

LEGISLATIVE REFERENCE BUREAU FISCAL ANALYSIS

FINANCE & PERSONNEL COMMITTEE

FEBRUARY 26, 2009

Item 9, File #081418

File Number 081418 is a resolution relating to the expenditure of funds to be reimbursed by greater than anticipated revenue from Tax Incremental District No. 58.

Background

1. Tax Incremental District No. 58 (20th/Walnut) was created in 2005 to provide up to \$2.2 million for the acquisition, demolition and environmental remediation of the former Sentry food store site at 20th and Walnut streets. TID funds are also being used for public improvements to support residential development on the site, as well as new street connections to the surrounding street grid.
2. Demolition of the former grocery store has been completed. Construction of public improvements and single-family homes began in 2007.

Discussion

1. The Project Plan for TID No. 58 nets estimated capital expenditures by anticipated land-sale proceeds, resulting in a reduction of funds available to implement the Project Plan. The TID's funding appropriation is based on this reduced net project cost.
2. To date, TID No. 58 has realized property sales revenue of \$38,396. This revenue is needed to fund Project Plan-authorized improvements within the district.
3. This resolution appropriates the \$38,396 in property-sale proceeds from TID No. 58 to a special purpose account from which they will be expended to fund district improvements outlined in the Project Plan.

Fiscal Impact

This resolution recognizes \$38,396 in greater than anticipated revenue from TID No. 58 and authorizes the use of the same amount to fund improvements specified in the TID No. 58 Project Plan.

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