

AMENDMENT
to the
PROJECT PLAN
for
TAX INCREMENTAL DISTRICT NUMBER 15
CITY OF RACINE
(Homeward Bound Site)

City Plan Commission
of the
City of Racine
Wisconsin

Prepared by
Department of City Development

APPROVALS:

City Plan Commission:	April 30, 2008
Common Council, City of Racine:	May 6, 2008
Standing Joint Review Board:	May 9, 2008

INTRODUCTION

Wisconsin's Tax Increment Law allows cities and villages to amend a tax incremental district's project plan for several reasons. One reason is to modify the projects listed in the plan and their estimated costs, and to add new projects to the plan.

The City of Racine created Tax Incremental District Number 15 (TID #15) and approved the project plan for the district on August 15, 2006. The City created TID.#15 to provide financing for activities related to the redevelopment of 1014 Dr. Martin Luther King, Jr. Drive, the site of the former Homeward Bound homeless shelter and administrative office. The redevelopment project proposed the construction of twelve market-rate, single-family homes and a small open-space buffer along King Drive. The proposed redevelopment is unchanged. However, as the project has evolved, the means of accomplishing the redevelopment and the participants in the redevelopment have changed. This amendment is proposed to reflect those changes.

This amendment does not change the boundaries of the district or the duration of the district.

AMENDED SECTIONS OF THE PROJECT PLAN

Section II. B. 1. of the plan is the "Statement of the Kind, Number, and Location of All Proposed Public Works or Improvements." The following paragraphs are added to subsection a.

In late 2006, after creation of TID #15, it was discovered that the debts of the Homeward Bound Agency were larger than initially believed and that some of its creditors had placed liens on the property. The City, M & I Community Development Corporation, and NHS determined that the cost to acquire the property and pay all creditors exceeded the value of the property and that the redevelopment in these circumstances would require more subsidy than the TID could provide. As a result, M & I Community Development Corporation allowed its option on the property to expire and M & I Community Development Corporation and NHS withdrew as partners in the redevelopment project.

In April 2007, the holder of the mortgage on the property initiated foreclosure. The City determined that at a price of \$190,000.00 for the property, the redevelopment would again be feasible. On August 21, 2007, by Resolution 07-0385, the Common Council authorized and directed the Redevelopment Authority of the City of Racine to acquire the property and advanced to the Authority \$300,000 for the acquisition of the property and the demolition of the deteriorated building and related expenses. The resolution further provides that the funds advanced be reimbursed over time by TID #15. On October 30, 2007, the Redevelopment Authority obtained the property at sheriff's sale for \$190,000.

The Authority is currently proceeding with the redevelopment of the property consistent with the original redevelopment concept.

Subsection b. is amended by the addition of the words “Acquisition and” as follows:

b. The number and location of the proposed public works and improvements are shown on Map No. 2, titled “Location of Proposed Improvements”, and are listed below:

1. Acquisition and demolition of the former Homeward Bound emergency shelter and preparation of the site for future development.

In section II. B. 2. “Detailed List of Estimated Project Costs”, Table 1 is deleted and replaced with the following:

Table 1
List of Estimated Project Costs¹

a.	Property Acquisition	\$190,000
b.	Site Clearance and Preparation	67,000
c.	Site Planning, Engineering, and Surveying	60,000
d.	Utility Installation	56,700
e.	Other: administrative, professional, organizational and legal.	25,000
	TOTAL.	\$398,700

In subsection II. B. 3. a. “Estimated Timing of Project and Financing Costs”, Schedule A is deleted and replaced with the following:

Schedule A
Estimated Timing of Project Costs

Year	Estimated Project Cost	Cumulative Total
2007	\$190,000	\$190,000
2008	\$208,700	\$398,700

In subsection II. B. 3. b. “Estimated Method of Financing Project Costs”, Table 2 is deleted and replaced with the following:

¹ The City of Racine and the Redevelopment Authority reserve the right to make only those improvements and to undertake only those activities that are deemed economically feasible and appropriate during the course of project implementation and which are commensurate with positive growth in the tax increment.

Table 2
Project and Non-Project Costs

		Project Costs	Non-Project Costs	Total
a.	Private Development	NA	\$2,956,000	\$2,956,000
b.	Property Acquisition	\$190,000	NA	\$190,000
c..	Site Clearance and Preparation.	\$67,000	NA	\$67,000
d.	Site Planning, Engineering, and Surveying	\$60,000	NA	\$60,000
e.	Utility Installation	\$56,700	NA	\$56,700
f.	Other: administrative, professional, organizational and legal	\$25,000	NA	\$25,000
	TOTAL	\$398,700	\$2,956,000	\$3,354,700

Section II. B. 4. "Economic Feasibility Study", is deleted and replaced with the following:

Project costs will be funded through a loan from the City of Racine to the Redevelopment Authority. The tax increment generated by the district will pay off the loan.

It is projected that three housing units will be completed and added to the district's tax base each year from 2008 through 2011, when the project would be complete. Exhibit 1 shows the tax increment generated by such a development schedule from 2008 through 2034, the district's maximum allowable lifespan under the TID Law. Exhibit 1 forecasts that the TID would recover its project costs, with interest on the advance from the City, by year 2026 and can be closed out at that time.

All other parts of the Project Plan for Tax Incremental District Number 15 remain unchanged.

Exhibit

Title

Exhibit 1

Tax Increment Calculation

Exhibit 1 - Tax Increment Calculation
Updated and Continued

Assessment Year	Collection Year	Increment	Cumulative Increment	Annual P&I	Shortfall/ Surplus	Cumulative Shortfall/ Surplus
2004	2005					
2005	2006					
2006	2007					
2007	2008					
2008	2009	\$7,910	\$7,910	\$38,412	-\$30,502	-\$30,502
2009	2010	\$16,046	\$23,956	\$38,412	-\$22,366	-\$52,867
2010	2011	\$24,415	\$48,371	\$38,412	-\$13,997	-\$66,864
2011	2012	\$33,023	\$81,394	\$38,412	-\$5,389	-\$72,253
2012	2013	\$33,503	\$114,897	\$38,412	-\$4,909	-\$77,161
2013	2014	\$33,991	\$148,888	\$38,412	-\$4,421	-\$81,582
2014	2015	\$34,490	\$183,378	\$38,412	-\$3,922	-\$85,504
2015	2016	\$34,999	\$218,377	\$38,412	-\$3,413	-\$88,916
2016	2017	\$35,518	\$253,895	\$38,412	-\$2,894	-\$91,810
2017	2018	\$36,047	\$289,942	\$38,412	-\$2,365	-\$94,175
2018	2019	\$36,587	\$326,529	\$38,412	-\$1,825	-\$95,999
2019	2020	\$37,137	\$363,666	\$38,412	-\$1,275	-\$97,274
2020	2021	\$37,699	\$401,365	\$38,412	-\$713	-\$97,987
2021	2022	\$38,272	\$439,637	\$38,412	-\$140	-\$98,126
2022	2023	\$38,856	\$478,493	\$38,412	\$444	-\$97,682
2023	2024	\$39,452	\$517,945	\$0	\$39,452	-\$58,230
2024	2025	\$40,060	\$558,005	\$0	\$40,060	-\$18,170
2025	2026	\$40,680	\$598,685	\$0	\$40,680	\$22,510
2026	2027	\$41,313	\$639,998	\$0	\$41,313	\$63,823
2027	2028	\$41,958	\$681,956	\$0	\$41,958	\$105,781
2028	2029	\$42,616	\$724,572	\$0	\$42,616	\$148,397
2029	2030	\$43,287	\$767,859	\$0	\$43,287	\$191,684
2030	2031	\$43,972	\$811,831	\$0	\$43,972	\$235,656
2031	2032	\$44,670	\$856,501	\$0	\$44,670	\$280,326
		\$856,501				

Notes: Assumes City loans funds at 5% interest, 15 year term



City of Racine

Legislative File Number Res.08-0808 (version A)

Alderman Holding

A RESOLUTION AMENDING, DESCRIBING AND MAKING CERTAIN FINDINGS AND APPROVING PROJECT PLAN AMENDMENT FOR TAX INCREMENTAL DISTRICT NO. 15, CITY OF RACINE, WISCONSIN

WHEREAS, Tax Incremental District No.15 (the "District") was created by the City of Racine on August 15, 2006 as a rehabilitation District; and

WHEREAS, in order to promote additional development, the City is amending the District to include additional and/or updated costs estimates and projects that were above the amounts estimated and not included in the original plan; and

WHEREAS, the City desires to amend the District, in accordance with the provisions of Section 66.1105 of the Wisconsin Statutes (the "Tax Increment Law"), in order to provide a viable method of financing the costs of needed public improvements and other project costs within said District and thereby provide incentives and opportunities for appropriate private development, which will contribute to the overall development of the City; and

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, the Plan Commission, on April 30, 2008, held a public hearing concerning the proposed amendment of the District and proposed Project Plan Amendment thereof in the City, wherein interested parties were afforded a reasonable opportunity to express their views; and

WHEREAS, prior to its publication, a copy of the notice of said hearing was sent to the chief executive officer of Racine County, the Racine School District, and the Gateway Technical College District, and the other entities having the power to levy taxes on property located within the District, in accordance with the procedures specified in the Tax Increment Law; and

WHEREAS, after said public hearing, the Plan Commission recommended to the City Council that it amend such District as specified in the Project Plan Amendment attached to this resolution as Exhibit A hereof, and entitled "Project Plan Amendment of Tax Incremental District No. 15, City of Racine, Wisconsin", and

WHEREAS, the Plan Commission has prepared and adopted a Project Plan Amendment to the District, (the "Amendment") which includes:

- a. A Statement listing of the kind, number and location of all proposed public works or improvements within the District, or to the extent provided in Section 66.1105(2)(f)1., Wisconsin Statutes outside of the District;
- b. An economic feasibility study;
- c. A detailed list of estimated project costs;

- d. A description of the methods of financing all estimated project costs and the time when such costs or monetary obligations related thereto are to be incurred;
- e. Proposed changes of zoning ordinances, master plan, map, building codes and City ordinances;
- f. A list of estimated non-project costs;
- g. A statement of the proposed plan for relocating any displaced persons or businesses;
- h. A statement of how the district promotes orderly development;
- i. A map showing existing uses and conditions of real property in such District;
- j. A map showing proposed improvements and uses therein;
- k. An opinion of the City Attorney or of an Attorney retained by the City advising the plan is complete and complies with Wisconsin Statutes, Section 66.1105(4)(f); and

WHEREAS, the Plan Commission has submitted such Project Plan Amendment to the City Council and recommended approval thereof;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Racine as follows:

- 1. Pursuant to the Tax Increment Law, there is hereby amended in the City of Racine, as of January 1, 2008, a District known as "Tax Incremental District No. 15, City of Racine", the boundaries of which shall remain the same as in the original Project Plan.
- 2. The City Council hereby finds and declares that:
 - a. Based upon the findings, as stated in (a) above, the District remains declared as a rehabilitation District or conservation District within the meaning of Section 66.1337(2m)(b) of the Wisconsin Statutes based on the identification and classification of the property included within the District, furthermore any property standing vacant for seven years immediately preceding adoption of the resolution for this district will not comprise more than 25% of the area in the District in compliance with Section 66.11054gm(1) of the Statutes; and; and
 - b. The improvement of such area is likely to enhance significantly the value of substantially all of the other real property in the District; and
 - c. The project costs of the District, as amended, relate directly to eliminating blight and directly serve to rehabilitate or conserve the District consistent with the purpose for which the District is created.

BE IT FURTHER RESOLVED THAT the City Council of the City of Racine approves the Project Plan Amendment adopted by the Plan Commission, attached as Exhibit A, and finds that:

- 1. Such Amendment for the District in the City is feasible, and
- 2. Such Amendment is in conformity with the master plan of the City.

The City Clerk is hereby authorized and directed to notify the Wisconsin Department of Revenue, within 60 days of adoption of the amendment that this amendment has taken place, pursuant to the provisions of Section 66.1105(5)(cm) of the Wisconsin Statutes.

The City Assessor is hereby authorized and directed to make notations to the assessment roll under Section 70.45 of the Wisconsin Statutes, and the City Clerk is hereby authorized and directed to make similar notations on the tax roll made under Section 70.65 of the Wisconsin Statutes, pursuant to Section 66.1105(5)(f) of the Wisconsin Statutes.

Fiscal Note: The amendment revises the TID plan and budget to describe the role of the Redevelopment Authority in the project, particularly the purchase of the former Homeward Bound property by the Authority with funds advanced to the Authority by the Council pursuant to Resolution 07-0385, adopted on August 21, 2007. That resolution produced a project budget of \$399,000. This amendment only reflects that change and does not further increase the budget.

Office of the City Attorney

Robert K. Weber
City Attorney



Scott R. Letteney
Deputy City Attorney

Nicole F. Loop
Assistant City Attorney

Stacey Salvo
Paralegal

May 20, 2009

Brian F. O'Connell
Director of City Development
City of Racine
730 Washington Avenue
Racine, WI 53403

Subject: Amendment to the Project Plan of Tax Incremental District Number 15, City of Racine, Wisconsin

Dear Mr. O'Connell:

As City Attorney of the City of Racine, I have reviewed this project plan amendment. In my opinion, the project plan is complete and complies with Section 66.1105, Wisconsin Statutes.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert Weber".

Robert Weber
City Attorney

City Hall
730 Washington Avenue, Room 201
Racine, Wisconsin 53403
262-636-9115
262-636-9570 FAX

PROJECT PLAN
for
TAX INCREMENTAL DISTRICT NUMBER 15
CITY OF RACINE
(Homeward Bound Site)

City Plan Commission
of the
City of Racine
Wisconsin

Prepared by
Department of City Development

in conformance with the provisions
of Section 66.1105, Wisconsin Statutes,
as amended.

APPROVALS:

City Plan Commission:	July 26, 2006
Common Council, City of Racine:	August 15, 2006
Standing Joint Review Board:	August 30, 2006

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I. DESCRIPTION OF PROJECT

A. Introduction

Wisconsin state law allows cities and villages to create Tax Increment Districts (TIDs) to provide financial assistance for new development and redevelopment. In TIDs the expense of public improvements and other redevelopment activities that are essential for the new development may be paid with the property taxes resulting from the new development. Over the years, Racine has created a number of TIDs. The City of Racine now proposes to use the Tax Increment Law to provide financing for selected activities related to the redevelopment of 1014 Dr. Martin Luther King Drive, the site of the former Homeward Bound homeless shelter and administrative office. The redevelopment project proposes the construction of twelve market-rate single-family housing units and a small open-space buffer along King Drive. The TID is proposed to be a “pay as you go” TID for which the developer will arrange financing. The City’s obligation will be limited to conveying only the actual increments received from the district to the developer to support the project.

Section 66.1105(4)(d), Wisconsin Statutes, requires the “preparation and adoption by the planning commission of a proposed project plan for each tax incremental district.” This project plan is submitted in fulfillment of this requirement and the related provisions of section 66.1105, Wisconsin Statutes.

B. District Boundaries

Tax Incremental District Number 15 (TID #15) is composed of one parcel that is located on Racine’s near north side at 1014 Dr. Martin Luther King Drive. The District is shown on Map No. 1, “Project Area Boundary,” and described more precisely as follows:

Begin at a point which is the intersection of the east line of Dr. Martin Luther King Drive and the south line of West Street; travel thence westerly along the south line of West Street to the west line of Wilson Street; travel thence northerly along said line to the intersection of the west line of Wilson Street and the north line of Prospect Street; thence easterly to the intersection of north line of Prospect Street and the center line of King Drive; thence southerly to the point of beginning of this description. Said land being in the City of Racine, Racine County, Wisconsin.

As required by the TID Law, the area consists solely of whole units of property “as are assessed for general tax purposes and which are bounded on one or more sides by railroad rights-of-way, highways or rivers.”

The District contains property totaling approximately 2.53 acres. The entire District is “blighted” and “in need of conservation and rehabilitation”.

II. PLAN PROPOSALS

A. Statutory Requirements

Section 66.1105(4)(f), Wisconsin Statutes, requires that a project plan for a Tax Incremental District as adopted by a planning commission and submitted to the local legislative body shall include:

"... a statement listing the kind, number and location of all proposed public works or improvements within the district or, to the extent provided in subsection (2)(f)1.k., outside the district, an economic feasibility study, a detailed list of estimated project costs, and a description of the methods of financing all estimated project costs and the time when the costs or monetary obligations related thereto are to be incurred. The plan shall also include a map showing existing uses and conditions of real property in the district; a map showing proposed improvements and uses in the district; proposed changes of zoning ordinances, master plan, if any, map, building codes and city ordinances; a list of estimated non-project costs; and a statement of a proposed method for the relocation of any persons to be displaced. The plan shall indicate how creation of the tax incremental district promotes the orderly development of the city."

The plan shall also include an opinion of the City Attorney or of any attorney retained by the City advising whether such plan is complete and complies with Section 66.1105(4)(f), Wisconsin Statutes.

B. Compliance with Statutory Requirements

The following statements, maps and exhibits are provided in compliance with the statutory requirements.

1. "Statement of the Kind, Number, and Location of All Proposed Public Works or Improvements."

a. In October, 2005 the Homeless Assistance Leadership Organization (HALO) began consolidating Racine's emergency shelter services at its newly renovated facility on De Koven Avenue. Services for men were the first to be provided at HALO's facility and within months the services that had formerly been provided by Homeward Bound were relocated to HALO's facility, leaving the site, at 1014 Dr. Martin Luther King Drive unoccupied. Shortly thereafter, M & I Bank obtained an option to purchase the site and began exploring redevelopment options.

It was quickly determined that Homeward Bound's facility was dilapidated beyond repair and had outlived its useful life. Further analysis and discussions with City of Racine officials led to a general plan to construct 12 new single-family homes with a park like buffer space along the King Drive side of the site.

M & I Bank, through its M & I Community Development Corporation subsidiary, approached Neighborhood Housing Services (NHS) of Southeast Wisconsin to act as developer of the project and asked the city to assist in redevelopment of the site. NHS has agreed in principle to be the developer and the city has agreed to provide financial assistance to reduce the costs of demolition and site preparation, and to install the necessary public utility services.

NHS, acting as the project developer, has submitted a letter requesting the city's financial participation through the mechanism of a Tax Incremental District (TID). The TID is proposed to be a "pay as you go" TID for which the developer will arrange financing. The city's obligation will be limited to conveying only the actual increments received from the district to the developer to support the project. The obligations of the developer and the city will be formalized in a development agreement for the project. A copy of the development agreement, once executed, will be sent to the city's standing joint review board pursuant to section 66.1105 (2) (f) 2. d., Wisconsin Statutes.

b. The number and location of the proposed public works and improvements are shown on Map No. 2, titled "Location of Proposed Improvements", and are listed below:

1. Demolition of the former Homeward Bound emergency shelter and preparation of the site for future development.
2. Installation of public utilities to serve 12 new single-family residences.

2. "Detailed List of Estimated Project Costs"

Table 1 below provides a detailed list of the estimated project costs.

Table 1
List of Estimated Project Costs¹

a.	Site Clearance and Preparation	\$110,000
b.	Utility Installation	56,700
c.	Other: administrative, professional, organizational and legal.	25,000
	TOTAL.	\$191,700

3. "Description of Timing and Methods of Financing"

a. Estimated Timing of Project and Financing Costs

¹ The City of Racine reserves the right to make only those improvements and to undertake only those activities that are deemed economically feasible and appropriate during the course of project implementation and which are commensurate with positive growth in the tax increment.

The Summary of Project Costs (Schedule "A" below) identifies the year in which actual expenditures described in this plan are expected to be incurred. The estimates presented are subject to change as actual circumstances during the project execution period may require.

Schedule A

Estimated Timing of Project Costs

Year	Estimated Project Cost	Cumulative Total
2006	\$110,000	\$110,000
2007	\$81,700	\$191,700

b. Estimated Method of Financing Project Costs

Table 2 below displays the funding sources for each of the proposed project costs listed in Table 1. It distinguishes between project costs that will be recovered through tax increment financing and "non-project" costs that are covered through other sources of funds such as the developer's resources, or state or federal grants, or project income.

Table 2

Project and Non-Project Costs

		Project Costs	Non-Project Costs	Total
a.	Private Development	NA	\$2,956,000	\$2,956,000
b.	Site Clearance and Preparation.	\$110,000	NA	\$110,000
c.	Utility Installation	\$56,700	NA	\$56,700
d.	Other: administrative, professional, organizational and legal	\$25,000	NA	\$25,000
	TOTAL	\$191,700	\$2,956,000	\$3,147,700

4. "Economic Feasibility Study"

Project costs will be funded through a loan obtained by either M & I Community Development Corporation or Neighborhood Housing Services, based on the pledge of tax incremental revenues provided in the development agreement and a Municipal Revenue Obligation (MRO) issued by the city to the developer.

It is projected that three housing units will be completed and added to the district's tax base each year from 2007 through 2010, when the project would be complete. Exhibit 1 shows the tax increment generated by such a development schedule from 2007 through 2034, the district's maximum allowable lifespan under the TID Law. Exhibit 1 forecasts that the TID would recover its costs by year 2020, and can be closed out at that time.

5. "Map Showing Existing Uses and Conditions"

Please refer to Map No. 3, "Existing Land Use," and Map No. 4, "Existing Conditions".

6. "Map Showing Proposed Improvements"

Please refer to Map No. 5, "Proposed Land Use".

7. "Proposed Change of Zoning Ordinances, Master Plan, Building Codes and City Ordinances"

The property is currently zoned O/I "Office/Institutional", a classification designed to accommodate office buildings, civic and governmental structures, and educational and institutional buildings. (Section 114-426, *et seq.*, Racine Code of Ordinances.) In order to develop the site as proposed, the zoning must be amended to R2, "Single-Family Residence", which permits single-family residences at a maximum density of 7.26 units per acre. Construction of the homes will be in accord with applicable City of Racine building codes.

The redevelopment is fully consistent with the recommendations of the updated Downtown Plan, which includes 1014 Dr. King Drive within its planning boundaries.

8. "Proposed Method for Relocation"

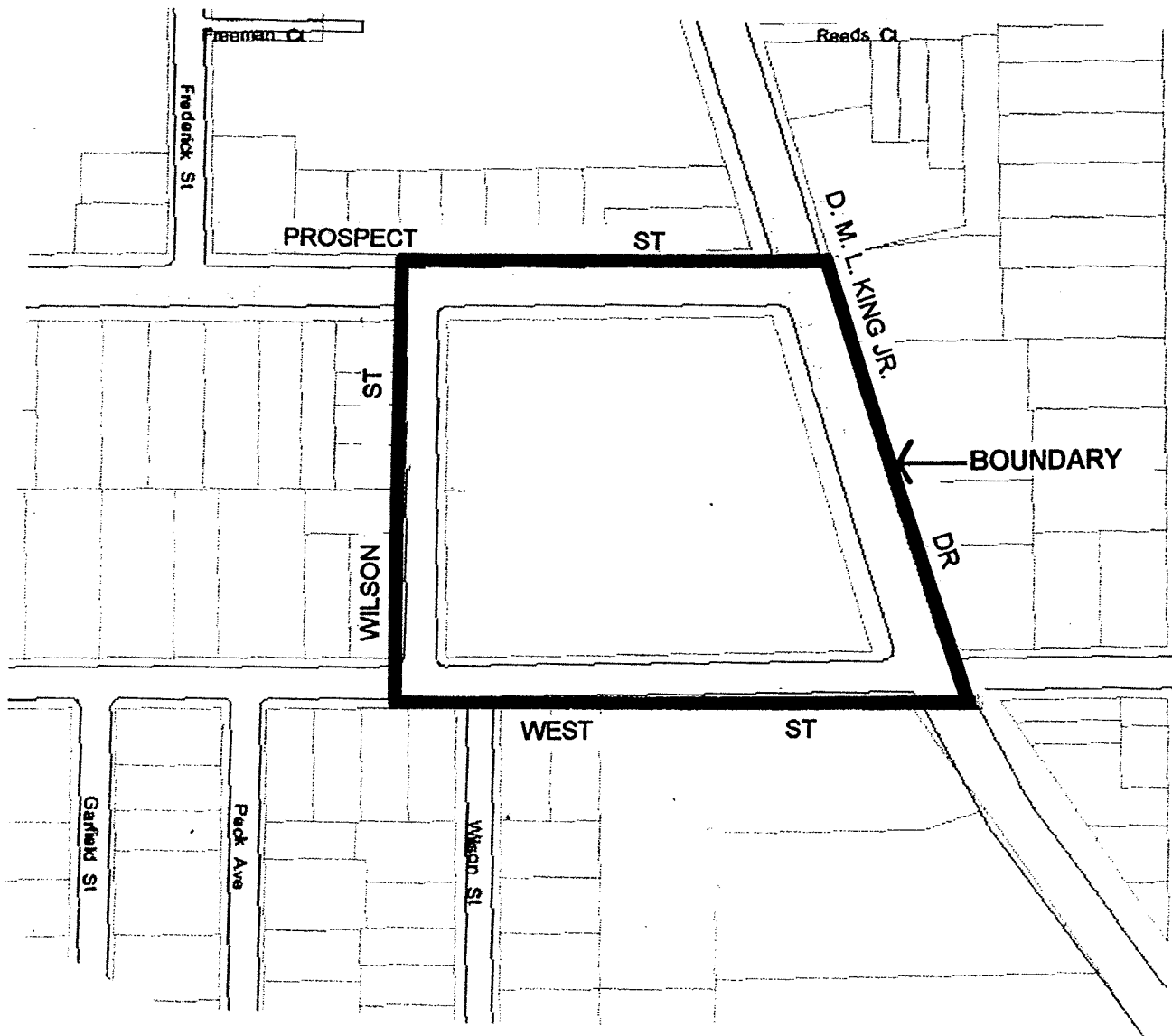
None of the property to be affected by this Plan is currently occupied. Therefore, no relocation is anticipated and no provision for relocation activities or expenditures for relocation payments is included. Should the acquisition of occupied property requiring relocation be necessary, the cost and method of relocation will be included in a Relocation Plan prepared pursuant to Ch. 32, Wis. Stats. The costs of such activities will be eligible for reimbursement through tax increment revenues should such revenues be generated during the statutory life of the District.

9. "Statement Indicating How District Creation Promotes Orderly City Development"

Creation of the district will promote redevelopment of the site and reinforce similar efforts in the neighborhood, including City Homes and Jamestowne Square.

10. "Opinion of the City Attorney"

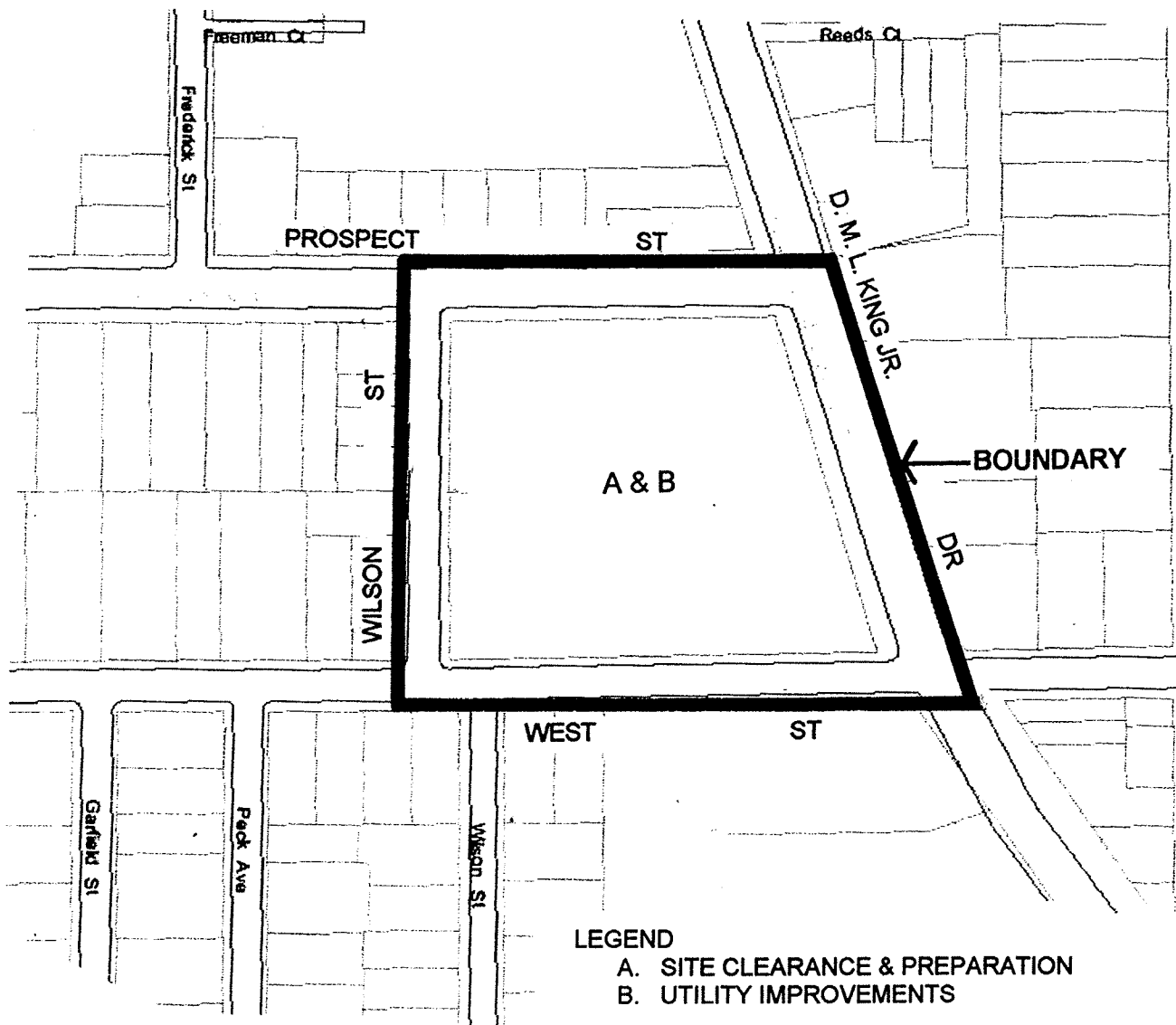
In accord with state law, this plan has been referred to the City Attorney for his review and his opinion.



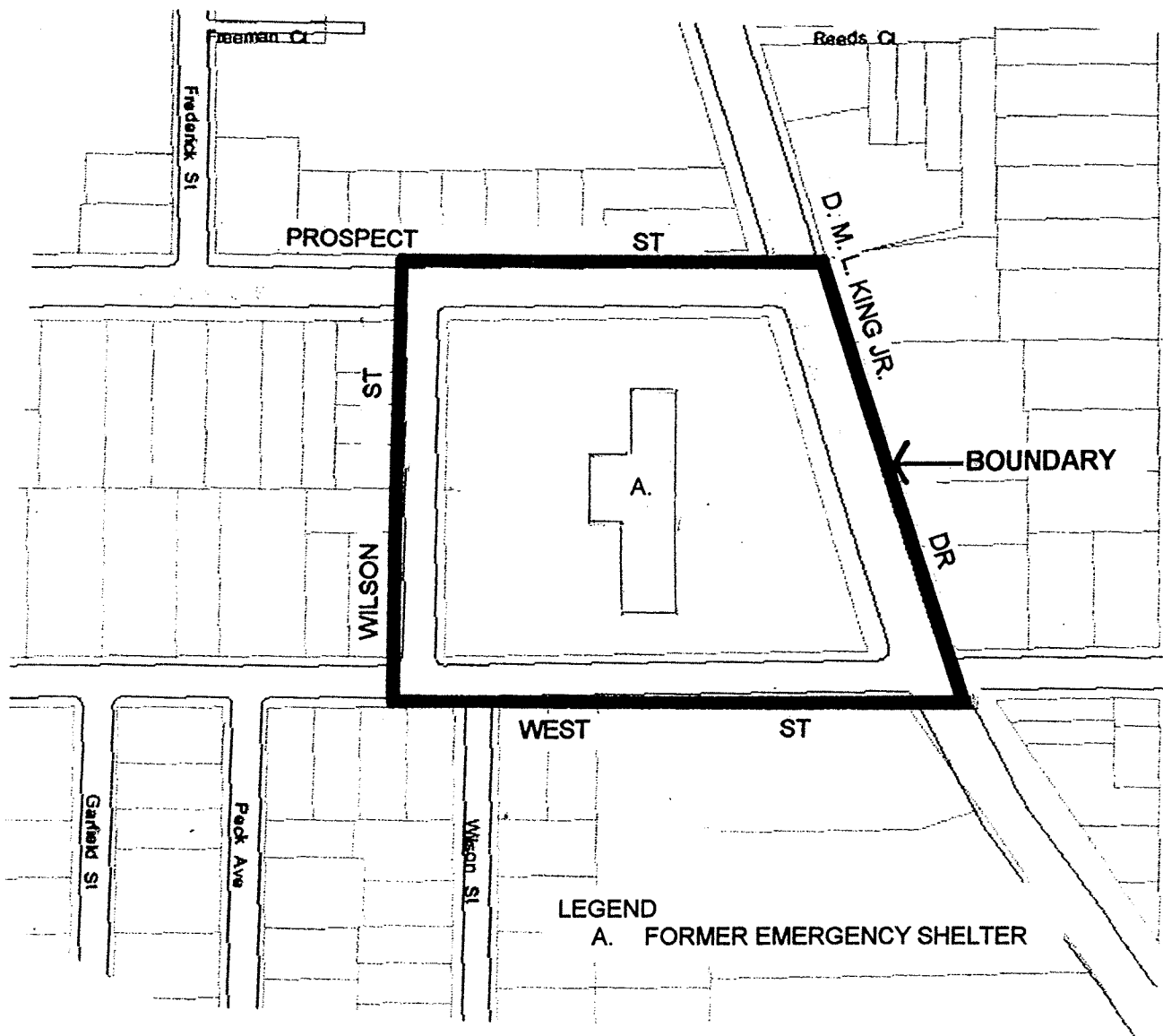
NORTH

DCD 7/10/06 jtl

MAP 1. BOUNDARY MAP

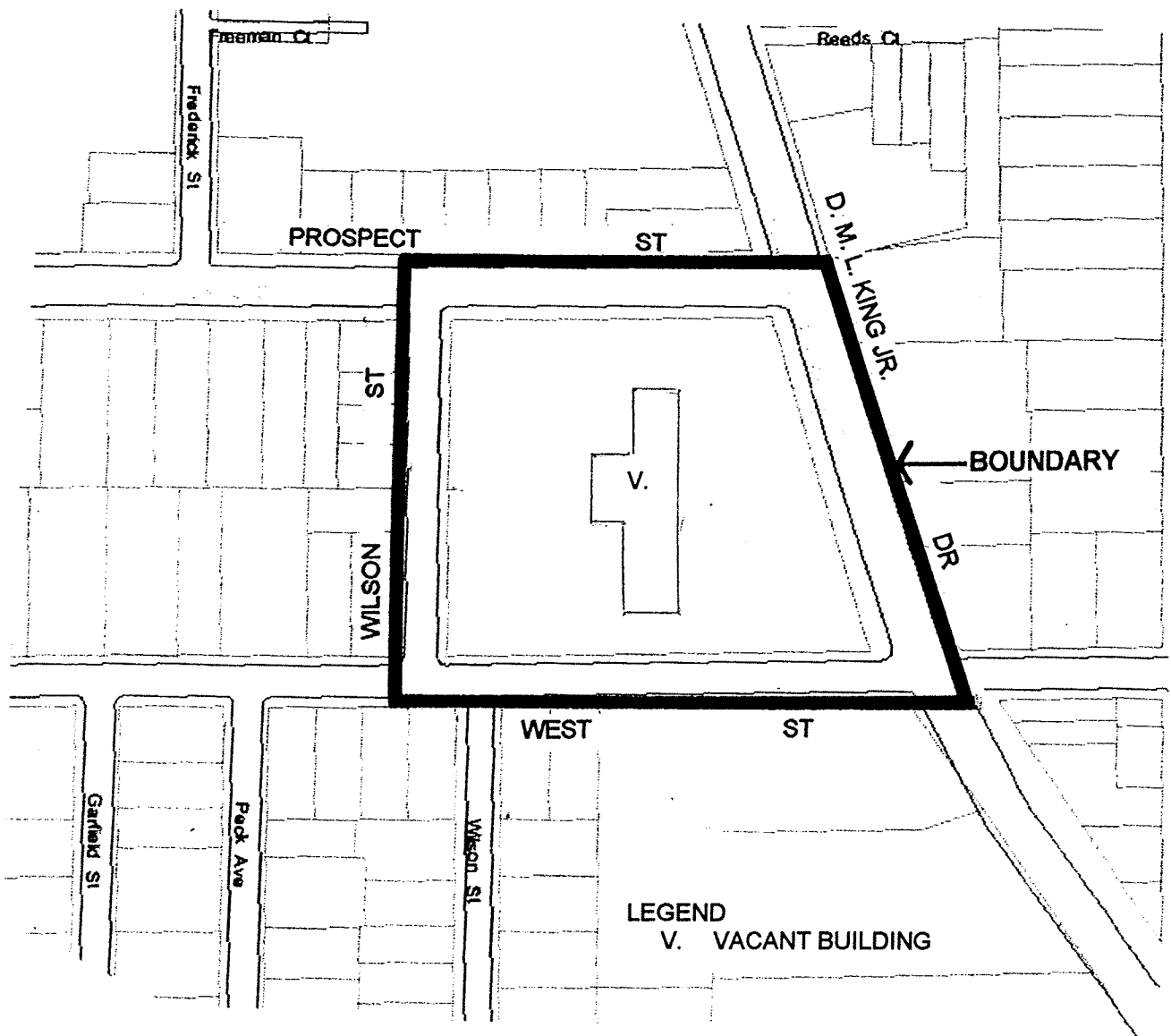


MAP 2. LOCATION OF PROPOSED IMPROVEMENTS

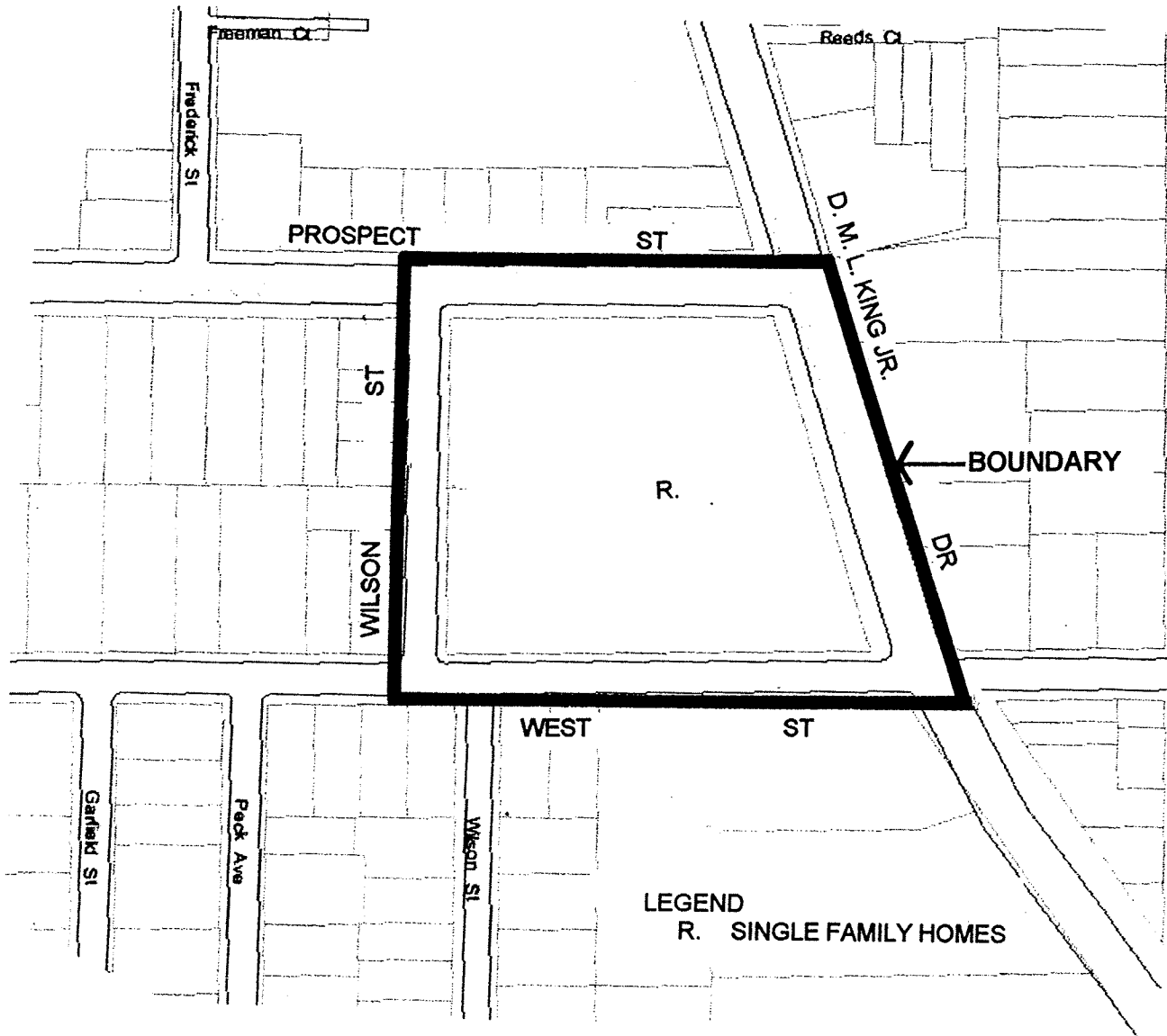


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MAP 3. EXISTING LAND USE



MAP 4. EXISTING CONDITIONS



NORTH DCD 7/10/06 jtl

MAP 5. PROPOSED LAND USE

EXHIBITS

<u>Exhibit</u>	<u>Title</u>
Exhibit 1	Economic Feasibility/Tax Increment Calculation
Exhibit 2	Property Characteristics
Attachment 1	City Assessor's Letter
Attachment 2	City Attorney's Letter

Exhibit 1

CITY of RACINE

Interim TID Tax Rate Projections from PC - 202 Form Methodology

Assumes continuation of Levy Limits

Assessment Year	Collection Year	EV TID OUT		County Levy	City Levy	Unified Levy	Gateway Levy	TOTAL Levy	Interim TID Tax Rate	Built-out Project Value	Incremental Project Value	Increment
		7.5%	4.5%									
2005-2006	2004	2.7%	2.0%	0.0%	2.0%	24,091,710	4,451,146	77,349,288	24.45	-	-	-
2007-2028	2005	2.0%	2.0%	0.0%	2.0%	23,023,465	4,530,232	78,143,251	22.94	-	-	-
	2006					23,023,465	4,620,837	79,323,036	22.28	1,400,000	-	-
	2007					23,023,465	4,713,253	80,449,028	21.63	1,463,000	365,750	7,910
	2008					23,023,465	4,807,518	81,597,539	20.99	1,528,835	764,418	16,046
	2009					23,023,465	4,903,669	82,769,021	20.38	1,597,633	1,198,224	24,415
	2010					23,023,465	5,001,742	83,963,932	19.78	1,669,526	1,669,526	33,023
	2011					23,023,465	5,101,777	85,182,741	19.20	1,744,655	1,744,655	33,503
	2012					23,023,465	5,203,813	86,425,927	18.64	1,823,164	1,823,164	33,991
	2013					23,023,465	5,307,889	87,693,976	18.10	1,905,207	1,905,207	34,490
	2014					23,023,465	5,414,047	88,987,386	17.58	1,990,941	1,990,941	34,999
	2015					23,023,465	5,522,328	90,306,664	17.07	2,080,533	2,080,533	35,518
	2016					23,023,465	5,632,774	91,652,328	16.58	2,174,157	2,174,157	36,047
	2017					23,023,465	5,745,430	93,024,906	16.10	2,271,994	2,271,994	36,587
	2018					23,023,465	5,860,338	94,424,934	15.64	2,374,234	2,374,234	37,137
	2019					23,023,465	5,977,545	95,852,964	15.19	2,481,075	2,481,075	37,699
	2020					23,023,465	6,097,096	97,309,554	14.76	2,592,723	2,592,723	38,272
	2021					23,023,465	6,219,038	98,795,276	14.34	2,709,395	2,709,395	38,856
	2022					23,023,465	6,343,418	100,310,712	13.93	2,831,318	2,831,318	39,452
	2023					23,023,465	6,470,287	101,856,457	13.54	2,958,728	2,958,728	40,060
	2024					23,023,465	6,599,693	103,433,117	13.16	3,091,870	3,091,870	40,680
	2025					23,023,465	6,731,686	105,041,310	12.79	3,231,004	3,231,004	41,313
	2026					23,023,465	6,866,320	106,681,666	12.43	3,376,400	3,376,400	41,958
	2027					23,023,465	7,003,647	108,354,831	12.08	3,528,338	3,528,338	42,616
	2028					23,023,465	7,143,720	110,061,458	11.74	3,687,113	3,687,113	43,287
	2029					23,023,465	7,286,594	111,802,218	11.41	3,853,033	3,853,033	43,972
	2030					23,023,465	7,432,326	113,577,793	11.09	4,026,419	4,026,419	44,670
	2031					23,023,465	7,580,972	115,388,879	10.79	4,207,608	4,207,608	45,383
	2032					23,023,465						901,887

From: Kienbaum, Thomas
Sent: Tuesday, July 11, 2006 11:10 AM
To: Heck, Joe
Subject: RE: Estimate of Assessed Value

I estimate homes would have a value of \$115,000 to \$125,000 each and for the total project estimate \$1,400,000 to \$1,500,000 when completed. For the annual increase in value using a 5% estimate would be reasonable based on our prior residential history.

Thomas J. Kienbaum
Assessor, City Of Racine
730 Washington Avenue
Racine, WI 53403
262-636-9119

From: Heck, Joe
Sent: Monday, July 10, 2006 6:57 PM
To: Kienbaum, Thomas
Subject: Estimate of Assessed Value

Tom:

We are working on a Tax Incremental District plan for the former Homeward Bound site (1014 Martin Luther King Drive). The developers are proposing to demolish the existing building, grade the site, and build 12 new single-family residences. The residences would be one- and two-story, three-bedroom, bath and a half structures containing approximately 1,400 square feet. The lots will have 50 feet of frontage, and 7,000 square feet of area.

In order to show the financial feasibility of the District, we need an estimate of the assessed of the proposed homes. Can you help? If you have questions, or need additional information, please let me know. Thanks for your help.—Joe Heck

Exhibit 2: Property Characteristics

Address	Street	Parcel #	Area acres	Area Blighted	Area Vacant	Value Land	Value Improvements	Owner
1014	Dr. M. L. King, Jr. Drive	3109000	2.31	2.31	0.00	\$ -	\$ -	Homeward Bound Agency
Totals			2.31	2.31	0.00			
				100%	0%			

Note: Area is net area without rights-of-way.
The current owner is a 501.c.3 organization. The property is tax-exempt.
The proposed district is currently a single parcel.



City of Racine, Wisconsin

OFFICE OF CITY ASSESSOR
730 Washington Avenue
Racine, Wisconsin 53403
262-636-9119

Thomas J. Kienbaum
City Assessor

July 27, 2006

MEMO TO: Brian F. O'Connell
Director of City Development

FROM: Thomas J. Kienbaum *TJK*
City Assessor

SUBJECT: Proposed Tax Incremental District No. 14 & 15

I have reviewed the Wisconsin Department of Revenue TIF Limitation Report for 2005. The 2005 TIF increment is \$166,262,050 with a total current value of \$205,258,200. With the additional property from the proposed TIF 14 & 15 our City will meet the 12% test. See attached Department of Revenue TIF 12% value calculation.

I have also attached a list of the real estate parcels and personal property accounts in proposed TIF 14. Proposed TIF 15 has one parcel that is classified exempt.

Enter Resolution Date below:

Creation or Amendment Resolution date

Enter County Number below:

51

Enter Municipal

Number below:

276

County Name
Racine

Municipal Name
City of Racine

Check to see that this is your municipality

Current Municipal Full Value :

\$3,572,586,100

TID Equalized Value 1/1/2004

\$205,258,200

Current Total Value of All Municipal TID's:

Total Increment of All Municipality TID's:

3,572,586,100

428,710,332

(166,262,050)

262,448,282

Available Value for TID development

Office of the City Attorney

Robert K. Weber
City Attorney



Scott R. Letteney
Deputy City Attorney

Scott Lewis
Assistant City Attorney

Stacey Salvo
Paralegal

August 30, 2006

LEGAL OPINION

BRIAN O'CONNELL
DIRECTOR OF CITY DEVELOPMENT
730 WASHINGTON AVENUE
RACINE WI 53403

SUBJECT: Project Plan for Tax Incremental District Number 15, City of Racine
Homeward Bound Site

Dear Mr. O'Connell:

I have reviewed the project plan for Tax Incremental District No. 15 in the City of Racine. It is my opinion that the plan is complete and complies with all of the statutory requirements set out in Section 66.1105 (4) (f), Wis. Stats.

Sincerely,

Robert K. Weber
City Attorney

RKW/ld
Attachment
/rkw/taxdistrict 15/

City Hall
730 Washington Avenue, Room 201
Racine, Wisconsin 53403
262-636-9115
262-636-9570 FAX

