

# **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.

### **2004 Accomplishments** →

- Received increased tax revenue from all homes completed.
- The developer received the tax increment rebate from houses completed.

### **2005 Goals and Objectives** →

- Complete a Request for Proposal (RFP) for the development of the 6.37-acre site at 21XX Reed Avenue.
- The developer will continue to receive the tax increment rebate from the houses completed.
- Pursue other development within this TIF district.
- Continue to receive increased tax revenue from the construction of the homes completed in the district, i.e. Grant Park Estates.

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## Budget Summary

<b>CD SOUTHEAST AREA TIF FUND BUDGET SUMMARY</b>						
<b>APPROPRIATION</b>	<u>2003 ACTUAL</u>	<u>2004 BUDGET</u>	<u>2004 ACTUAL</u>	<u>2005 BUDGET</u>	<u>INCREASE (DECREASE)</u>	
CONTRACTUAL	\$0	\$0	\$95,133	\$0	0	
DEVELOPER ASSISTANCE	<u>85,588</u>	<u>96,200</u>	<u>0</u>	<u>104,700</u>	<u>8,500</u>	
TOTAL	<u>\$85,588</u>	<u>\$96,200</u>	<u>\$95,133</u>	<u>\$104,700</u>	<u>\$8,500</u>	
<b>FUNDING SOURCE</b>						
PROPERTY TAXES			<u>2004 AMOUNT</u>	<u>2004 PERCENTAGE</u>	<u>2005 AMOUNT</u>	<u>2005 PERCENTAGE</u>
TAX INCREMENT			<u>\$96,200</u>	<u>100.0</u>	<u>\$103,653</u>	<u>100.0</u>
TOTAL			<u>\$96,200</u>	<u>100.0</u>	<u>\$103,653</u>	<u>100.0</u>

## Budget Analysis

For 2005, \$104,700 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.

## 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 2006-2010 FINANCIAL FORECAST (IN 000'S)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues	\$113	\$120	\$126	\$126	\$0
Expenses	<u>113</u>	<u>120</u>	<u>126</u>	<u>126</u>	<u>123</u>
Excess(Deficit)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(123)</u>
Beginning Balance	<u>123</u>	<u>123</u>	<u>123</u>	<u>123</u>	<u>123</u>
Ending Balance	<u>\$123</u>	<u>\$123</u>	<u>\$123</u>	<u>\$123</u>	<u>(\$0)</u>