

Southeast Affordable Housing 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 Southeast Area 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 Southeast TIF District.

2006 Accomplishments →

- The completed TIF project continues to be a valuable asset in southeast Rockford.

2007 Goals and Objectives →

- Continue to make developer payments in accordance with the enabling ordinance.

Budget Summary

CD SOUTHEAST AREA TIF FUND BUDGET SUMMARY					
APPROPRIATION	2005 ACTUAL	2006 BUDGET	2006 ACTUAL	2007 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$0	\$0	\$0	0
DEVELOPER ASSISTANCE	110,700	113,200	120,890	119,600	6,400
TOTAL	\$110,700	\$113,200	\$120,890	\$119,600	\$6,400
FUNDING SOURCE	2006		2007		
PROPERTY TAXES	AMOUNT	PERCENTAGE	AMOUNT	PERCENTAGE	
TAX INCREMENT	\$125,200	100.0	\$119,600	100.0	
TOTAL	\$125,200	100.0	\$119,600	100.0	

Budget Analysis

For 2007, \$119,600 is appropriated per the enabling ordinance to be paid out to the developer. Of the increment generated each year, fifteen percent is set aside and the remainder will be paid to the developer.

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In 2006, the Southeast Area TIF spent \$120,890 or 106.8% of the budgeted allocation. In the past several years, spending has been between 96% and 107% of the budget.

Five Year Financial Forecast

Future increment receipts are dependent upon project development. The TIF, designed for ten years, was extended for another seven years to the year 2009.

SOUTHEAST AREA 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	\$126	\$126	\$0	\$0	\$0
Expenses	<u>126</u>	<u>126</u>	<u>157</u>	<u>0</u>	<u>0</u>
Excess(Deficit)	<u>0</u>	<u>0</u>	<u>(157)</u>	<u>0</u>	<u>0</u>
Beginning Balance	<u>157</u>	<u>157</u>	<u>157</u>	<u>0</u>	<u>0</u>
Ending Balance	<u>\$157</u>	<u>\$157</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>