



CITY OF RACINE, WISCONSIN
TAX INCREMENTAL DISTRICT NO. 9
PROJECT PLAN AMENDMENT
IN ORDER TO SHARE
INCREMENT WITH
TAX INCREMENTAL DISTRICTS NOS. 10, 11 & 15



September 20, 2012 **[DRAFT]**

Joint Review Board Organizational Meeting Held:

To Be Scheduled

Public Hearing Held:

Scheduled October 10, 2012

Consideration for Adoption by Plan Commission:

Scheduled October 10, 2012

Consideration for Adoption by Common Council:

Scheduled October 16, 2012

Consideration for Approval by the Joint Review Board:

To Be Scheduled

Tax Incremental District No. 9 Amendment Project Plan

City of Racine Officials

Common Council

John Dickert	Mayor
Dennis Wiser	Council Member
Gregory T. Holding	Council President
James Morgenroth	Council Member
Jim Kaplan	Council Member
Krystyna Sarrazin	Council Member
Melissa Kaprelian-Becker	Council Member
Michael D. Shields	Council Member
Molly Hall	Council Member
O. Keith Fair	Council Member
Q.A. Shakoor, II	Council Member
Raymond DeHahn	Council Member
Robert Mozol	Council Member
Ronald D. Hart	Council Member
Sandy Weidner	Council Member
Terrence A. McCarthy	Council Member

City Staff

Thomas Friedel	City Administrator
Brian F. O'Connell	Director of City Development
Janice Johnson-Martin	City Clerk/Treasurer
Robert Weber	City Attorney
David Brown	City Finance Director

Plan Commission

Mayor John Dickert, Chair	Brian F. O'Connell, Director of City Development, Secretary
Elaine Sutton-Ekes	Alderman Molly Hall
Vincent Esqueda	Tony Veranth
Alderman Dennis Wiser	C. Judley Wyant

Joint Review Board

Mayor John Dickert

Daniel Eastman

Mark Zlevor

David Hazen

John Engel

City Representative

Racine County

Gateway Technical College District

Racine Unified School District

Public Member

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EXECUTIVE SUMMARY

DESCRIPTION OF ORIGINAL DISTRICT AND PROPOSED AMENDMENT

- Original District Purpose. Tax Incremental District (“TID”) No. 9 (the “District” or “Donor District”) is an existing blighted area district, created by a resolution of the Common Council adopted on June 6, 2000. The City created the District to eliminate blight and to rehabilitate the Johnson Building.
- Proposed Amendment. The purpose of this Amendment is to allow the District to share surplus increments with Tax Incremental Districts Nos. 10, 11 and 15 (collectively the “Recipient Districts”) under the provisions of Wisconsin Statutes 66.1105(6)(f).
- Estimated Total Project Expenditures. The additional project costs to be incurred under this amendment are limited to the sharing of surplus increment with the Recipient District. It is expected that the District will generate approximately \$17,335,389 in increment that could be shared with the Recipient Districts during the eligible sharing period (2012 through 2028). Cash flow projections for the Recipient Districts indicate a need for \$5,565,154 of this total.
- Expected Termination of District. The Donor District has a maximum statutory life of 27 years, and must close not later than June 6, 2027, resulting in a final collection of increment in budget year 2028. The current Donor District cash flow forecast projects a closure date of 2013 prior to any allocation of increments to the Donor Districts. If \$5,565,154 in future tax increments is allocated to the Recipient Districts, the projected closure date would move to 2017.

SUMMARY OF FINDINGS

As required by Wisconsin Statutes 66.1105, and as documented in this Project Plan Amendment and the exhibits contained and referenced herein, the following findings are made:

- 1. That “but for” amendment of the Donor District’s Project Plan, the economic development objectives of the Recipient Districts’ Project Plans will not be achieved.** In evaluating the appropriateness of the proposed amendment, the Joint Review Board must consider “(w)hether the development expected in the tax incremental district would occur without the use of tax incremental financing” customarily referred to as the “but for” test. Since the purpose of this amendment is solely to allow for the sharing of the Donor District’s increment with the Recipient Districts, this test cannot be applied in the conventional way. The Joint Review Board has previously concluded, in the case of both the Donor District and the Recipient Districts, that the “but for” test was met. As demonstrated in the Economic Feasibility section of this Project Plan Amendment, the Recipient Districts will not recover their Project Costs without the receipt of shared increment from the Donor District. This would create a significant financial burden for City taxpayers, and since all taxing jurisdictions will ultimately share in the benefit of the redevelopment projects and increased tax base, it is appropriate for all taxing jurisdictions to continue to share in the costs to implement them. Accordingly, the City finds that it is reasonable to conclude the “but for” test continues to be satisfied. *Finding Required by Wisconsin Statutes 66.1105(4m)(c)1.a.*
- 2. The economic benefits of amending the Donor District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements.** Tax increment collections in the Donor District are already sufficient to pay for the cost of all improvements made in the District, thus allowing for this District to become a donor. *Finding Required by Wisconsin Statutes 66.1105(4m)(c)1.b.*
- 3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.** Given that the Recipient Districts will not achieve all of the objectives of its Project Plan without the ability to share in the surplus increments of the Donor District (see finding # 1), and since the District is generating economic benefits that have already compensated for the improvements made (see Finding #2), the City reasonably concludes that the overall additional benefits that will be received by amending the District outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. *Finding Required by Wisconsin Statutes 66.1105(4m)(c)1.c.*
- 4. Not less than 50%, by area, of the real property within the District is a blighted area within the meaning of Wisconsin Statutes 66.1105(2)(a)1. and 2.** *Finding Required by Wisconsin Statutes 66.1105(4)(gm)4.a.*
- 5. Improvement of the area has, and is likely to enhance significantly the value of substantially all of the other real property in the District.** *Finding Required by Wisconsin Statutes 66.1105(4)(gm)4.b.*
- 6. Project costs incurred have related directly to eliminating blight, consistent with the purpose for which the District was created.** *Finding Required by Wisconsin Statutes 66.1105(4)(gm)4.bm.*

7. **That the valuation test set forth in Wisconsin Statutes 66.1105(4)(gm)4.c. is inapplicable to this Amendment since no territory is being added to the District.** *Finding Required by Wisconsin Statutes 66.1105(4)(gm)4.c.*
8. **Declares that the District is a blighted district based on the identification and classification of the property included within the District.** *Finding Required by Wisconsin Statutes 66.1105(4)(gm)6.*
9. **The Project Plan for the District, as Amended, remains feasible and in conformity with the Master Plan of the City.** *Finding Required by Wisconsin Statutes 66.1105(4)(g).*

2

TYPE & GENERAL DESCRIPTION OF DISTRICT

The Donor District was created by resolution of the Common Council on June 6, 2000 under the authority provided by Wisconsin Statutes 66.1105. The District's valuation date, for purposes of establishing base value, was January 1, 2000.

The District is a "Blighted Area District," created on a finding that at least 50%, by area, of the real property within the District was blighted within the meaning of Wisconsin Statutes 66.1105(2)(a)1. and 2. Since this amendment does not add any territory to the District, the District remains in compliance with this provision.

Wisconsin Statutes 66.1105(4)(h)2. provides authority for a City to amend the boundaries of an existing Tax Incremental District for purposes of adding and/or subtracting territory up to a total of four times during the life of the District. Since this amendment does not involve the addition or subtraction of territory from the District, it is not counted against the number of available amendments.

This Project Plan Amendment supplements, and does not supersede or replace any component of the original Project Plan, or any component of previously adopted Project Plan Amendments, unless specifically stated. All components of the original Project Plan, and any previously adopted Project Plan Amendments, remain in effect.

A map depicting the current boundaries of the District is found in Section 3 of this Plan. Based upon the findings stated above, the original findings stated in the Creation Resolution, and the findings contained in any subsequent resolution adding territory to the District, the District remains a blighted district based on the identification and classification of the property included within the District.

3

**MAPS OF CURRENT DISTRICT BOUNDARIES FOR DONOR AND
RECIPIENT DISTRICTS**

4

MAP SHOWING EXISTING USES & CONDITIONS

A map depicting the *Existing Uses and Conditions* of property within the Donor District is included in the original District Project Plan approved on June 6, 2000. A copy of that Project Plan is on file with the City Clerk. Since the scope of this Amendment is limited to authorizing sharing of increment, no changes to the map are necessary.

5

EQUALIZED VALUE TEST

No additional territory will be added to the District. Demonstration of compliance with the equalized value test is not required for this Amendment.

6

STATEMENT OF KIND, NUMBER AND LOCATION OF PROPOSED PUBLIC WORKS AND OTHER PROJECTS

This amendment provides the authority for the Donor District to allocate surplus increments with the Recipient Districts. No other additional project costs are involved, and the *Statement of Kind, Number and Location of Proposed Public Works and Other Projects* as documented in the June 6, 2000 Project Plan remains in effect.

7

MAPS SHOWING PROPOSED IMPROVEMENTS AND USES

Maps depicting the *Proposed Improvements and Uses* within the Donor District are included in the original District Project Plan approved on June 6, 2000. A copy of that Project Plan is on file with the City Clerk. Since the scope of this Amendment is limited to authorizing sharing of increment, no changes to these maps are necessary.

8

DETAILED LIST OF PROJECT COSTS

This amendment provides the authority for the Donor District to allocate surplus increments with the Recipient Districts. No other additional project costs are involved and the *Detailed List of Project Costs* as documented in the June 6, 2000 Project Plan remains in effect.

9

ECONOMIC FEASIBILITY STUDY & A DESCRIPTION OF THE METHODS OF FINANCING AND THE TIME WHEN SUCH COSTS OR MONETARY OBLIGATIONS RELATED THERETO ARE TO BE INCURRED

This Project Plan Amendment allows the Donor District to allocate positive tax increments to the Recipient Districts. The authority for this Amendment is Wisconsin Statutes 66.1105(6)(f) which provides for the allocation of increments providing that the following conditions are met:

- The Donor District, the positive tax increments of which are to be allocated, and the Recipient Districts have the same overlying taxing jurisdictions.
- The allocation of tax increments is approved by the Joint Review Board.
- The Donor District is able to demonstrate, based on the positive tax increments that are currently generated, that it has sufficient revenues to pay for all project costs that have been incurred under the Project Plan for that District and sufficient surplus revenues to pay for some of the eligible costs of the Recipient Districts.
- The Recipient Districts are eligible to receive allocations of increments based on one or more of the following conditions:
 - that they were created upon a finding that not less than 50 percent, by area, of the real property within the Districts is blighted or in need of rehabilitation.
 - that the project costs in the Districts are used to create, provide, or rehabilitate low-cost housing or to remediate environmental contamination.
 - that they have been declared “Distressed” or “Severely Distressed” under Wisconsin Statutes 66.1105(4e).

The Donor District and Recipient Districts all have the same overlapping tax jurisdictions. Tax Incremental Districts Nos. 11 and 15 are eligible recipients given that both were created upon a finding that not less than 50%, by area, of the real property within them was blighted. Tax Incremental District No. 10 is to be declared Distressed concurrent with this Amendment. The Exhibits following this section demonstrate that the Donor District is generating sufficient tax increments to pay for its project costs, and that surplus increments remain that can be allocated to pay some of the project costs of the Recipient Districts. Accordingly, the statutory criteria under which this amendment can be approved are found to be met.

Summary of Exhibits

- **Exhibit 1 – Donor District Projection of Tax Increment Collections.** Exhibit 1 provides projected tax increment collections through the allowable remaining life of the District assuming that no further development or redevelopment will occur within the District. The projection further assumes that:
 - The City’s “interim” equalized rate used for purposes of calculating the TIF levy, currently \$26.67 per thousand of equalized value, will increase through the 2020 levy year, which assumes modestly increasing levies spread across a tax base growing at a percentage rate less than the percentage rate of the projected levy increases. Beginning with the 2021 levy year, and in each year thereafter, the interim tax rate declines based on an assumption that property values will grow at a faster rate than statutorily constrained levies.

- That existing property values within the District will gradually appreciate with an increase factor of 0.5% first applied as of January 1, 2013, increasing by an additional 0.5% every two years thereafter until reaching, and held constant at, 3.0% for 2024 and beyond.

The District has a maximum statutory life of 27 years, ending on June 6, 2027 with a final collection of tax increment in budget year 2028.

- **Exhibit 2 – Donor District Projected Cash Flow**. Exhibit 2 analyzes projected revenues and expenditures of the District to assess its fund balance position. The analysis starts with the District's 2011 year end fund balance of \$3,987,999, and considers the additional tax increment revenue expected to be collected (per Exhibit 1), other revenues sources, and remaining projected expenditures. The analysis indicates that there is presently sufficient fund balance, net of remaining liabilities, to begin sharing increment immediately with the Recipient Districts. If the Donor District remains open through its statutorily allowed maximum life, the cash flow analysis projects that approximately \$17,335,389 in tax increments could be shared with the Recipient Districts.
- **Exhibit 3a – Tax Incremental District No. 10 Projected Cash Flow Prior to Sharing**. Exhibit 3a presents a similar analysis of projected revenues and expenditures for Tax Incremental District No. 10, and indicates that the District presently has a \$1,419,187 negative fund balance which is projected to grow to \$6,518,145 based on current debt service and other project cost obligations. Given the magnitude of the forecasted fund balance deficit, it will not be possible for the District to recover its Project Costs without implementation of this sharing amendment. It is also noted that in addition to requiring shared increment from Tax Incremental District No. 9, the Recipient District will also need to receive shared funds from Tax Incremental District No. 8, another eligible donor district.
- **Exhibit 3b – Tax Incremental District No. 10 Projected Cash Flow After Sharing**. Exhibit 3b demonstrates that with the receipt of shared increment from the Donor District (as well as from Tax Incremental District No. 8, as an additional donor district), the District can successfully recover all Project Costs by 2018.
- **Exhibit 4a – Tax Incremental District No. 11 Projected Cash Flow Prior to Sharing**. Exhibit 4a presents an analysis of projected revenues and expenditures for Tax Incremental District No. 11, and indicates that the District presently has a \$619,293 negative fund balance which is projected to grow to \$3,342,214 based on current debt service and other project cost obligations. Given the magnitude of the forecasted fund balance deficit, it will not be possible for the District to recover its Project Costs without implementation of this sharing amendment.
- **Exhibit 4b – Tax Incremental District No. 11 Projected Cash Flow After Sharing**. Exhibit 4b demonstrates that with the receipt of shared increment from the Donor District the District can successfully recover all Project Costs by 2017.

- **Exhibit 5a – Tax Incremental District No. 15 Projected Cash Flow Prior to Sharing.** Exhibit 5a presents an analysis of projected revenues and expenditures for Tax Incremental District No. 15, and indicates that the District presently has a \$477,791 negative fund balance. Since the District is not presently generating increment, and is not expected to, it will not be possible for the District to recover its Project Costs without implementation of this sharing amendment.
- **Exhibit 5b – Tax Incremental District No. 15 Projected Cash Flow After Sharing.** Exhibit 5b demonstrates that with the receipt of shared increment from the Donor District the District can successfully recover all Project Costs in 2012 with a single transfer.

Exhibit 2 – Donor District Projected Cash Flow



City of Racine, WI

Tax Increment District No. 9

JOHNSON BUILDING

Cash Flow Pro Forma



Year	Revenues				Expenditures						Balances		Project Cost Principal Outstanding	Year
	Tax Increments	Exempt Computer Aid	Investment Earnings	Total Revenues	Debt Service	Project Costs	Transfer to TID No. 10	Transfer to TID No. 11	Transfer to TID No. 15	Total Expenditures	Annual	Cumulative		
2011	749,707	109,212	10,975	869,894	502,850	150	1,598,568	824,589	491,997	3,418,154	(2,548,260)	3,987,999	0	2011
2012	862,417	100,214	9,161	971,792	502,650	150	200,000	500,000		1,202,800	(231,008)	1,439,739	3,775,000	2012
2013	875,289	102,470	7,481	985,240	503,275	150	200,000	500,000		1,203,425	(218,185)	990,546	3,400,000	2013
2014	892,926	103,965	5,787	1,002,678	493,650	150		500,000		993,800	8,878	999,424	3,015,000	2014
2015	906,409	102,216	4,071	1,012,696	497,100	150		500,000		997,250	15,446	1,014,870	2,630,000	2015
2016	924,804	102,884		1,027,688	495,100	150		250,000		745,250	282,438	1,297,309	2,230,000	2016
2017	938,923	103,022		1,041,945	497,800	150				497,950	543,995	1,841,304	1,395,000	2017
2018	958,107	102,707		1,060,814	500,800	150				500,950	559,864	2,401,168	950,000	2018
2019	972,884	102,871		1,075,755	503,000	150				503,150	572,605	2,973,773	485,000	2019
2020	992,883	102,867		1,095,750	504,400	150				504,550	591,200	3,564,973		2020
2021	1,008,338	102,815		1,111,154						0	1,111,154	4,676,127		2021
2022	1,029,175	102,851		1,132,026						0	1,132,026	5,808,152		2022
2023	1,045,325	102,844		1,148,170						0	1,148,170	6,956,322		2023
2024	1,067,020	102,837		1,169,856						0	1,169,856	8,126,178		2024
2025	1,089,140	102,844		1,191,984						0	1,191,984	9,318,162		2025
2026	1,111,696	102,842		1,214,537						0	1,214,537	10,532,700		2026
2027	1,134,695	102,841		1,237,536						0	1,237,536	11,770,235		2027
2028										0				2028
Total	16,559,738	1,752,302	37,475	18,349,515	5,000,625	1,500	1,998,568	3,074,589	491,997	10,567,279	7,782,236		Callable	

Projected TID Closure

NOTES:

Exhibit 3a – Tax Incremental District No. 10 Projected Cash Flow Prior to Sharing



City of Racine, WI
Tax Increment District No. 10
JACOBSON
Cash Flow Pro Forma

Year	Revenues					Expenditures				Balances		Project Cost Principal Outstanding	Year	
	Tax Increments	Exempt Computer Aid	Investment Earnings	Transfer from TID No. 8	Transfer from TID No. 9	Total Revenues	Debt Service	Interest on Advance	Project Costs	Total Expenditures	Annual			Cumulative
2011	0	176				176	355,119	18,137	25,244	398,500	(398,324)	(1,419,187)	0	2011
2012	0	234				234	352,319		25,244	377,562	(377,328)	(1,817,511)	3,410,000	2012
2013	0	208				208	354,319		25,244	379,562	(379,354)	(2,194,839)	3,210,000	2013
2014	0	206				206	355,919		25,244	381,162	(380,956)	(2,574,194)	3,000,000	2014
2015	0	216				216	352,119		25,244	377,362	(377,146)	(2,955,150)	2,780,000	2015
2016	0	210				210	353,119			353,119	(352,909)	(3,685,205)	2,555,000	2016
2017	0	211				211	352,544			352,544	(352,333)	(4,037,538)	2,320,000	2017
2018	0	212				212	356,519			356,519	(356,306)	(4,393,844)	2,075,000	2018
2019	0	211				211	354,819			354,819	(354,608)	(4,748,452)	1,815,000	2019
2020	0	211				211	352,669			352,669	(352,457)	(5,100,909)	1,545,000	2020
2021	0	212				212	354,719			354,719	(354,507)	(5,455,416)	1,265,000	2021
2022	0	212				212	356,075			356,075	(355,864)	(5,811,280)	970,000	2022
2023	0	212				212	351,350			351,350	(351,138)	(6,162,418)	660,000	2023
2024	0	212				212	356,150			356,150	(355,938)	(6,518,357)	340,000	2024
2025	0	211				211				0	211	(6,518,145)		2025
2026	0	211				211				0				2026
Total	0	3,154	0	0	0	3,154	4,957,756	18,137	126,218	5,102,112	(5,098,958)		Callable	

Projected TID Closure

NOTES:

Exhibit 3b – Tax Incremental District No. 10 Projected Cash Flow After Sharing



City of Racine, WI

Tax Increment District No. 10

JACOBSON

Cash Flow Pro Forma



Cash Flow Does Not Reflect 10 Year Life Extension Resulting from Distressed Designation (Projected TID Closure in 2018 Results from Increment Sharing)

Year	Revenues					Expenditures				Balances		Project Cost Principal Outstanding	Year	
	Tax Increments	Exempt Computer Aid	Investment Earnings	Transfer from TID No. 8	Transfer from TID No. 9	Total Revenues	Debt Service	Interest on Advance	Project Costs	Total Expenditures	Annual			Cumulative
2011	0	0	0	218,943	1,598,568	1,817,687	355,119	18,137	25,244	398,500	1,419,187	(1,419,187)	0	2011
2012	0	176	0	634,772	200,000	835,006	352,319		25,244	377,562	457,444	457,444	3,410,000	2012
2013	0	234	0	642,988	200,000	843,196	354,319		25,244	379,562	463,634	921,078	3,210,000	2013
2014	0	208	0	656,358		656,564	355,919		25,244	381,162	275,402	1,196,479	3,000,000	2014
2015	0	206	0	666,660		666,876	352,119		25,244	377,362	289,514	1,485,993	2,780,000	2015
2016	0	210	0	683,357		683,567	353,119			353,119	330,448	1,816,442	2,555,000	2016
2017	0	211	0	697,005		697,216	352,544			352,544	344,672	2,161,114	2,320,000	2017
2018	0	212	0			212	356,519			356,519	(356,306)	1,804,807	1,815,000	2018
2019	0	211	0			211	354,819			354,819	(354,608)	1,450,200	1,545,000	2019
2020	0	211	0			211	352,669			352,669	(352,457)	1,097,742	1,265,000	2020
2021	0	212	0			212	354,719			354,719	(354,507)	743,235	1,265,000	2021
2022	0	211	0			211	356,075			356,075	(355,864)	387,372	970,000	2022
2023	0	212	0			212	351,350			351,350	(351,138)	36,233	660,000	2023
2024	0	212	0			212	356,150			356,150	(355,938)	(319,705)	340,000	2024
2025	0	211	0			211				0	211	(319,494)		2025
2026	0	211	0			211								2026
Total	0	3,154	0	4,200,083	1,998,568	6,201,805	4,957,756	18,137	126,218	5,102,112	1,099,693		Callable	

Projected TID Closure

NOTES:

Exhibit 4a – Tax Incremental District No. 11 Projected Cash Flow Prior to Sharing



City of Racine, WI
Tax Increment District No. 11
WEST RACINE
Cash Flow Pro Forma

Year	Revenues			Expenditures			Balances		Project Cost Principal Outstanding	Year			
	Tax Increments	Exempt Computer Aid	Investment Earnings	Transfer from TID No. 9	Total Revenues	Debt Service	Interest on Advance	Project Costs			Total Expenditures	Annual	Cumulative
2011												0	2011
2012	0	446			446	192,860	7,915	4,967	205,742	(205,296)	(619,293)	1,685,000	2012
2013	0	406			406	193,143	0	4,967	198,110	(197,703)	(824,589)	1,595,000	2013
2014	0	401			401	193,148	0	4,967	198,115	(197,713)	(1,022,292)	1,500,000	2014
2015	0	418			418	192,875	0	4,967	197,842	(197,424)	(1,417,429)	1,400,000	2015
2016	0	409			409	192,125	0	4,967	197,092	(196,683)	(1,614,112)	1,295,000	2016
2017	0	409			409	196,088	0	4,967	201,055	(200,645)	(1,814,758)	1,180,000	2017
2018	0	412			412	194,475	0	4,967	199,442	(199,030)	(2,013,788)	1,060,000	2018
2019	0	410			410	192,575	0	4,967	197,542	(197,132)	(2,210,920)	935,000	2019
2020	0	410			410	194,606	0	4,967	199,573	(199,163)	(2,410,083)	800,000	2020
2021	0	411			411	191,000	0	4,967	195,967	(195,556)	(2,605,639)	660,000	2021
2022	0	410			410	192,075	0	4,967	197,042	(196,632)	(2,802,270)	510,000	2022
2023	0	411			411	192,513	0	4,967	197,480	(197,069)	(2,999,339)	350,000	2023
2024	0	411			411	192,313	0	4,967	197,280	(196,869)	(3,196,208)	180,000	2024
2025	0	410			410	191,475	0	4,967	196,442	(196,032)	(3,392,240)		2025
2026	0	411			411		0		0	411	(3,391,829)		2026
2027	791	411			1,201		0		0	1,201	(3,390,628)		2027
2028	3,579	410			3,989		0		0	3,989	(3,386,639)		2028
2029	6,395	410			6,806		0		0	6,806	(3,379,834)		2029
2030	9,242	410			9,652		0		0	9,652	(3,370,181)		2030
2031	12,119	410			12,530		0		0	12,530	(3,357,652)		2031
2032	15,027	410			15,438		0		0	15,438	(3,342,214)		2032
Total	47,153	8,648	0	0	55,801	2,701,269	7,915	69,538	2,778,721	(2,722,921)		Callable	

Projected TID Closure

NOTES:

Exhibit 4b – Tax Incremental District No. 11 Projected Cash Flow After Sharing



City of Racine, WI
Tax Increment District No. 11
WEST RACINE
Cash Flow Pro Forma

Year	Revenues				Expenditures			Balances		Project Cost Principal Outstanding	Year	
	Tax Increments	Exempt Computer Aid	Investment Earnings	Transfer from TID No. 9	Total Revenues	Debt Service	Interest on Advance	Project Costs	Total Expenditures			Annual
2011												2011
2012	0	446		824,589	825,035	192,860	7,915	4,967	205,742	619,293	(619,293)	2012
2013	0	406		500,000	500,406	193,143	0	4,967	198,110	302,297	0	2013
2014	0	401		500,000	500,401	193,148	0	4,967	198,115	302,287	604,584	2014
2015	0	418		500,000	500,418	192,875	0	4,967	197,842	302,576	907,160	2015
2016	0	409		500,000	500,409	192,125	0	4,967	197,092	303,317	1,210,477	2016
2017	0	409		250,000	250,409	196,088	0	4,967	201,055	49,355	1,259,831	2017
2018	0	412			412	194,475	0	4,967	199,442	(199,030)	1,060,801	2018
2019	0	410			410	192,575	0	4,967	197,542	(197,132)	863,669	2019
2020	0	410			410	194,606	0	4,967	199,573	(199,163)	664,506	2020
2021	0	411			411	191,000	0	4,967	195,967	(195,556)	468,950	2021
2022	0	410			410	192,075	0	4,967	197,042	(196,632)	272,319	2022
2023	0	411			411	192,513	0	4,967	197,480	(197,069)	75,250	2023
2024	0	411			411	192,313	0	4,967	197,280	(196,869)	(121,619)	2024
2025	0	410			410	191,475	0	4,967	196,442	(196,032)	(317,651)	2025
2026	0	411			411		0		0	411	(317,240)	2026
2027	791	411			1,201		0		0	1,201	(316,039)	2027
2028	3,579	410			3,989		0		0	3,989	(312,050)	2028
2029	6,395	410			6,806		0		0	6,806	(305,245)	2029
2030	9,242	410			9,652		0		0	9,652	(295,592)	2030
2031	12,119	410			12,530		0		0	12,530	(283,063)	2031
2032	15,027	410			15,438		0		0	15,438	(267,625)	2032
Total	47,153	8,648	0	3,074,589	3,130,390	2,701,269	7,915	69,538	2,778,721	351,668		Callable

Projected TID Closure

NOTES:

Exhibit 5a – Tax Incremental District No. 15 Projected Cash Flow Prior to Sharing



City of Racine, WI

Tax Increment District No. 15

HOMEWARD BOUND

Cash Flow Pro Forma



Year	Revenues				Expenditures			Balances		Project Cost Principal Outstanding	Year		
	Tax Increments	Exempt Computer Aid	Investment Earnings	Transfer from TID No. 9	Total Revenues	Debt Service	Interest on Advance	Project Costs	Total Expenditures			Annual	Cumulative
2011	0	0	0	0	0	0	6,106	8,100	14,206	(14,206)	(477,791)	0	2011
2012	0	0	0	0	0	0	14,760		14,760	(14,760)	(491,997)	0	2012
2013	0	0	0	0	0	0	15,203		15,203	(15,203)	(506,757)	0	2013
2014	0	0	0	0	0	0	15,659		15,659	(15,659)	(521,959)	0	2014
2015	0	0	0	0	0	0	16,129		16,129	(16,129)	(537,618)	0	2015
2016	0	0	0	0	0	0	16,612		16,612	(16,612)	(553,747)	0	2016
2017	0	0	0	0	0	0	17,111		17,111	(17,111)	(570,359)	0	2017
2018	0	0	0	0	0	0	17,624		17,624	(17,624)	(587,470)	0	2018
2019	0	0	0	0	0	0	18,153		18,153	(18,153)	(605,094)	0	2019
2020	0	0	0	0	0	0	18,697		18,697	(18,697)	(623,247)	0	2020
2021	0	0	0	0	0	0	19,258		19,258	(19,258)	(641,944)	0	2021
2022	0	0	0	0	0	0	19,836		19,836	(19,836)	(661,203)	0	2022
2023	0	0	0	0	0	0	20,431		20,431	(20,431)	(681,039)	0	2023
2024	0	0	0	0	0	0	21,044		21,044	(21,044)	(701,470)	0	2024
2025	0	0	0	0	0	0	21,675		21,675	(21,675)	(722,514)	0	2025
2026	0	0	0	0	0	0	22,326		22,326	(22,326)	(744,189)	0	2026
2027	0	0	0	0	0	0	22,995		22,995	(22,995)	(766,515)	0	2027
2028	0	0	0	0	0	0	23,685		23,685	(23,685)	(789,510)	0	2028
2029	0	0	0	0	0	0	24,396		24,396	(24,396)	(813,196)	0	2029
2030	0	0	0	0	0	0	25,128		25,128	(25,128)	(837,592)	0	2030
2031	0	0	0	0	0	0	25,882		25,882	(25,882)	(862,719)	0	2031
2032	0	0	0	0	0	0	0		0	0	(888,601)	0	2032
2033	0	0	0	0	0	0	0		0	0	(888,601)	0	2033
Total	0	0	0	0	0	0	402,710	8,100	410,810	(410,810)			

Projected TID Closure

NOTES:

Exhibit 5b – Tax Incremental District No. 15 Projected Cash Flow After Sharing



City of Racine, WI
Tax Increment District No. 15
HOMEWARD BOUND
Cash Flow Pro Forma



Year	Revenues				Expenditures			Balances		Project Cost Principal Outstanding	Year	
	Tax Increments	Exempt Computer Aid	Investment Earnings	Transfer from TID No. 9	Total Revenues	Debt Service	Interest on Advance	Project Costs	Total Expenditures			Annual
2011	0	0	0	491,997	491,997	0	0	0	0	0	0	2011
2012	0	0	0	491,997	491,997	6,106	6,106	8,100	14,206	477,791	(477,791)	2012
2013	0	0	0	0	0	(0)	(0)	0	(0)	0	0	2013
2014	0	0	0	0	0	(0)	(0)	0	(0)	0	0	2014
2015	0	0	0	0	0	(0)	(0)	0	(0)	0	0	2015
2016	0	0	0	0	0	(0)	(0)	0	(0)	0	0	2016
2017	0	0	0	0	0	(0)	(0)	0	(0)	0	0	2017
2018	0	0	0	0	0	(0)	(0)	0	(0)	0	0	2018
2019	0	0	0	0	0	(0)	(0)	0	(0)	0	0	2019
2020	0	0	0	0	0	(0)	(0)	0	(0)	0	0	2020
2021	0	0	0	0	0	(0)	(0)	0	(0)	0	0	2021
2022	0	0	0	0	0	(0)	(0)	0	(0)	0	0	2022
2023	0	0	0	0	0	(0)	(0)	0	(0)	0	0	2023
2024	0	0	0	0	0	(0)	(0)	0	(0)	0	0	2024
2025	0	0	0	0	0	(0)	(0)	0	(0)	0	0	2025
2026	0	0	0	0	0	(0)	(0)	0	(0)	0	0	2026
2027	0	0	0	0	0	(0)	(0)	0	(0)	0	0	2027
2028	0	0	0	0	0	(0)	(0)	0	(0)	0	0	2028
2029	0	0	0	0	0	(0)	(0)	0	(0)	0	0	2029
2030	0	0	0	0	0	(0)	(0)	0	(0)	0	0	2030
2031	0	0	0	0	0	(0)	(0)	0	(0)	0	0	2031
2032	0	0	0	0	0	(0)	(0)	0	(0)	0	0	2032
2033	0	0	0	0	0	(0)	(0)	0	(0)	0	0	2033
Total	0	0	0	491,997	491,997	0	6,106	8,100	14,206	477,791	0	

Projected TID Closure

NOTES:

10 ANNEXED PROPERTY

No territory will be added or subtracted from the District as a result of this amendment.

11 PROPOSED CHANGES IN ZONING ORDINANCES

The City does not anticipate the need to change any of its zoning ordinances in conjunction with the implementation of this Project Plan amendment.

12 PROPOSED CHANGES IN MASTER PLAN, MAP, BUILDING CODES AND CITY OF RACINE ORDINANCES

It is expected that this Plan will be complementary to the City's Master Plan. There are no proposed changes to the Master Plan, map, building codes or other City ordinances for the implementation of this Plan.

13 RELOCATION

It is not anticipated there will be a need to relocate any persons or businesses in conjunction with this Plan. In the event relocation or the acquisition of property by eminent domain becomes necessary at some time during the implementation period, the City will follow applicable state statutes as required in Wisconsin Statutes Chapter 32.

14

ORDERLY DEVELOPMENT OF THE CITY OF RACINE

This project plan amendment will have no impact on the viability of the original District Project Plan as it relates to the orderly development of the City.

15

A LIST OF ESTIMATED NON-PROJECT COSTS

Non-Project Costs are public works projects that only partly benefit the District or are not eligible to be paid with tax increments, or costs not eligible to be paid with tax incremental finance funds. Examples would include:

- A public improvement made within the District that also benefits property outside the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- A public improvement made outside the District that only partially benefits property within the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- Projects undertaken within the District as part of the implementation of this Project Plan, the costs of which are paid fully or in part by impact fees, grants, special assessments, or revenues other than tax increments.

The City does not expect to incur any non-Project Costs in the implementation of this Project Plan.

16

**OPINION OF ATTORNEY FOR THE CITY OF RACINE ADVISING
WHETHER THE PLAN IS COMPLETE AND COMPLIES WITH WISCONSIN
STATUTES, SECTION 66.1105**

September 20, 2012

SAMPLE

Mayor John Dickert
City of Racine
730 Washington Avenue
Racine, Wisconsin 53403

RE: City of Racine, Wisconsin Tax Incremental District No. 9 Amendment

Dear Mayor:

As City Attorney for the City of Racine, I have reviewed the Project Plan and, in my opinion, have determined that it is complete and complies with Section 66.1105 of the Wisconsin Statutes. This opinion is provided pursuant to Section 66.1105(4)(f), Wis. Stat.

Sincerely,

Attorney Robert Weber
City of Racine

EXHIBIT A - CALCULATION OF THE SHARE OF PROJECTED TAX INCREMENTS ESTIMATED TO BE PAID BY THE OWNERS OF PROPERTY IN THE OVERLYING TAXING JURISDICTIONS

Estimated Share by Taxing Jurisdiction of Projected Tax Increments to be paid by Owners of Taxable Property in each of the Taxing Jurisdictions Overlying the Tax Increment District

<i>Revenue Year</i>	<i>City</i>	<i>County</i>	<i>School District</i>	<i>Tech College</i>	<i>Total</i>
	48.64%	12.48%	25.00%	5.37%	
2012	364,655	93,593	0	40,265	498,514
2013	419,477	107,664	215,604	46,318	789,064
2014	425,738	109,271	218,822	47,010	800,842
2015	434,317	111,473	223,232	47,957	816,978
2016	440,875	113,156	226,602	48,681	829,314
2017	449,822	115,453	231,201	49,669	846,145
2018	456,690	117,215	234,731	50,427	859,063
2019	466,021	119,610	239,527	51,458	876,615
2020	473,208	121,455	243,221	52,251	890,136
2021	482,935	123,952	248,221	53,325	908,433
2022	490,453	125,881	252,085	54,156	922,574
2023	500,588	128,482	257,294	55,275	941,638
2024	508,443	130,499	261,331	56,142	956,415
2025	518,995	133,207	266,755	57,307	976,264
2026	529,755	135,968	272,285	58,495	996,503
2027	540,726	138,784	277,924	59,707	1,017,140
2028	551,912	141,655	283,674	60,942	1,038,183
	8,054,611	2,067,319	3,952,508	889,385	14,963,824

NOTE: The projection shown above is provided to meet the requirements of Wisconsin Statute 66.1105(4)(i)4.