

# **South Rockford 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 South Main 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 South Rockford TIF District.

### **2006 Accomplishments** →

- Continued the environmental assessment and remediation at Barber Coleman Village.
- Seek master developer for downtown including Barber Coleman.
- Continued to market the South Rockford TIF District.

### **2007 Goals and Objectives** →

- Assist in the continued marketing and redevelopment of Barber Coleman.
- Continue in the environmental assessment and remediation at Barber Coleman Village.
- Continue to market the South Rockford TIF District to real estate agents, developers, retailers, prospective businesses, tenants, homebuyers, visitors, tourists, and customers.
- Undertake a residential, mixed use, and retail market study for the South Rockford TIF District including Barber Coleman Village.

# South Rockford Tax Increment Financing District

## Budget Summary

COMMUNITY DEVELOPMENT SOUTH ROCKFORD TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2005 ACTUAL	2006 BUDGET	2006 ACTUAL	2007 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	\$5,775	\$1,000	\$6,975	\$25,000	\$24,000
OTHER	<u>225,593</u>	<u>150,000</u>	<u>85,000</u>	<u>110,000</u>	<u>(40,000)</u>
TOTAL	<u>\$5,775</u>	<u>\$151,000</u>	<u>\$91,975</u>	<u>\$135,000</u>	<u>(\$16,000)</u>
FUNDING SOURCE	2006 AMOUNT		2006 PERCENTAGE	2007 AMOUNT	2007 PERCENTAGE
PROPERTY TAXES					
TAX INCREMENT	\$138,000		99.1	\$138,000	97.9
INTEREST INCOME	<u>1,200</u>		<u>0.9</u>	<u>3,000</u>	<u>2.1</u>
TOTAL	<u>\$139,200</u>		<u>100.0</u>	<u>\$141,000</u>	<u>100.0</u>

## Budget Analysis

The 2007 budget is \$135,000, which includes \$50,000 for the façade program and \$85,000 debt service for the 2000 \$4.0 million grocery store bond issue. Debt service from 2006 to 2019 ranges from \$336,018 to \$750,305. The Redevelopment Fund will pay for the balance of debt service payments for that issue.

In 2006, the South Rockford TIF spent \$91,975 or 60.9% of its budgeted allocation. In the past several years, 4% to 564% of the budget has been spent.

## Five Year Financial Forecast

The 2008-2012 five-year forecast assumes no growth for property taxes. Since this is not a sales tax TIF, state and local sales tax will not be received. These funds are project, rather than service, oriented and are susceptible to considerable variance in direction and dollars. District authority ends in 2024.

SOUTH ROCKFORD TIF FUND 2008-2012 FINANCIAL FORECAST (IN 000'S)

	2008	2009	2010	2011	2012
Revenues	\$141	\$141	\$141	\$141	\$141
Expenditures	<u>141</u>	<u>141</u>	<u>146</u>	<u>146</u>	<u>151</u>
Excess (Deficit)	<u>0</u>	<u>0</u>	<u>(5)</u>	<u>(5)</u>	<u>(10)</u>
Beginning Balance	<u>82</u>	<u>82</u>	<u>82</u>	<u>77</u>	<u>73</u>
Ending Balance	<u>\$82</u>	<u>\$82</u>	<u>\$77</u>	<u>\$73</u>	<u>\$62</u>