

Reply to Common Council File No. 031505

From DOA-Budget and Management Division

February 19, 2004

Ref: 04013

Common Council File 031505 contains a resolution relating to a procedure for tax increment districts (TID) exceeding Common Council approved expenditures in those districts.

The process was developed together with the Department of City Development, Comptroller's Office, Budget Office, and Fiscal Staff. Some TIDs end up exceeding expenditures due to unforeseen circumstances (unknown ground conditions, contamination, etc.) and for expansion of the original scope of the project. To ensure that all interested parties are informed of these changes, a process was developed in which DCD will verify that there is sufficient budget authority and increments collected to cover the additional appropriation. DCD will also meet with the Budget Office and Fiscal Staff to inform them of the appropriation request. Budget Office and Fiscal Staff will forward their approval to the Comptroller's Office before DCD could request a release of the funds. Also, annually DCD will submit to the Common Council a report of each TID status.

**RECOMMENDATION: APPROVE THE RESOLUTION RELATING TO A  
PROCEDURE FOR TAX INCREMENT DISTRICTS EXCEEDING COMMON  
COUNCIL APPROVED EXPENDITURES.**



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David Schroeder  
Budget & Management Special Assistant

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