

Kishwaukee/Harrison 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 Kishwaukee Harrison 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 Kishwaukee Harrison TIF District.

2006 Accomplishments →

- Bourn and Koch Machine Tool Company completed a 47,430 square foot building expansion and began to fill the 30 additional jobs required by the expansion project.
- The City began to evaluate the feasibility of acquiring and demolishing several deteriorating buildings.
- Conducted an existing conditions survey of each property/building in the TIF District.
- Worked with Rock Valley College to create and implement a training program for companies located in the Kishwaukee/Harrison TIF District.

2007 Goals and Objectives →

- Acquire and demolish a number of substandard structures in the area to address deteriorating building conditions.
- Assist in the expansion of manufacturing companies in the TIF area.
- Develop and implement a cooperative marketing plan for the planning area with the Rockford Area Economic Development Council.
- Work with Rock Valley College to create and implement training programs for companies located in the planning area.

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Budget Summary

COMMUNITY DEVELOPMENT KISHWAUKEE HARRISON TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2005 ACTUAL	2006 BUDGET	2006 ACTUAL	2007 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	0	0	0	0	0
OTHER	0	6,400	6,400	44,519	38,119
TOTAL	\$0	\$6,400	\$6,400	\$44,519	\$38,119

FUNDING SOURCE	2006 AMOUNT	2006 PERCENTAGE	2007 AMOUNT	2007 PERCENTAGE
PROPERTY TAXES				
TAX INCREMENT	\$7,500	0.0	\$52,375	0.0
INTEREST INCOME	0	0.0	0	0.0
TOTAL	\$7,500	0.0	\$52,375	0.0

Budget Analysis

The 2007 budget of \$44,519 anticipates reimbursing a manufacturer a portion of his increment for improvements made to his facilities.

In 2006, the Kishwaukee/Harrison TIF spent \$6,400 or 100% of its budgeted allocation.

Five Year Financial Forecast

The increment of this TIF District will be used to partially reimburse a manufacturer the increment generated from improvements. District authority ends in 2027.

KISHWAUKEE HARRISON 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	\$54	\$55	\$57	\$58	\$60
Expenditures	45	46	47	48	49
Excess (Deficit)	8	9	9	10	10
Beginning Balance	9	17	26	36	46
Ending Balance	\$17	\$26	\$36	\$46	\$56