

RESOLUTION NO. _____

CITY OF RACINE, WISCONSIN

**RESOLUTION DESIGNATING TAX INCREMENTAL DISTRICT NO. 10
DISTRESSED UNDER SECTION 66.1105(4e), WIS. STATS.**

WHEREAS, the Common Council, after reviewing financial data has determined that the project costs incurred by Tax Incremental District No. 10 (the "District") exceed the amount of revenues from all sources that the City expects the District to generate to pay off such project costs during the life of the District; and

WHEREAS, the Common Council desires to designate the District as distressed under Section 66.1105(4e), Wis. Stats.; and

WHEREAS, the District meets all requirements to be designated as a distressed district insofar as: a) it was created before October 1, 2008; and b) the Common Council has not approved an amendment to the District's project plan after October 1, 2009; and

WHEREAS, a notice of the Plan Commission and Council public hearings were published on September 26, 2012, October 2, 2012, October 3, 2012 and October 9, 2012 as under Chapter 985, Wis. Stats.; and

WHEREAS, a copy of the public hearing notice was sent, prior to its publication, by 1st class mail to the chief executive officer or administrator of all local government entities having the power to levy taxes on property within the District, and to the school board of any school district that includes property located within the District; and

WHEREAS, a public hearing was held before the Common Council on October 16, 2012 at which time interest parties were afforded a reasonable opportunity to express their views on the proposed designation of the District as distressed; and

WHEREAS, the Plan Commission has amended the Project Plan of the District to reflect its distressed status.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Racine that:

1. The Common Council designates the District as distressed, and that its maximum life is extended to 10 years with a termination date of March 18th, 2036.
2. The project costs incurred by the District exceed the amount of revenues from all sources that the City expects the District to generate to pay off such project costs during the life of the District.
3. If the designation of the District as distressed is approved by the Joint Review Board, the District may not:
 - a. Amend its project plan to add any new project costs.
 - b. Become part of a district with overlapping boundaries.

- c. Expend any funds outside of the District's boundaries.
 - d. Add any territory to the District.
 - e. Become a donor district.
 - f. Make any expenditure after its expenditure period, as determined before its designation as a distressed district expires.
4. If any tax increments allocated to the District exceed the amount needed to meet the District's annual expenditures identified in its existing project plan, the excess amount shall be used to retire any outstanding debt obligations of the District or to establish a reserve fund that may be used only to retire outstanding debt obligations of the District.

BE IT FURTHER RESOLVED THAT the City Clerk is directed to certify this resolution and forward a copy along with the financial data attached hereto as "Exhibit A" to the Wisconsin Department of Revenue and to the Joint Review Board.

Adopted this 21st day of August, 2012.

Mayor

City Clerk

**FINANCIAL DATA SUPPORTING DESIGNATION OF THE DISTRICT AS DISTRESSED
AND DEMONSTRATING THAT THE DESIGNATION OF THE DISTRICT AS
DISTRESSED IS LIKELY TO ENHANCE THE ABILITY OF THE CITY
TO PAY ITS PROJECT COSTS**