

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.

2007 Accomplishments →

- Completed construction of 26 “for-sale” homes in Phase IV – including 10 homes utilizing City HOME funds. 25 of the 26 homes were sold.
- Demolition of Champion Park Apartments was completed.
- Expansion and renovation of the Washington Park Community Recreation Center and relocation of the Winnebago County Housing Authority offices to the Center.
- At least 20 homes will be sold by year end to eligible buyers – including 10 buyers that utilized City HOME funds for downpayment assistance
- Completed all planned infrastructure improvements

2008 Goals and Objectives →

- Sale of one remaining homes to an eligible buyer.
- Close out HOPE VI Grant.
- Identify additional infrastructure work, including the installation of sidewalks in remaining areas of the HOPE IV project area.
- Design programs and budgets for remaining TIF dollars and implement. Programs will include rehabilitation, demolition, and a driveway program.

Hope Six Tax Increment Financing District

Budget Summary

COMMUNITY DEVELOPMENT HOPE SIX TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2006 <u>ACTUAL</u>	2007 <u>BUDGET</u>	2007 <u>ACTUAL</u>	2008 <u>BUDGET</u>	INCREASE (DECREASE)
OTHER	\$186,250	\$123,269	\$123,619	\$122,050	(\$1,219)
TOTAL	\$186,250	\$123,269	\$123,619	\$122,050	(\$1,219)
FUNDING SOURCE		2007 <u>AMOUNT</u>	2007 <u>PERCENTAGE</u>	2008 <u>AMOUNT</u>	2008 <u>PERCENTAGE</u>
PROPERTY TAXES		\$157,984	100.0	\$157,708	100.0
TAX INCREMENT					
INTEREST INCOME		0	0.0	0	0.0
TOTAL		\$157,984	100.0	\$157,708	100.0

Budget Analysis

The 2008 budget is \$122,050 that pays the debt service and interest expense.

In 2007, the Hope VI TIF spent \$123,619 or 100.3% of its budgeted allocation.

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 2009-2013 FINANCIAL FORECAST (IN 000'S)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Revenues	\$163	\$169	\$175	\$181	\$187
Expenditures	<u>120</u>	<u>119</u>	<u>266</u>	<u>264</u>	<u>261</u>
Excess (Deficit)	43	50	(91)	(83)	(74)
Beginning Balance	(229)	(186)	(136)	(227)	(310)
Ending Balance	(\$186)	(\$136)	(\$227)	(\$310)	(\$385)