

Hope Six Tax Increment Financing District

Mission Statement

It is the mission of the Community Development Tax Increment Financing District to conserve or improve areas, especially sections of the City that are neglected, through economic investment from both private and public sectors.

Primary Functions → The primary function of the tax increment financing (TIF) district is to develop/redevelop the area in the Hope Six TIF District and to make the area more viable. Improvements (upon meeting qualifications) can be financed through TIF district revenues. The collection of property taxes is on an increment basis and increases are based on increases in the assessed valuation of properties within the TIF District. The excess tax revenue collected can only be used to fund projects located within the Hope Six TIF District.

2006 Accomplishments →

- The TIF District was created and \$2.5 million in bonds were sold.
- Phase I construction, including 26 homes, is expected to finish by year end.

2007 Goals and Objectives →

- Phase IV, including 26 homes, and Phase II with 52 rental units, are planned for construction in 2007.

Budget Summary

COMMUNITY DEVELOPMENT HOPE SIX TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2005 <u>ACTUAL</u>	2006 <u>BUDGET</u>	2006 <u>ACTUAL</u>	2007 <u>BUDGET</u>	INCREASE (DECREASE)
OTHER	\$0	\$215,278	\$10,000	\$119,721	(\$95,557)
TOTAL	\$0	\$215,278	\$10,000	\$119,721	(\$95,557)
FUNDING SOURCE	2006		2007		2007
PROPERTY TAXES	<u>AMOUNT</u>	<u>PERCENTAGE</u>	<u>AMOUNT</u>	<u>PERCENTAGE</u>	
TAX INCREMENT	\$9,100	0.0	\$157,984	100.0	
INTEREST INCOME	0	0.0	0	0.0	
TOTAL	\$9,100	0.0	\$157,984	100.0	

Budget Analysis

The 2007 budget is \$119,721 that pays the debt service and interest expense.

In 2006, the Hope VI TIF spent \$10,000 or 4.6% of its budgeted allocation.

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Five Year Financial Forecast

The entire increment of this TIF District will be used to pay debt service and interest expense. District authority ends in 2028.

HOPE SIX TIF FUND 2008-2012 FINANCIAL FORECAST (IN 000'S)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Revenues	\$158	\$165	\$174	\$182	\$191
Expenditures	<u>120</u>	<u>112</u>	<u>112</u>	<u>112</u>	<u>262</u>
Excess (Deficit)	<u>38</u>	<u>53</u>	<u>62</u>	<u>70</u>	<u>(71)</u>
Beginning Balance	<u>(1)</u>	<u>37</u>	<u>90</u>	<u>152</u>	<u>222</u>
Ending Balance	<u>\$37</u>	<u>\$90</u>	<u>\$152</u>	<u>\$222</u>	<u>\$152</u>