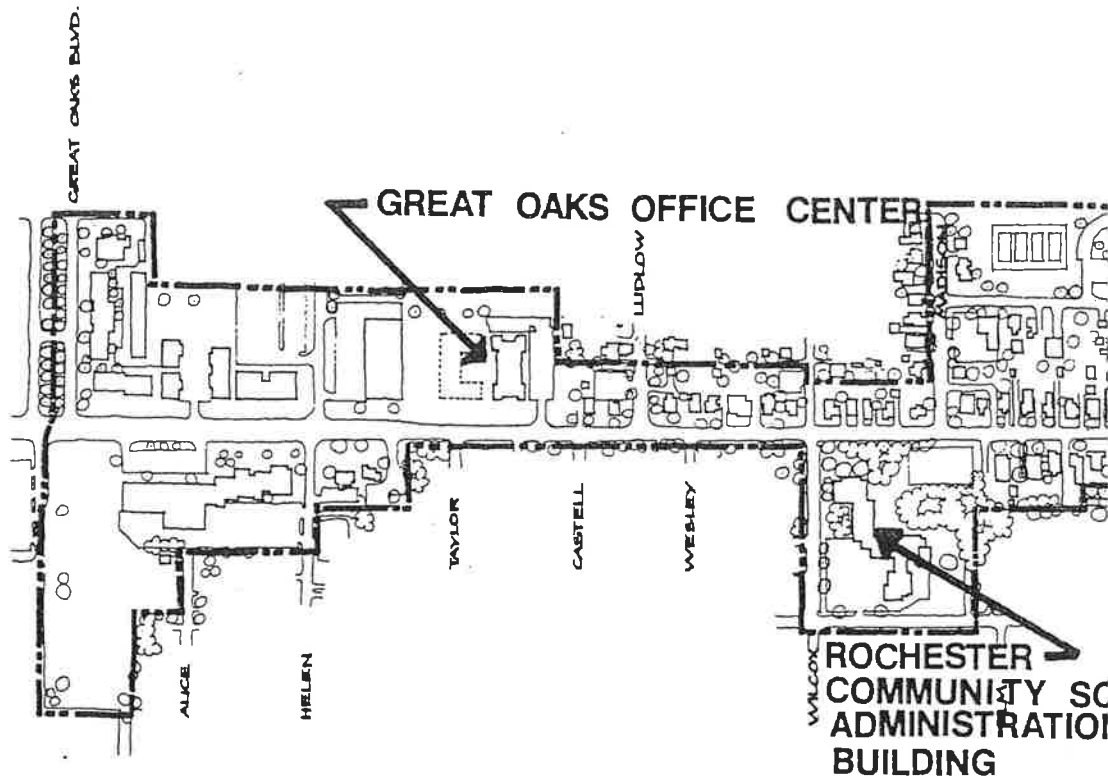
Create a visual and physical link between the CBD, the Civic Center, and the Rochester Municipal Park.

Encourage the restoration, clarification, and character of the original architectural design for all building facades.

- Pursue the development of the "Olde Towne Center" property and other similar parcels.

Encourage the introduction of new housing in the downtown area.

Encourage the establishment of a public transportation system throughout the development area.



GREAT OAKS BLVD.

GREAT OAKS OFFICE CENTER

LUDLOW

TAYLOR

CASTELL

WESLEY

ALICE

HELEN

WILCOX

ROCHESTER  
COMMUNITY SCHOOL  
ADMINISTRATION  
BUILDING



The inherent strategy of the Development Plan is to provide public improvements which will act to further stimulate private and public investments in the Downtown District. By removing physical deterioration in the public right-of-way, it is believed that additional economic activity will occur in the Downtown District and merchants will be encouraged to make physical improvements to their buildings.

The following is a brief outline of those public improvements scheduled for Phase I (1983-1990) development. A complete list of all improvements scheduled for development is listed in the Development Plan section that begins on page 26.

#### Brief Outline of Phase I (1983-1990) Improvements:

##### 1. Streetscape Improvements

The Development Plan proposes to make extensive street, alley and sidewalk improvements within the Downtown Development area as proposed in the 1980 Rochester Central Business District Beautification Study. <sup>(1)</sup> This study was approved by the City Beautiful Commission and the Rochester City Council.

The DDA proposes to expand upon the area boundaries originally outlined in that study to include the west side of Water Street, and the east side of Pine Street, to expand westerly along West University to Great Oaks Blvd., and north along Main Street to Woodward Avenue. It is intended to incorporate these various zones to properly reflect the boundaries of the development district.

##### 2. Parking Lot Expansion and Improvements

The DDA has adopted CBD parking improvements as their first priority. This is based upon material presented by the City's Planning Consultant <sup>(2)</sup>, the downtown merchants, and others; that a need exists for approximately 450 additional parking spaces, in order for the CBD to successfully compete with surrounding shopping malls.



With a regard to parking in the area west of Main Street, it was determined that property is to be purchased (which might necessitate existing buildings being raised) in the various blocks from First Street north to University with the preference being immediately adjacent to the alley. No specific location was pinpointed but the plan is to project funding for the acquisition and construction of parking lots in this area as property may become available.

The existing topography of the privately owned property, located between Third and Fourth Street and from the alleyway east of Main Street to East Street provides the logical advantage of decking off the existing public alley without losing parking spaces or having ramps from one level to another. The decking could be designed with entry directly from the alley for the upper level, and similarly for the lower level directly from East Street. It will be necessary to explore financing arrangements through the EDC or some other joint venture between this property owner and the City to permit private development of the parking lot with a lease-back arrangement to the City.

The plan also provides for the removal of parking meters in certain parking lots and along certain streets by directing tax increment revenue to the automotive parking system to amortize the cost of the meters and to replace revenue loss to the parking system should the parking meters be removed.

The DDA also plans to assume financial responsibility for the \$3,000 lease payment for the Masonic Parking Lot which runs through June 1991. The merchants presently contribute \$2,350 per year towards this lease payment. The lease also provides the City the "right of first refusal" for acquisition of the property. If the property becomes available, it would be a logical expansion to the parking system as detailed in this plan.





### 3. Residential Development

The need for residential development within the Central Business District was considered. In pursuing this objective, it may be necessary to use tax increment revenues as an inducement for land acquisition and site preparation for parking facilities. Because potential sites for residential dwellings may be developed in conjunction with existing parking lots, it may be necessary to use tax increment revenues to replace parking spaces that would be necessitated by the residential use. This is discussed further in the Development Plan.

- (1) Rochester Central Business District Beautification Study  
Prepared by:  
Anderson/Lesniak & Associates, Inc.  
September 1982
  
- (2) The proposed City of Rochester Master Plan Study  
Prepared by:  
Jack Driker  
Registered Professional Community Planner  
December 15, 1982



## PROPOSED METHOD OF FINANCING

Improvements embraced in the Development Plan for the downtown area will be financed on a "pay-as-you-go" basis, at least during the shorter range time period. Major improvements will be financed through the use of tax increment financing augmented by private investment by local businesses, community development block grant revenues and some municipal general fund revenues in the initial years of the Plan. Once a revenue flow has been established through the tax increment procedure, bonding for major improvements will be considered.

### Necessity for Development Area

The DDA has determined that the establishment of the development area is necessary and appropriate to promote economic growth and increase property tax valuation based upon the several factors. The information gathered by the DDA and the analysis of this information follows:

#### Analysis of Downtown District Property Valuations

Table #1 of Downtown District real property valuations illustrate during the past several years property valuations have remained relatively unchanged. However, as a percent of total real property valuation, the Downtown District has been decreasing at a slow, but definite rate. Most recently in the 1981 to 82 valuation years, property values have actually declined in the Downtown District. A continued decline of the Downtown District valuation will require an increase in the tax burden of residential property owners. A strong commercial tax base is, therefore, a benefit to the entire community.



TABLE #1

## Analysis of Downtown District Property Valuations \*

<u>Year</u>	<u>Downtown District.</u>	<u>City of Rochester</u>	<u>District as a % of City</u>
1972	7,143,550	34,941,125	20.44
1973	7,527,550	38,404,550	19.60
1974	9,314,400	48,798,500	19.09
1975	9,700,300	49,141,300	19.74
1976	9,756,800	50,807,600	19.20
1977	9,444,900	55,016,000	17.17
1978	10,698,400	54,925,000	19.48
1979	11,872,500	65,369,150	18.16
1980	14,081,000	78,591,800	17.92
1981	17,381,700	95,077,800	18.28
1982	16,863,500	99,553,518	16.94

\* figures above include real property only

Retail Activity

The proposed City of Rochester Master Plan Study presents the following data regarding retail trade as extracted from the 1977 U.S. Census of Retail Trade. Evaluation of the data reflects that while Oakland County's retail sales increased 67.9% from 1972 to 1977, Rochester's retail sales increased 74.9%. This is quite remarkable in view of suburban shopping center construction of recent years.

The percentage of Oakland County's retail sales that occurred in Rochester in 1977 compared with 1972, remained constant at 1.8%. This is indicative that the City continues to be an important retail center for people living outside of Rochester.

In the retail area which can logically be identified as competing with the Rochester Business District, there are 11 shopping centers ranging from 13,580 to 365,000 square feet of floor area. These 11 centers reflect the following:

164.5 acres of land  
1,071,062 square feet of floor area  
7,888 parking spaces



All but one of these centers were constructed between 1972 and 1980. In Downtown Rochester, there is approximately 300,000 square feet of floor area devoted to retailing and other uses found in shopping centers, such as banks and restaurants.

### Parking

If Downtown Rochester had the same parking ratio as the competing centers utilizing the figures reflected in the section above, the City would need approximately 2,220 parking spaces, far more than presently available. The present number of parking spaces, both public and private in the CBD, totals approximately 1,750 spaces. Of this total, 1,200 are privately controlled spaces. The total number of City owned parking spaces is 590.

A summary of these existing public-owned CBD spaces are as follows:

Theatre Lot (metered)  
166 spaces, 110 w/2 hr. meters & 56 w/10 hr. meters

St. Andrew Lot (metered)  
60 spaces, all w/10 hr. meters

Masonic Parking Lot (metered)  
36 spaces, all w/2 hr. meters

Walnut Street Parking Lot (non-metered)  
28 spaces, all are 2 hr. non-metered

Water Street (leased)<sup>(3)</sup>  
40 spaces, all are non-metered

Proposed Third Street Lot (Between Third & Second St. east of Main and the alley)  
+/- 69 spaces, some will be metered and some will be non-metered.

Street Parking (metered)  
260 spaces, all w/1 & 2 hr parking



On a numerical basis, the City has a fairly good parking ratio for an established Central Business District. However, the character of the parking is far different from that of competing shopping centers. The parking is distributed over many small lots some of which are not intended for general public use. Movement from one lot to another is difficult.

The Master Plan includes the following observation:

When parking lots are filled to 75% of capacity, they are effectively full, in so far as we are concerned with attracting shoppers from competing centers. Although Downtown parking lots are seldom filled to actual capacity, there is, in our opinion, a continuing need for expanded parking.

If shoppers must hunt for parking among several small lots, they are effectively discouraged. Downtown Rochester will not enjoy its full potential without increasing the available public parking whether metered or non-metered.

The fragmented relationship of public off-street parking and privately-owned off-street parking is the result of the following factors:

- a. High land acquisition cost which render it difficult, if not impossible, to develop private parking facilities of any significant size.
- b. The difficulty of assembling land which is improved and held under a multiplicity of ownership.

The Downtown Development Authority can promote the economic growth of the Downtown District by assuming the difficult and costly responsibility of furnishing necessary parking facilities. In addition, in providing adequate parking areas, the City will provide an opportunity to achieve a more compact private development necessary to generate the intensive pedestrian activity desired in the Downtown.



### The Central Business District

The Central Business District (as presently defined) extends from Third Street on the south, to University Drive on the north, and generally from East Street on the east, to Walnut Street on the west. The land area, within the CBD, is approximately 18.5 acres. The north-south length is approximately 1,000 feet, while the east-west width is about 800 feet. The area pattern structure is based on a street grid system forming parcels approximately 140 feet x 360 feet. These parcels typically form blocks approximately 320 feet x 360 feet. The parcels are defined by roads and alleyways, while the blocks are defined by the roads and divided by the alleyways.

Main Street frontage contains little green space except for the recent planting of 32 trees, each within a square area defined with decorative pavers, in the two blocks between Third Street and University Drive. The secondary north-south streets, Walnut and East Streets, have some existing trees and lawns in the front setbacks of former residential buildings revived as shops or offices.

The majority of vehicles enter the Central Business District on Main Street from the south and north and from University from the west. Vehicles tend to cruise the Main Street area for on-street parking and then utilize the other east-west streets to travel to parking lots at the rear of the shops. A co-ordinated graphics system throughout the area to guide the drivers to parking lots is sorely lacking.

### Pedestrian - Vehicle Orientation

In the early years, the logical orientation of the shops in the Central Business District, was on Main Street where automobiles could conveniently park. As the Central Business District grew, the development of the two block stretch of Main Street from University to Third eventually formed a wall of buildings on both sides of the roadway. As the



population grew and people become more dependent on the automobile, Main Street no longer provided sufficient parking space. Customers began to park in back of the buildings and then had to walk along the alleys and around the ends of the block to enter the shops fronting on Main Street.

A few of the merchants have started to provide rear entry access along the alleys. This has been an asset for them since it has provided a convenient entry for their customers and also brought the additional traffic of potential customers who used their shops as "short-cuts" to Main Street. Unfortunately, a sufficient number of merchants have not taken the steps to upgrade rear entrances to be equal, if not preferred, to the Main Street entrances. The need for reorientation of the shop entrances has not been fully realized and is part of this plan.

#### Shopping - Outside the CBD Core

Adjacent to the CBD area are many old houses and other buildings, rich in architectural character, that have been converted to various types of commercial and retail outlets. These shops generally cater to specific specialty type markets. The existing historical character of these buildings offer the potential for a unique atmosphere. There is, however, presently a feeling of fragmentation and therefore a need to unify these areas.

- (3) Leased to Larry Smith (The Rochester Elevator)



## DEVELOPMENT PLAN

Section 17, of Act 197, as amended, provides that when a Downtown Development Authority decides to finance a project in a Downtown District through the use of either revenue bonds or tax increment financing, it must prepare a Development Plan. This Development Plan is, therefore, being prepared as a result of the Rochester Downtown Development Authority's desire to use tax increment financing to fund the projects outlined herein. Section 17, of Act 197, as amended, specifies the required contents of the Development Plan as follows:

### Designation of the Boundaries of the Development District

The boundaries of the Downtown Development area are illustrated on page 3, found in the preceding section. A more detailed description of these boundaries is found in the Appendix.

### Location, Character, and Extent of Existing Streets, Public Land Uses and Private Land Uses

The attached Public Land Uses Map (page 22) indicates the location and extent of the following Public Land Uses:

#### Existing Streets:

Streets within the development area and their predominate right-of way widths are as follows:

<u>Street</u>	<u>Width</u>
Main	100 ft.
Walnut	120 ft.
Pine	60 ft.
East	50 ft.
Water	50 ft.
First	50 ft.
Second	60 ft.
Third	60 ft.
Fourth	60 ft.
E. University	100 ft.
W. University	100 ft.





There are no proposed vacations of existing streets or alleyways within the Downtown Development District.

Existing Public Uses:

Rochester Fire Station  
Avon Township Public Library  
United States Post Office  
Civic Center  
    City Municipal Building  
    Police Department  
    City Municipal Park  
52nd District 3rd Division Court (presently located  
    in privately owned rental space)  
Rochester Community Schools Administration Building

Public Parking Lots:

Theatre Lot (NW corner of Fourth & East Streets)  
    166 spaces, 110 w/2 hr. meters & 56 w/10 hr. meters

St. Andrew Lot (SW corner of Third & Walnut Streets)  
    60 spaces, all with 10 hr. meters

Masonic Lot (East of Walnut between Third & Fourth St.)  
    36 spaces, all with 2 hr. meters

Walnut Street Lot (Near SE corner of Fourth & Walnut St.)  
    28 spaces, all are 2 hr. non-metered

Civic Center (Foot of Oak Street at Sixth Street)  
    Municipal Building Lots: 20-25 spaces adjacent to  
    the existing Municipal Building for employees and  
    visitors, all are non-metered and have no time limit

City Municipal Park Lot:  
    96 spaces, all are non-metered & have no time limit

Water Street Lot (SW corner of Water St. & University Dr.)  
    40 spaces, all are non-metered  
    (This lot is presently leased to a private individual) <sup>(3)</sup>

Proposed Third Street Lot (Between Third & Second St.  
east of Main and the alley)  
    +/- 69 spaces, some will be metered and some will  
    be non-metered.



### Existing Private Land Uses:

The land use in the development area is approximately 85% commercial. The balance is in some form of business use with occasional but limited residential. The area is primarily zoned either CBD, General Business or Office. The area also contains a limited amount of land zoned for single family residential and multiple family residential.

In the downtown district, there is approximately 300,000 square feet of floor area devoted to retailing and other uses found in shopping centers, such as banks and restaurants and other service industries.

The existing land use pattern described by the current zoning pattern as shown on the Existing Land Uses/Zoning Map (page 34) is fairly accurate.

### Existing Structural Organization and Character:

The development area is made up of four basic zones - Entry, Transition, Specialty, and CBD.

#### Entry Zones

This area consists of the various entry streets that approach and lead into the development area and the Rochester CBD. The entry zones may be further described as the "front door" to the City, and are therefore extremely important visual zones to all of those that enter and leave the City of Rochester.

#### Transition Zones

There are areas primarily made up of commercial, office and retail establishments which are predominately highway oriented operations. Circulation, advertising and building layout are all generally oriented to the automobile. The existing character of these zones is mixed and in some cases un-inviting and non-personal. Immediately after the entry zone, these zones provide the beginning impression upon the visitor to Rochester.



### Specialty Zones

The Specialty Zones are primarily the shopping areas located along Walnut Street and East Street in the CBD. Within this area are many older homes rich in architectural detail and character which have been converted to various specialty type commercial and business uses. This area has also been identified as a primary development area, a logical expansion of the Main Street CBD core. At present, this area is inviting and has a quaint atmosphere. There is, however, a lack of common elements existing in the area and a need for certain public improvements. To eliminate this feeling of fragmentation, the development plan suggests certain improvements necessary to convert each block into a totally unified streetscape with the rest of the CBD.



### CBD Zone

The CBD Zone includes the original downtown commercial area which faces Main Street, the service area (building rears), and the large adjacent parking areas.

This zone embraces the historic "Downtown" area, and therefore is the primary visual identification for the downtown district. A number of shop owners have, during past years, improved their buildings by upgrading the storefronts; making their stores accessible from the rear; and upgrading the appearance of their rear entrances.

However, the need for reorientation of many additional shops remains to be accomplished, as well as, upgrading the alleyway itself, and providing for a totally unified streetscape scheme.

This area has been identified as the primary development area within the district.



### Stages of Construction

Improvements within the development area have been separated into three phases: Phase I (1983-1990); Phase II (1990-1995); and Phase III (1995-2000). The Phase I improvements are of the greatest priority and are expected to receive tax increment financing to the extent necessary for their accomplishment. Phase II improvements are of slightly lesser priority and are expected to receive financing after completion of the first phase. Phase III improvements are slightly lower priority than second phase improvements. However, as deemed necessary by the City Council, and based upon the recommendation of the DDA, a second phase improvement may be elevated to a first phase priority and conversely a first phase improvement may be deferred into the second phase. Flexibility and adjustments of first, second and third phase improvements may be necessary in order for the DDA and the City Council to adequately and expeditiously respond to changing conditions which may require a reconsideration of priorities.

### Description of Proposed Improvements

#### Phase I (1983-1990)

##### Streetscape Improvements:

The proposed street and sidewalk improvements incorporate those recommendations contained in the Rochester Central Business District Beautification Study presented in September of 1980. In addition, the scope of the plan is to be expanded to take into account the additional property within the Downtown Development District. The Downtown Development District exceeds the boundaries represented in the previously prepared City Beautiful Study.

The proposed streetscape improvements include the following:

1. Removal of deteriorated sidewalk and replacement with decorative sidewalks containing brick pavers and/or aggregate concrete.



2. Widening of certain sidewalk and expansion of sidewalk areas at certain intersections.
3. Removal of the majority of overhead street lights and poles and replace with appropriate scaled pedestrian lighting.
4. Provision for pedestrian amenities including improved trash receptacles; benches; information centers; and street graphics to provide improved visual identification for: directions to parking areas, traffic control, and community announcements.
5. Continuation of the planting of street trees and paver blocks as initiated by the City in the fall of 1982.
6. Improvement to the alleyways through paving, centralized trash compactors, definition of loading zones, and improved traffic flow.
7. Development of the other three zones which will encompass all or some of the streetscape improvements listed herein.
8. Encourage the restoration, clarification, and character of the original architectural design for all building facades.

#### Parking Improvements:

Parking lot construction particularly for those areas located west of Main Street, might necessitate the demolition of existing buildings in the various blocks from First Street north to University, where property can be purchased immediately adjacent to the alley. At present, no specific locations have been identified. The Tax Increment Financing Plan does allocate the necessary funding for the acquisition and construction of parking lots as property may become available in the areas reflected in the map.

Acquisition of the Masonic Parking Lot would be a logical expansion to the parking system. The City presently has a lease agreement covering this lot through June 1991. The annual payment is \$3,000, and there is a provision that gives the City the "right of first refusal" regarding acquisition. The DDA will assume the responsibility for the lease payment through June 1991.



A related project along East Street is the desire to construct deck parking between Third and Fourth Streets. The existing topography of this privately owned property provides the logical advantage of decking off the existing public alley and substantially increasing the number of spaces in the CBD. It will be necessary to establish the appropriate financing arrangements to permit private development of this parking deck with a lease-back arrangement to the City.

The Downtown Development Authority is most interested in retaining the Post Office in a downtown location. A development incentive to insure the location of the post office in a downtown location may also be required in Phase I.

#### Phase II (1990-1995)

##### Streetscape Improvements:

The proposed streetscape improvements include the following:

1. Continuation and completion of those improvements initiated but not completed in the first phase.
2. Removal of all above-ground utilities in the CBD and relocate as underground utilities.
3. Create a visual and physical link between the CBD, the Civic Center, and the Rochester Municipal Park.
4. Create plazas and other landscape people places for passive refuge.
5. Continue to encourage the restoration, clarification and character of the original architectural design for all building facades.

##### Parking Improvements:

Land acquisition and site preparation for parking facilities both east and west of Main Street will continue to be funded. In addition, the completion of the parking deck structure will be finalized if not accomplished during the first phase.



#### Utilities/Roads:

The City Engineers are currently reviewing all the existing utilities and roads and therefore this information is not currently available.

It is known that some upgrading and relocation of existing utilities will be required. This activity should therefore be staged with any development or re-construction of the corresponding road and/or alleyway.

#### Other Improvement Items:

In addition to those improvements mentioned above, the DDA will also pursue the development of the "Olde Towne Center" property and other similar parcels throughout the development area.

The DDA also will encourage the introduction of new and renovated housing in the development area. Possible projects include mid-rise senior citizen and adult housing near the CBD zone. Within the CBD zone, second story walkways are proposed to connect all second story areas along Main Street, by providing pedestrian and barrier free access through centralized circulation cores.

#### Phase III (1995-2000)

This final phase will include all those items mentioned above but not yet completed. Including the payment of any bonding program initiated in the previous phases.

Other long term development will probably include continuation of the upgrading and replacement of utilities and roads; continuation of the streetscape program in all zones and area not previously covered; construction of additional public facilities such as restrooms; the introduction of a public transportation system for the development area; and continued funding for the maintenance and operation of the district.



### On-Going Activities

In conjunction with various public improvements, the DDA also encourages private building improvements including facade improvements and rear entry building treatments. As an on-going activity the DDA suggests the provision of architectural assistance to help realize these improvements and compliment public improvements. Such a program may be financed with community development block grant revenues or tax increment financing revenues.

DDA maintenance and administration also represents an on-going activity. Required expenditures will be realized from tax increment financing revenues.

### Tentative Schedule for Proposed Improvements

- 1983 - Trees in Entry and Transition Zones along Main Street
  - Design and Engineering
- 1984 - CBD paving and conduit put in place.
- 1985 - Pedestrian lighting along Main Street in the CBD
  - Locate trees in the Specialty Zones
  - Introduce street graphics with signage relating to parking and traffic control
  - Design and Engineering
- 1986 - Parking lot acquisition and improvements
  - Design and Engineering
- 1987 - Locate trees in the Specialty Zones
  - Install trash compactors in the CBD
  - Additional paving and installation of conduit in Specialty Zones
  - Design and Engineering
- 1988 - Complete remaining sidewalk and paving work, including the installation of conduit along Main Street in the Transition Zones
  - Install pedestrian lighting in the Transition and Specialty Zones
  - Design and Engineering





- 1989 - Parking lot acquisition for surface and deck construction
  - Start streetscape furniture installation
  - Design and Engineering
  
- 1990 - Continue parking lot acquisition and complete deck parking structure
  - Continue road and alleyway improvements
  - Design and Engineering
  
- 1991-1995
  - Continue parking lot acquisition
  - Continue road and alleyway improvements
  - Relocate all overhead utilities underground
  - Continue utility upgrading and replacement
  - Create pedestrian plazas
  - Create a link between the CBD, Civic Center, and Rochester Municipal Park
  - Second story walkways with central circulation cores
  - Design and Engineering
  
- 1995-2000
  - Bond payments
  - Public transportation system
  - Continue road and utility improvements
  - Construction of other public facilities
  - Funding for maintenance and operation

#### Estimated Cost of Proposed Improvements

The cost estimates are enumerated on Table #2. Further information on project costs and attendant expenditure schedule are included in the Financing Plan portion of this report. All cost estimates are based on current 1983 dollars. Certain costs, especially longer range cost projects, have not been included due to the uncertainty of future costs.



TABLE #2

COST ESTIMATES/PROPOSED IMPROVEMENTS

City of Rochester Downtown Development Authority

<u>ACTIVITY</u>	<u>COST ESTIMATE</u>
<u>Phase I (1983-1990)</u>	
Tree Planting/Landscaping	\$ 87,000
Decorative Street Lighting	160,000
Directional Signage	20,000
Trash Compactor Installation	20,000
Sidewalk Replacement & Conduit Installation	220,000
Parking Lot Acquisition/Improvements/Parking Deck *	336,000
Street Furniture	17,000
Design & Engineering	70,000
Administration/Maintenance	(included in various projects above)
Architectural Assistance (rear entry & facade treatment)	unknown
Post Office Development Incentive (possible)	unknown
<u>Phase II (1990-1995)</u>	
Parking Improvements	unknown
Relocate Above Ground Utilities in Alleys	
Civic Center/CBD Link	unknown
Pedestrian Plaza	unknown
Utility Improvements	unknown
Roadway Improvements	
<u>Phase III (1995-2000)</u>	
Bond Retirement (previously initiated projects)	unknown
Public Restroom Construction	unknown
Public Transportation (Mini-Bus)	unknown
Second Story Walkway Connectors	unknown

\* Parking improvement activities will continue into Phase II & III, either through Bond issues or on a pay-as-you-go basis.



### DDA Ownership

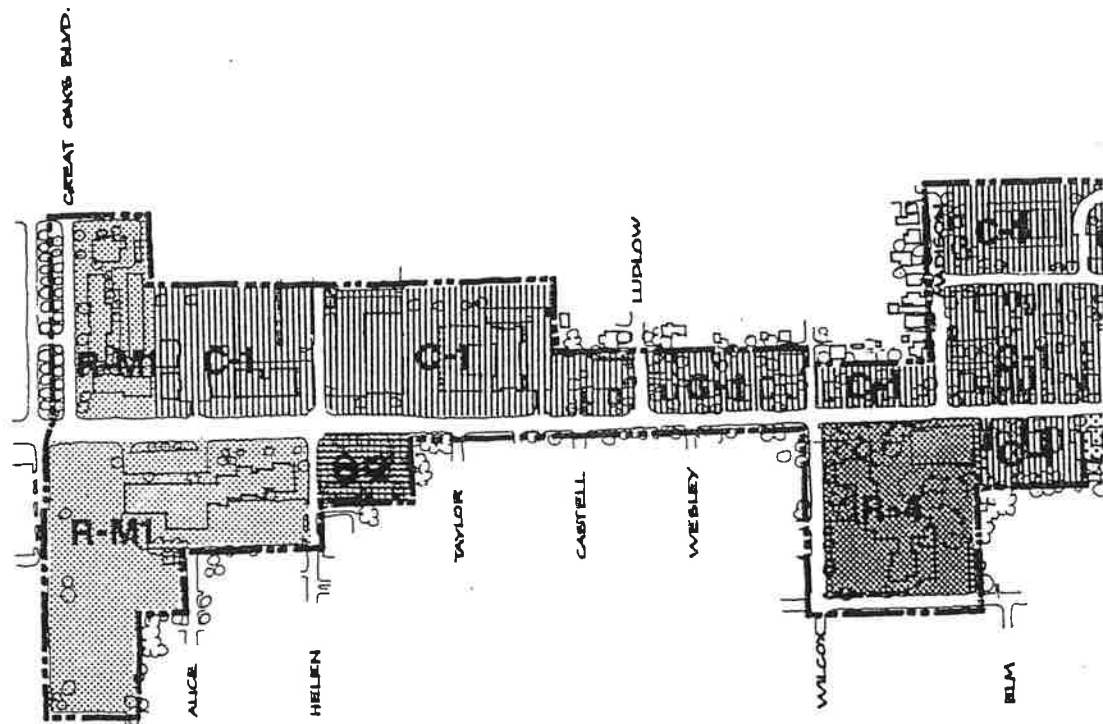
At the present time the DDA does not own property within the development area. Therefore, it does not intend to lease, sell, or donate any properties. In addition, there is no specific property in the development area which has been identified to be acquired by the DDA which would subsequently be sold, donated, exchanged, or leased. If any such parcels are identified the terms of conveyance will be established by the DDA and the City at the appropriate time.

Since limited discussion has taken place within the DDA and the City Council, the concern for retaining the Post Office in the Central Business District might suggest having the DDA include as part of its plan, the concept of subsidizing a portion of the cost of making available a site in Olde Towne Center in a size deemed necessary by the Postal Service. Preliminary discussions with Postal officials reflect that they normally look for property at the least possible cost without regard for a preference for the Downtown area.





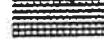



### Zoning

The only proposed zoning change may be required to accommodate conversion of the Rochester School District Administrative Building on University Drive. Such a rezoning would be consistent with parameters included in the City's Master Land Use Plan.

The Rochester Planning Commission has been requested to review the possibility of providing flexibility to enable residential property within the Central Business District and B-1, B-2, B-3 Zoning Classifications. This would provide the option of handling development which might include proposals for residential development in conjunction with commercial or office buildings. This issue is presently being evaluated in the Master Land Use Plan being prepared by the Planning Commission.



**LEGEND**

-  P-1 VEHICULAR PARKING
-  C-1 OFFICE SERVICE
-  B-1 GENERAL BUSINESS
-  CBD CENTRAL BUSINESS
-  O-2 RESTRICTED OFFICE
-  R-M1 MULTIPLE FAMILY RESIDENTIAL
-  R-4 ONE FAMILY RESIDENTIAL
-  I-1 INDUSTRIAL 1



### Estimated Number of Persons Residing in a Development Area

It is estimated that over 100 persons reside within the development area. In compliance with Section 21 of the Act a Development Area Citizens Council has been formed to provide input in the development and adoption of the Development Plan.

In the initial stage, it is not anticipated that any acquisition will result in the displacement of residences. An exception would result if parcels of property to be purchased for construction of parking lots have residences located on them. At this time, however, no displacement is envisioned.

If, and when, any persons are to be displaced as a result of implementation of any part of this plan, a procedure for relocation of these persons will be prepared by the City. If persons are to be displaced, the cost of relocating all persons and financial assistance and reimbursement of expenses, including litigation expenses and expenses incidental to the transfer of title, will be made from the tax increment revenues or other available funds in accordance with the standards and provisions of the Federal Uniform Relocation Assistance and Real Property Acquisition Act - Public Law 91-646 and as required by State of Michigan Act No. 227 of the Public Acts of 1972.

Any relocation assistance, which may be necessary, will be accomplished through the City of Rochester. Any such assistance may require the retention of a relocation specialist or private relocation consultant, compensation for which will be made with tax increment revenues or other available funds.

## TAX INCREMENT FINANCING PLAN

Section 11, of Act 197, as amended, provides that the activities of the DDA may be financed through the proceeds of a Tax Increment Financing (TIF) Plan. Section 14, of Act 197, as amended, further provides that:

When the Authority determines that it is necessary for the achievement of the purpose of this Act, the Authority shall prepare and submit a Tax Increment Financing Plan to the governing body of the municipality. The Plan shall include a Development Plan as provided in Section 17, a detailed explanation of the Tax Increment procedure, the amount of bonded indebtedness to be incurred, the duration of the program and it shall be in compliance with Section 15. The Plan shall contain a statement of the estimated impact of tax increment financing on the assessed values of all taxing jurisdictions in which the development area is located. The Plan may provide for the use of part or all of the captured assessed value, but the portion intended to be used by the Authority shall be clearly stated in the Tax Increment Plan.

The Rochester Downtown Development Authority has determined that it is necessary for the achievement of the purposes of Act 197, as amended, to prepare and submit to the City Council a Tax Increment Financing Plan for the Downtown Development Plan.

### Tax Increment Financing Procedures

A detailed explanation of the tax increment procedure is found in Sections 14 through 19 of Act 197, as amended, a copy of which is found in the Appendix. Basically, the tax increment revenue to be transmitted to the DDA is generated when the current assessed value of all properties within a development area exceeds the initial assessed value of the properties. The initial assessed value is defined in Act 197, as amended, as "the most recently assessed value, as finally equalized by the State Board of Equalization, of all the taxable property within the boundaries of the development area at the time the ordinance establishing the Tax Increment Financing Plan is approved."



The current assessed value refers to the assessed value of all properties, real and personal, within the development area established each year subsequent to the adoption of the Tax Increment Financing Plan. The amount in any one year by which the current assessed value exceeds the initial assessed value, including real and personal property, is defined as "captured assessed value". The tax increment revenue transmitted to the DDA results from applying the tax levy of all taxing bodies to the captured assessed value.

Increases in assessed values, within a development area, can result from any of the following:

- a. Construction of new developments occurring after the establishing of the "initial assessed value".
- b. Construction through rehabilitation, remodeling, alterations, or additions occurring after the date establishing the "initial assessed value".
- c. Increases in property value which occur for other reasons.

Tax increment revenues transmitted to the DDA can be used either as they accrue annually, or can be pledged for debt service on general obligation tax increment bonds issued by the municipality. If bonds are to be sold, the municipality may not pledge, for annual debt service requirement, an amount in excess of 80% of the estimated tax increment revenues to be received from the development area for that year. The bonds are subject to Michigan Municipal Finance Act and may not exceed a maturity date of more than 30 years.

The DDA may expend tax increment revenues only in accordance with the Tax Increment Financing Plan, surplus revenues revert proportionately to the respecting taxing jurisdiction. The Tax Increment Financing Plan may be modified upon approval of the City Council after notification and hearing as required by Act 197, as amended. When the governing body finds that the purposes for which the Plan was established have been accomplished, they may abolish the Plan.



### Captured Assessed Value and Tax Increment Revenues

The most recently assessed value within the DDA was established in December 1982. The 1982 base year will serve as the "initial base year" for purposes of this tax increment financing plan. Table #3 describes the 1982 SEV within the DDA and City as a whole and further, indicates the current millage rates for taxing jurisdiction within the DDA.

Assessed valuation projections are based upon anticipated major improvements within the DDA coupled with minor new development and remodeling of existing structures. A periodic County re-assessment scheduled for 1984 has also been included. Table #4 summarizes assessed valuation projections within the DDA. Anticipated major developments within the DDA include the construction of both proposed phases of the Great Oaks office development situated on the north side of University and west of Ludlow; development of some 40,000 square feet of office/retail and/or residential development in the Olde Towne area currently comprised of some 13 acres of vacant land available for development just northwest of Main Street and University Drive; and the anticipated rezoning and ultimate reuse of the Rochester School Administrative Building situated on the south side of University Drive west of Oak Street. The tax increment plan will realize revenues of \$37,000 to \$245,000 during the short range portion of the Development Plan (through 1990). A summary of projected revenue by taxing jurisdiction is illustrated in Table #5.

The actual tax increment revenue to be transmitted to the DDA will likely vary from the above estimates based upon the actual tax levy of all taxing jurisdictions during each year of this Plan and the actual assessed value in the development area. It is the intention of the DDA through this Tax Increment Plan to use the entire captured assessed value in the Downtown area for the purposes defined in the Development Plan and period hereinafter set forth.



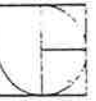


TABLE #3

GENERAL FINANCING INFORMATION

City of Rochester, Michigan

1982 (Base Year) Total SEV	117,407,718
1982 (Base Year) Downtown Development Area SEV	19,044,400

Downtown Development Area  
Base Year 1982 Valuation

<u>Real Property</u>	<u>Personal Property</u>	<u>Total</u>
16,863,500	2,180,900	19,044,400

Millage Rates:

City of Rochester Taxing Jurisdictions

City of Rochester	12.9889 mils
Oakland Community College	1.50 mils
Oakland County	6.8825 mils
Rochester Community School District	36.69 mils

TABLE #4

ASSESSED VALUATION PROJECTIONS

City of Rochester Downtown Development Area

<p><u>1982</u></p> <p>19,044,400 Total SEV</p> <p>208,659 Previous Year Base</p> <p>208,659 Minor New Development</p> <p>312,750 Phase II Greak Oaks</p> <p>21,387,346 Projected 1985 Valuation</p> <p>2,342,946 Captured Valuation</p> <p><u>136,000</u> Captured Revenue</p> <p><u>1985</u></p>	<p><u>1983</u></p> <p>19,044,400 Base Year Valuation</p> <p>190,444 Minor New Dev/Remodeling</p> <p>450,000 Great Oaks Offices</p> <p>19,684,844 Projected 1983 Valuation</p> <p>640,444 Captured Valuation</p> <p><u>37,000</u> Captured Revenue</p> <p><u>1986</u></p> <p>21,387,346 Previous Year Base</p> <p>213,873 Minor New Development</p> <p>21,601,219 Projected 1986 Valuation</p> <p>2,556,819 Captured Valuation</p> <p><u>148,000</u> Captured Revenue</p> <p><u>1989</u></p> <p>22,787,903 Previous Year Base</p> <p>227,879 Minor New Development</p> <p>250,000 10,000 S.F. Olde Towne</p> <p>23,265,782 Projected 1989 Valuation</p> <p>4,221,382 Captured Valuation</p> <p><u>245,000</u> Captured Revenue</p>	<p><u>1984</u></p> <p>19,684,844 Previous Year Base</p> <p>196,848 Minor New Development</p> <p>984,245 County Re-assessment</p> <p>20,865,937 Projected 1984 Valuation</p> <p>1,821,537 Captured Valuation</p> <p><u>105,000</u> Captured Revenue</p> <p><u>1987</u></p> <p>21,601,219 Previous Year Base</p> <p>216,012 Minor New Development</p> <p>250,000 10,000 S.F. Old Towne</p> <p>22,067,231 Projected 1987 Valuation</p> <p>3,022,831 Captured Valuation</p> <p><u>175,000</u> Captured Revenue</p> <p><u>1990</u></p> <p>23,265,782 Previous Year Base</p> <p>232,657 Minor New Development</p> <p>250,000 10,000 S.F. Olde Towne</p> <p>23,748,439 Projected 1990 Valuation</p> <p>4,704,039 Captured Valuation</p> <p><u>273,000</u> Captured Revenue</p>
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Note: Minor new development and remodeling is estimated at one percent of each year's SEV. Current millage rates are assumed to remain constant. Revenues will be collected in the taxing year after the establishment of the assessed value (i.e. 1983 revenue will be collected in 1984).



TABLE #5

SUMMARY OF PROJECTED TAX INCREMENT  
FINANCING REVENUES BY TAXING JURISDICTION \*

City of Rochester Downtown Development Area

	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>
City portion	\$ 8,277	\$ 23,488	\$ 30,423	\$ 33,108
Community College	955	2,709	3,509	3,818
County	4,388	12,453	16,129	17,553
School District	<u>23,380</u>	<u>66,350</u>	<u>85,939</u>	<u>93,521</u>
Totals	\$37,000	\$105,000	\$136,000	\$148,000

	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>
City portion	\$ 39,147	\$ 48,543	\$ 54,806	\$ 61,070
Community College	4,515	5,599	6,321	7,043
County	20,755	25,736	29,057	32,378
School District	<u>110,583</u>	<u>137,122</u>	<u>154,816</u>	<u>172,509</u>
Totals	\$ 175,000	\$217,000	\$ 245,000	\$273,000

\* Funds projected for each year will be available after tax collection the following year. Years of anticipated collection are shown on this table. Given the more speculative nature of longer range projections, individual yearly breakdowns are not shown. Revenue projections assume current millage rates.



### Estimated Impact on All Taxing Jurisdictions

Adoption of the Rochester Tax Increment Financing Plan will not adversely impact the assessed values of property upon which all taxing jurisdictions depend for tax revenue. On the contrary, the DDA proposes to strengthen the Downtown District. This is to be accomplished by using the additional tax revenues generated in the development area to make public improvements and induce private development.

As provided by Act 197, as amended, tax revenues generated from within the development area prior to the adoption of this Tax Increment Financing Plan will continue to be distributed to all taxing jurisdictions during the duration of this Plan. Upon completion of the Development Plan, all additional tax revenues, having been captured by the DDA will be distributed proportionately to the taxing jurisdictions.

It is anticipated that the public improvements proposed for the Downtown area and the private improvements they induce will provide long-term stability and growth in the Downtown District and in the City as a whole. This will greatly benefit all taxing jurisdictions. This benefit will result from increases in property valuations surrounding the development area; increases in property valuations in the development area at the time the Tax Increment Financing Plan is completed, and increases in property valuations throughout the entire community which is, to some degree, dependent upon the well-being of the Downtown District for stability and growth.

### Use of Tax Increment Revenues

Tax Increment Revenues derived from the development area shall be utilized to finance public improvements within the development area, as proposed in the Development Plan. The manner in which the tax increment revenues will be utilized to finance these public improvements is set forth below.

### Tax Increment Bonds

The DDA is not, at this time, recommending that initial projects be financed with tax increment bonds. The DDA reserves its option to finance certain improvements with one or more tax increments bonds to be issued by the City as approved by the City Council, based upon the recommendation of the DDA. Later phases of the Development Plan are shown to be financed by tax increment bonds.

### Pay-As-You-Go Financing

The DDA is proposing to finance the Development Plan, at least the initial stages, on a pay-as-you-go basis. The City Council, upon the recommendation of the Downtown Development Authority, shall embark upon various parts of the initial stage improvements as tax increment revenue is available. Tax increment revenue shall also be utilized to pay administrative and operative costs of the DDA including wages, salaries, and fringe benefits of DDA employees, contractual services, promotions, advertising, and printing costs and any other such costs to the extent provided in the annual budget of the DDA.

Projected revenues and expenditures are summarized on Table #6. Revenues from various sources are assumed in the financing plan. In earlier years, the City's contribution of general fund and Community Development Block Grant Revenues are suggested to enable timely completion of the various elements embraced in the Development Plan. Contributions from private sources is envisioned from special assessments for sidewalk construction and private building and property improvements.

Earlier years of the revenue/expenditure summary assume a pay-as-you-go financing mechanism. Of course, the actual revenues realized in any given year may vary from the projected amount. As such, the development schedule embraced in this summary should be viewed as a guide and will be modified as necessary when actual available revenue amounts are known.



TABLE #6

SUMMARY OF PROJECTED REVENUES/EXPENDITURES \*

City of Rochester Downtown Development Area

1983

\$20,000 Design & Engineering (CDBG)  
CBD Area  
\$22,000 Trees in Transition Zones (City)

1984

\$75,000 CBD Conduit Installment and  
Sidewalk Replacement  
\$37,000 (TIF) \$20,000 (City) \$18,000 (SAD)

1985

\$40,000 Decorative Lighting CBD (TIF)  
\$20,000 Design & Engineering (TIF)  
\$20,000 Directional Signage (TIF)  
\$25,000 Trees in Specialty Shop Areas (TIF)

1986

\$136,000 Parking Lot Acquisition and  
Improvement (TIF)

1987

\$20,000 Trash Compactors CBD  
\$68,000 Paving & Conduit Installation -  
Specialty Shop Area (TIF)  
\$17,000 Paving (SAD)  
\$40,000 Trees (TIF) -  
Specialty Shop Area  
\$20,000 Design & Engineering (TIF)

1988

\$45,000 Sidewalk Paving/Conduit - Entry  
& Transition Areas (TIF)  
\$15,000 Sidewalk Paving/Conduit -  
Entry & Transition Areas (SAD)  
\$120,000 Decorative Light Fixtures (TIF)  
Specialty/Entry/Transition Areas  
\$10,000 Design/Supervision Fees (TIF)

1989

\$200,000 Parking Acquisition/Improvement/  
Deck (TIF)  
\$ 17,000 Street Furniture (TIF)

1990 & Beyond

\$245,000 Parking Improvement/Deck/  
Bury overhead wires in alley/  
roadway improvements/utility  
improvements/CBD/Civic Center

1995 & Beyond

Public Restroom Construction  
Shuttle Bus Service  
Roadway Improvements

Continuing Activities

DDA maintenance and administration may  
utilize small portions of annual TIF revenues.  
Architectural assistance for facade and rear  
entry treatment subsidized by Comm. Dev.  
Block Grant Revenues.

\* Revenue sources include: TIF = Tax Increment Financing; City = City General Revenues;  
CDBG = Community Development Block Grant; SAD = Special Assessment District.  
Privately financed building improvements are not included.



#### Duration of the Tax Increment Plan

The tax increment plan shall commence May 1983 and shall continue for 17 years, through the year 2000. The term may be extended by amendment or modification as provided in Act 197 Section 14(s). Extension of time periods may be necessary to allow retirement of bonds obligated during later years of the Development Plan. Upon completion of the development plan, all "excess" revenues captured will be proportionately distributed to the taxing jurisdiction.

AN ORDINANCE AMENDING ORDINANCE NO. 1983-4, AS AMENDED, BEING SECTION 1.14-11 OF THE ROCHESTER CITY CODE, ENTITLED AN ORDINANCE TO ADOPT AND APPROVE A DEVELOPMENT PLAN AND A TAX INCREMENT FINANCING PLAN FOR THE ROCHESTER DOWNTOWN DEVELOPMENT AREA PURSUANT TO THE PROVISIONS OF ACT 197, PUBLIC ACTS OF MICHIGAN OF 1975, AS AMENDED, AND TO PROVIDE FOR ALL MATTERS RELATED THERETO.

THE CITY OF ROCHESTER ORDAINS:

Section 1. Determination of Necessity; Purpose.

The City Council hereby determines that it is necessary for the best interest of the public to amend Ordinance No. 1983-4, as amended, being Section 1.14-11 of the City Code, relating to the Downtown Development Authority and its Development Plan and Tax Increment Financing Plan, so that the Downtown Development Authority can operate more effectively to halt property value deterioration, eliminate the causes of that deterioration, increase property tax valuation where possible in the business district of the City, and promote economic growth, pursuant to Act 197 of the Public Acts of Michigan, 1975, as amended.

Section 2. Definitions.

The terms used in this ordinance shall have the same meaning as given to them in Section 1.14-11 of the City Code unless the context clearly indicates to the contrary.

Section 3. Amendment of Development Plan and Tax Increment Financing Plan.

The Amendments to the Development Plan and Tax Increment Financing Plan, attached hereto as Exhibit A and incorporated hereing, as submitted by the Downtown Development Authority, are hereby approved and adopted by the City Council. All parts of the original Development Plan and Tax Increment Financing Plan in conflict with the Amendments attached hereto are hereby repealed to the extent of such conflict.

Section 4. Section Headings; Severability; Repealer.

Section headings are provided for convenience only and are not intended to be part of this ordinance. If any portion of this ordinance shall be held to be unlawful, the remaining portions shall remain in full force and effect. All ordinances and parts of ordinances in conflict herewith are hereby repealed.



## EXHIBIT A

### AMENDMENTS TO ORIGINAL PLAN

This document constitutes an amendment to the City of Rochester Downtown Development Authority Development Plan and Tax Increment Financing Plan dated February 28, 1983, as amended by Ordinance of the City of Rochester August 14, 1989.

The section of the Plan entitled "Description of Proposed Improvements" (pages 26-29) is hereby amended to add the following improvements:

Acquisition of land located in the Development Area to house the Rochester Hills/Rochester Library.

The section of the Plan, as amended by Ordinance of the City of Rochester August 14, 1989, entitled "Accomplishments of the Development Plan" is hereby amended to read in its entirety as follows:

Accomplishments of the projects outlined in the Development Plan during the period from the creation of the plan through June 30, 1989, are reflected in Table I. The capital projects were accomplished on a pay-as-you-go basis. Operating expenses during the same period are not summarized as part of this document.

The projects expected to be funded by the sale of bonds are listed below:

1. Installation of pedestrian lighting.
2. Replacement or upsizing of storm sewers, water or sanitary sewers.
3. Improvement of the alleyways by relocation of overhead utilities to underground service, installation of centralized trash compactors, design of appropriate traffic systems for all vehicles and deliveries, encourage the emphasis on rear entry access doors in the CBD.
4. Parking deck construction.
5. Road improvements.
6. Acquisition of site for public library.

CERTIFICATES

I hereby certify that the foregoing is a true and complete copy of Ordinance No. 1990-8, duly adopted by the City Council of the City of Rochester, County of Oakland, State of Michigan, at a \_\_\_\_\_ meeting held on June 11, 1990, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

I further certify that the following Members were present at said meeting Crissman, Werth, Douglas, Katulic Knapp and Rewold and that the following Members were absent Varner

I further certify that Member Douglas moved adoption of said Ordinance and that Member Knapp supported said motion.

I further certify that the following Members voted for adoption of said Ordinance Crissman, Werth, douglas, Katulic, Knapp and that the following Members voted against adoption of said Ordinance 1990-8 and Rewold



City Clerk  
Nancy D. Miller

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Section 5. Publication, and Recording. This ordinance shall be published once after its adoption in the Rochester Clarion, a newspaper of general circulation in the City, qualified under state law to publish legal notices, and shall be recorded in the Ordinance Book of the City, which recording shall be authenticated by the signature of the City Clerk.

Section 5. Effective Date. This Ordinance shall take effect immediately upon its publication.

Passed and adopted by the City Council of the City of Rochester, County of Oakland, State of Michigan, on June 11,         , 1990.

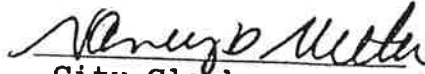
AYES:           Members Crissman, Werth, Douglas, Katulic Rewold and Knapp.

NAYS:           Members None

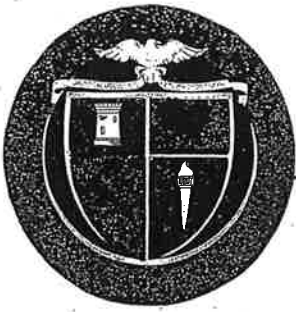
ORDINANCE DECLARED ADOPTED.

\_\_\_\_\_  
Mayor

Penny M. Crissman



City Clerk  
Nancy D. Miller



# City of Rochester

400 SIXTH STREET  
ROCHESTER, MICHIGAN 48307  
TELEPHONE (810) 651-9061

## RESOLUTION DEVELOPMENT PLAN AND TAX INCREMENT FINANCING PLAN

WHEREAS, the DDA and the City Council determined a need to amend the DDA boundaries to include additional property; and

WHEREAS, the necessary Resolutions, posting and mailing of notices, and the Public Hearing regarding the amendment were handled pursuant to the statute.

NOW, THEREFORE, BE IT RESOLVED, the Rochester City Council, does hereby take the following action:

The Development Plan and Tax Increment Financing Plan dated February 28, 1983, as amended, is further amended as follows: page eight dealing with the boundaries is amended to include the following properties:

East side of Water Street between Third Street and East University Drive and the south side of East University Drive between the Paint Creek and Elizabeth Street. The Sidwell Numbers are as follows:

15-14-105-001  
15-14-105-002  
15-14-105-003  
15-14-105-006  
15-14-106-004  
15-14-106-007  
15-14-107-003  
15-14-107-008

Beginning on Page 21, the Development Plan is hereby amended to incorporate the properties to be included as a result of the boundary amendment to be eligible for any and all proposed improvements outlined in pages 21 through 36 of the Development Plan; and the Tax Increment Financing Plan beginning on page 37 is to incorporate the properties as a result of the boundary amendments to be included in the captured assessed value and tax increment revenues.

Approved this 26th day of June, 1995.

I, Nancy D. Hill, the duly authorized Clerk of the City of Rochester do hereby certify that the foregoing is a true and correct copy of the Resolution to amend the Development Plan and Tax Increment Financing Plan as adopted by the Rochester City Council on June 26, 1995.

Handwritten signature of Nancy D. Hill in cursive.

Nancy D. Hill, City Clerk



ORDINANCE NO. 2001-09

AN ORDINANCE TO AMEND THE CODE OF THE CITY OF ROCHESTER

AN ORDINANCE TO AMEND CHAPTER 1.14 - DOWNTOWN DEVELOPMENT AUTHORITY, SECTION 1.14-11, TITLE I OF THE CODE OF THE CITY OF ROCHESTER REGARDING THE APPROVAL AND ADOPTION OF THE DEVELOPMENT PLAN AND TAX INCREMENT FINANCING PLAN FOR THE ROCHESTER DOWNTOWN DEVELOPMENT AREA TO EXTEND THE EXPIRATION DATE TO DECEMBER 31, 2030, PURSUANT TO THE PROVISIONS OF ACT 197, PUBLIC ACTS OF MICHIGAN OF 1975, AS AMENDED, AND TO PROVIDE FOR ALL MATTERS RELATED THERETO.

THE CITY OF ROCHESTER ORDAINS:

1.14-11. Approval and Adoption of Development Plan. The Development Plan and Tax Increment Financing Plan, as submitted by the Downtown Development Authority to extend the expiration date to December 31, 2030, is hereby approved and adopted by the City Council. The duration of the plan shall extend through December 31, 2030, except as it may be extended by subsequent amendment of the plan and this Chapter. A copy of the plan and all amendments thereto shall be maintained on file in the City Clerk's office.

This Ordinance shall become effective immediately upon the passage and publication thereof.

A true copy of this Ordinance may be purchased or inspected at the office of the City Clerk at the Rochester Municipal Building, 400 Sixth Street, Rochester, Michigan, during regular business hours, 8:00 a.m. to 5:00 p.m. daily, except weekends and holidays.

Made and passed by the City Council of the City of Rochester, State of Michigan, this 8 th day of October, 2001.

CITY OF ROCHESTER  
a Michigan municipal corporation

By: \_\_\_\_\_  
David L. Katulic, Mayor

By: Lee Ann O'Connor  
Lee Ann O'Connor, City Clerk