

## Section 3.2 Creation or Amendment of TIDS

### 2) Speculative TIDs

The definition of a speculative TID is a TID without an identifiable TIF generator, located in areas in the City requiring TIF to be competitive for economic development projects, focusing on commercial and industrial development. The City may, in its discretion, create a speculative TID according to the following requirements:

1. A speculative TID may be created for the stated public purposes of creating value growth and job creation or retention in areas that are suitable and zoned as either industrial or mixed-use as defined by TIF Law.
2. A TIF generator shall not be required for a speculative TID, however, the City shall provide reasonable, conservative estimates to overlying tax jurisdictions that forecast growth potential and TID expenditure based upon the cost, rent and value potential of the area within such TID.
3. The City shall construct a phased project plan for speculative TIDs that anticipates public investments and development loans that may be made both early in the life of the TID and over time as development occurs and/or increment is generated.
4. Non-assessable infrastructure expenditures shall be deferred until such TID is generating positive tax increment sufficient, as a result of new development activity, to recover the expenditure in the TID's remaining life. The TIF team may recommend an exception if infrastructure investment is likely to be required to attract a generator or if investment is warranted for other reasons.
5. No more than two speculative TIDs shall be open at any given time. Once a speculative TID obtains a generator, a new speculative TID may be considered.
6. No Half Mile Rule boundary amendments, enabling TID expenditures to exceed a TID boundary, shall be adopted for a speculative TID unless the TID demonstrates a reasonable financial capability to recover the expenditures within its remaining life.
7. If no value growth as a result of new development activity occurs at the ten (10)-year anniversary of the TID's creation, the TID shall be dissolved upon receipt of sufficient increment to recover project costs. Use of a donor TIDs may be considered for this purpose if approved by the Common Council and Joint Review Board. The general appreciation of taxable property within such a TID shall not constitute value growth as a result of new development activity.