

North Main 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 North 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 North Main TIF District.

2004 Accomplishments →

- Created the 20.45-acre redevelopment North Main Tax Increment Financing District.
- City Council passed an ordinance authorizing issuance of bonds in the amount of \$1.65 million, for the purpose of defraying the costs of redevelopment in the North Main Street/Eddy Avenue redevelopment project area.
- Executed a Development Agreement between the City and the Rockford Local Development Corporation for redevelopment of the former K-Mart land parcel into 24 condominium units in 12 two-family buildings, a 7,700 sq. ft. medical clinic for four internal medicine doctors, and another commercial retail building.

2005 Goals and Objectives →

- Monitor progress of RLDC's agreement with the City of the former K-Mart property for a mixed-use development, including RLDC's acquisition and demolition of the former K-mart building and construction of 12 two-family condominiums to begin in 2005.
- Assist with future redevelopment projects in the North Main TIF District.

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Budget Summary

COMMUNITY DEVELOPMENT NORTH MAIN STREET TAX INCREMENT FINANCING DISTRICT					
APPROPRIATION	2003 ACTUAL	2004 BUDGET	2004 ACTUAL	2005 BUDGET	INCREASE (DECREASE)
CONTRACTUAL	\$0	\$4,444	\$4,444	\$0	(\$4,444)
SUPPLIES	0	0	0	0	0
OTHER	0	68,963	68,963	1,476,276	1,407,313
CAPITAL	0	0	0	0	0
TOTAL	\$0	\$73,407	\$73,407	\$1,476,276	\$1,402,869

FUNDING SOURCE	2004 AMOUNT	2004 PERCENTAGE	2005 AMOUNT	2005 PERCENTAGE
PROPERTY TAXES	\$0	0.0	\$0	0.0
TAX INCREMENT	1,650,000	0.0	0	0.0
BOND PROCEEDS	0	0.0	0	0.0
INTEREST INCOME	0	0.0	0	0.0
TOTAL	\$1,650,000	0.0	\$0	0.0

Budget Analysis

The 2005 budget is \$68,962, which pays for debt service for the 2004 \$1.65 million bond issue.

Five Year Financial Forecast

A large portion of the increment of this TIF district will be used to pay debt service during its life.

NORTH MAIN STREET TIF FUND 2006-2010 FINANCIAL FORECAST (IN 000'S)

	2006	2007	2008	2009	2010
Revenues	\$0	\$80	\$132	\$138	\$143
Expenditures	69	69	69	69	69
Excess (Deficit)	(69)	11	63	69	74
Beginning Balance	100	32	43	106	175
Ending Balance	\$32	\$43	\$106	\$175	\$249