

**Department of City Development**

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December 1, 2006

Mayor Gary Becker  
Members of the Common Council  
c/o Janice Johnson-Martin, City Clerk

Subject: Request for an amendment to the Project Plan for Tax Increment District No. 2 to allow continued increment sharing.

Dear Mayor Becker and Honorable Aldermen:

Wisconsin's Tax Increment Law allows cities to amend a tax incremental district's project plan to allocate positive tax increments generated by that tax incremental district (TID) to other tax incremental districts under certain circumstances. In October 2001, the project plan for TID No. 2 was amended to allow the sharing of its increment with TIDs Nos. 3, 5, 6, and 8. The amendment provided for increment sharing for a five year period. The circumstances that existed in 2001 have continued for TID No. 2 and for three of the recipient districts. The purpose of this project plan amendment is to allow the City of Racine to continue to allocate positive future tax increments generated by TID No. 2 to other tax incremental districts.

I respectfully ask that this item be referred to both the City Plan Commission and the Finance and Personnel Committee for their review and recommendation.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian F. O'Connell", is written over a horizontal line.

Brian F. O'Connell  
Director of City Development

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