

CITY OF FRANKLIN
PLAN COMMISSION MEETING*
FRANKLIN MUNICIPAL COURT BUILDING
9455 W. LOOMIS ROAD, FRANKLIN, WISCONSIN
AGENDA
THURSDAY, AUGUST 18, 2016, 7:00 P.M.

A. **Call to Order and Roll Call**

B. **Approval of Minutes**

1. Approval of regular meeting of July 21, 2016.

C. **Public Hearing Business Matters** (action may be taken on all matters following the respective Public Hearing thereon)

1. **PROPOSED PROJECT PLAN, BOUNDARIES AND CREATION OF TAX INCREMENTAL DISTRICT NO. 5, CITY OF FRANKLIN, WISCONSIN (BALLPARK COMMONS SPORTS ANCHORED MIXED-USE DEVELOPMENT).** A. Public Hearing regarding the proposed project plan, boundaries and creation of Tax Incremental District No. 5 (See the Public Hearing Notice which was published on August 4, 2016 & August 11, 2016).
B. Consideration of "A Resolution Designating Proposed Boundaries and Approving a Project Plan for Tax Incremental District No. 5, City of Franklin, Wisconsin". **A PUBLIC HEARING IS SCHEDULED FOR THIS MEETING UPON THIS MATTER.**

D. **Business Matters** (no Public Hearing is required upon the following matters; action may be taken on all matters)

E. **Adjournment**

*Supporting documentation and details of these agenda items are available at City hall during normal business hours.

**Notice is given that a majority of the Common Council, Community Development Authority and Economic Development Commission may attend this meeting to gather information about an agenda item over which they have decision-making responsibility. This may constitute a meeting of the Common Council, Community Development Authority and Economic Development Commission per *State ex rel. Badke v. Greendale Village Board*, even though the Common Council, Community Development Authority and Economic Development Commission will not take formal action at this meeting.

[Note: Upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids and services. For additional information, contact the City Clerk's office at (414) 425-7500.]

REMINDERS:

Next Regular Plan Commission Meeting: September 8, 2016

City of Franklin
Plan Commission Meeting
July 21, 2016
Minutes

unapproved

Call to Order and Roll Call

- A. Mayor Steve Olson called the July 21, 2016 Regular Plan Commission meeting to order at 7:00 p.m. in the Council Chambers at Franklin City Hall, 9229 West Loomis Road, Franklin, Wisconsin.

Present were Alderman Mark Dandrea and Commissioners Kevin Haley, Patricia Hogan, Patrick Leon, David Fowler and City Engineer Glen Morrow. Also present were Associate Planner Orrin Sumwalt and Planning Manager Joel Dietl.

Approval of Minutes

Regular Meeting of July 7, 2016.

- B.
1. Commissioner Hogan moved and Commissioner Haley seconded approval of the July 7, 2016 minutes of the regular meeting of the Plan Commission as presented. On voice vote, all voted 'aye'. Motion carried (6-0-0).

Public Hearing Business Matters
EVERGREEN PARK ESTATES
RESIDENTIAL LOTS
DEVELOPMENT.

Rezoning and Preliminary Plat applications by Rick J. Przybyla, President of Creative Homes, Inc., to rezone a portion of the property located at 7501 South 49th Street (1.867 acres) from C-1 Conservancy District to R-6 Suburban Single-Family Residence District and to subdivide the existing 32.67 acre property at 7501 South 49th Street, to create six R-6 Suburban Single-Family Residence District lots. The Preliminary Plat includes one lot south of West Evergreen Street (Lot 1), three lots north of West Evergreen Street (Lots 2, 3 and 4) and two lots east of South 51st Street (Lots 5 and 6), and five outlots, which are reserved for future single-family residential lots, future storm water management facilities and/or consist of protected natural resource features. The property is zoned R-6 Suburban Single-Family Residence District, C-1 Conservancy District, FC Floodplain Conservancy District and FW Floodway District; Tax Key No. 788-9981-001.

C.1

- A. Planning Manager Dietl presented the request by Creative Homes, Inc. to recommend approval of an ordinance to amend the Unified Development Ordinance (zoning map) to rezone a portion of a certain parcel of land.

The Official Notice of Public Hearing for an ordinance to amend the Unified Development Ordinance to rezone a portion of a certain parcel of land and to recommend approval of a resolution conditionally approving a preliminary plat was read in to the record by Associate Planner Sumwalt. The Public Hearing was opened at 7:03 p.m. and closed at 7:05 p.m. The Public Hearing was reopened at 7:12 p.m. and closed at 7:24 p.m.

Commissioner Leon moved and Commissioner Fowler seconded a motion to recommend approval of an ordinance to amend the Unified Development Ordinance (zoning map) to rezone a portion of a certain parcel of land from C-1 Conservancy District to R-6 Suburban Single-Family Residence District (a portion of the property at 7501 South 49th Street) (approximately 1.867 acres). On voice vote, all voted 'aye'. Motion carried (6-0-0).

- B.** Planning Manager Dietl presented the request by Creative Homes, Inc. for approval of a resolution conditionally approving a Preliminary Plat for Evergreen Park Estates Subdivision (at approximately 7501 South 49th Street).

City Engineer Morrow moved and Commissioner Leon seconded a motion to recommend approval of a resolution conditionally approving a Preliminary Plat for Evergreen Park Estates Subdivision (at approximately 7501 South 49th Street). On voice vote, all voted 'aye'. Motion carried (6-0-0).

HAPPY TAILS PET SUPPLIES RETAIL STORE. Special Use application by Kenneth Paul Lavigne and Tiffany Lyn Lavigne, d/b/a Happy Tails Pet Supplies LLC, to operate a retail pet supply store including the sale of natural/healthy pet food, treats, supplements for dogs and cats, toys, beds, collars, pet dishware, etc., upon property zoned CC City Civic Center District, located at 7700 South Lovers Lane Road, Suite 210 (The Shoppes at Wyndham Village shopping center); Tax Key No. 794-9999-006.

- 2.** Planning Manager Dietl presented the request by Happy Tails Pet Supplies, LLC for approval of a resolution imposing conditions and restrictions for the approval of a Special Use for a retail pet supply store use upon property located at 7700 South Lovers Lane Road, Suite 210 (The Shoppes at Wyndham Village).

The Official Notice of Public Hearing for a Special Use for a retail pet supply store was read in to the record by Associate Planner Sumwalt. The Public Hearing was opened at 7:39 p.m. and closed at 7:39 p.m.

Commissioner Hogan moved and Commissioner Fowler seconded a motion to recommend approval of a resolution imposing conditions and restrictions for the approval of a Special Use for a retail pet supply store use upon property located at 7700 South Lovers Lane Road, Suite 210 (The Shoppes at Wyndham Village). On voice vote, all voted 'aye'. Motion carried (6-0-0).

Business Matters

ORCHARD VIEW SHOPPING CENTER SIGNAGE. Master Sign Program application by John A. O'Malley of O'Malley Investments, to allow for a Master Sign Program allowing each tenant within the shopping center one sign per store front, and allowing end cap tenants signage on multiple store fronts, for property zoned B-3 Community Business District, located at 7140-7240 South 76th Street (Orchard View Shopping Center); Tax Key No. 756-9993-021.

- D.** Planning Manager Dietl presented the application by John A. O'Malley of O'Malley Investments for property located at 7140-7240 South 76th Street (Orchard View Shopping Center).

Commissioner Fowler moved and Commissioner Hogan seconded a motion to approve a resolution approving a Master Sign Program for Orchard View Shopping Center (7140-7240 South 76th Street). On voice vote, all voted 'aye'. Motion carried (6-0-0).

Adjournment

- E.** Commissioner Haley moved and Commissioner Hogan seconded to adjourn the Plan Commission meeting of July 21, 2016 at 7:42 p.m. All voted 'aye'. Motion carried. (6-0-0).

DRAFT



PLAN COMMISSION STAFF REPORT

Before you is the project plan for the proposed Tax Increment Finance (TIF) District #5, which includes the Ballpark Commons development. The project plan was informed by the [TIF District #5 Feasibility Analysis](#) from Ehlers & Associates and an independent [Market Study Review](#) from Melaniphy & Associates which both suggested viability of the Ballpark Commons project. Those analyses were presented to the Common Council on June 28, 2016 and are available on the City's website at www.franklinwi.gov/Home/Business/BallparkCommons.htm.

Ehlers & Associates will offer a presentation at the time of the plan commission meeting to further explain and answer questions related to the project plan and TIF districts in general. A similar presentation was presented to the Common Council on June 28th.

Project Plan Overview:

The project plan outlines the structure, project revenues and expenditures and terms of the proposed tax increment finance (TIF) district. The project plan creates the framework under which the TIF district can operate.

The project plan assumes creation of the district in 2016 and closing in 2034. The increment from the \$101M development (estimated assessed value post-construction) would support the \$26.8 in proposed expenditures. Expenditures include infrastructure costs, a developer incentive and the City's costs to create and oversee the district. Additional \$4.7 M in infrastructure expenditures for sanitary sewer, water mains and streets are expected to be specially assessed to the benefiting property owners and are not eligible TIF district project costs.

The development is expected to create roughly \$2M a year in increment by 2021. During the life of the TIF district, the increment from the district would pay off \$11.6M in general obligation (GO) bonds plus approximately \$2.5M in interest. Developer incentives of \$9,290,000 would be subordinate to the City's GO bonds and contingent on the availability of additional increment funds (Pay-as-You-Go). A \$1.8M Pay-as-you-go payment to Milwaukee County to repay methane remediation costs at the site would also be subordinate to the City's GO bonds. The two-tiered structure of using both GO bonds and Pay-As-You-Go helps reduce risk and borrowing costs for the upfront infrastructure of the development, while helping to fill a financial gap and incentivize the remaining phases of the project.

The proposed TIF district boundaries include the entire Ballpark Commons project area as well as nine smaller parcels between the development and the City boundary with Greendale to the north and east of the project. Those nine parcels are slated for mixed-use and commercial development in the future land use plan.

In 2015, the City worked with GRAEF to complete plans that explored a larger TIF district area around 76th and Rawson, known as Area A. While interest remains in redeveloping the larger area, a TIF district more narrowly defined to the Ballpark Commons development is proposed. In consultation with the City's financial consultant, Ehlers & Associates, a concern exists that if the larger area was included and development on land east of West Loomis Road did not occur in the immediate future, it could negatively impact the limited life of the TIF district. Under the current proposal, the TIF district boundary could be amended to accommodate larger portions of Area A or a separate TIF district could be formed when specific development plans for the land east of West Loomis road are proposed. Furthermore, the more narrowly defined district more closely associates proposed TIF district expenditures with increment generated by the Ballpark Commons development.

Next Steps:

The TIF district project plan will be presented at an organizational Joint Review Board (JRB) meeting scheduled for 12:30 p.m. on August 18, 2016.

A public hearing will be held in conjunction with the Plan Commission meeting scheduled for 7 p.m. on August 18, 2016. The project plan will be presented at the meeting for the Plan Commission's consideration. With action from the Plan Commission, the Common Council would take up the item at their meeting on September 6, 2016. If the project plan is approved by the Common Council, it would be presented to the JRB for consideration (Note: The JRB meeting on August 18th is for organizational purposes, consideration of the plan would occur following Council action.)

As previously communicated to the Common Council, staff has worked to position the Council to take action on the TIF district prior to September 30, 2016. According to Wisconsin Law, if the Council approves the district prior to September 30th, current year assessments are used as the baseline (1/1/16). If the TIF district is created after September 30th, the following year assessments are used (1/1/17). In the case of the Ballpark Commons development, the former Wisconsin Department of Transportation land that has been acquired by the development team will go from having zero to some assessed value. This increase in increment along any increases from revaluation will be included in the TIF district, if created prior to September 30, 2016.

Recommendation:

Motion to approve the resolution designating proposed boundaries and approving a project plan for tax incremental district No. 5, City of Franklin, Wisconsin

RESOLUTION NO. 2016-____

A RESOLUTION DESIGNATING PROPOSED BOUNDARIES
AND APPROVING A PROJECT PLAN FOR
TAX INCREMENTAL DISTRICT NO. 5, CITY OF FRANKLIN, WISCONSIN

WHEREAS, the City of Franklin (the "City") has determined that use of Tax Incremental Financing is required to promote development and redevelopment within the City; and

WHEREAS, Tax Incremental District No. 5 (the "District") is proposed to be created by the City as a mixed-use district in accordance with the provisions of Wisconsin Statutes Section 66.1105 (the "Tax Increment Law"); and

WHEREAS, a Project Plan for the District has been prepared that includes:

- a. A statement listing of the kind, number and location of all proposed public works or improvements within the District, or to the extent provided in Wisconsin Statutes Sections 66.1105(2)(f)1.k. and 66.1105(2)(f)1.n., outside of the District;
- b. An economic feasibility study;
- c. A detailed list of estimated project costs;
- d. A description of the methods of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred;
- e. A map showing existing uses and conditions of real property in the District;
- f. A map showing proposed improvements and uses in the District;
- g. Proposed changes of zoning ordinances, master plan, map, building codes and City ordinances;
- h. A list of estimated non-project costs;
- i. A statement of the proposed plan for relocation of any persons to be displaced;
- j. A statement indicating how the District promotes the orderly development of the City; and
- k. An opinion of the City Attorney advising that the plan is complete and complies with Wisconsin Statutes Section 66.1105(4)(f).

WHEREAS, prior to its publication, a copy of the notice of public hearing was sent to the chief executive officers of Milwaukee County, the Franklin Public School District and the Milwaukee Area Technical College District, and any other entities having the power to levy taxes on property located within the District, in accordance with the procedures specified in the Tax Increment Law; and

WHEREAS, in accordance with the procedures specified in the Tax Increment Law,

the Plan Commission, on August 18, 2016 held a public hearing concerning the project plan and boundaries and proposed creation of the District, providing interested parties a reasonable opportunity to express their views thereon.

NOW, THEREFORE, BE IT RESOLVED by the Plan Commission of the City of Franklin, Wisconsin, that:

1. It recommends to the Common Council that Tax Incremental District No. 5 be created with boundaries as designated in Exhibit A of this Resolution.
2. It approves and adopts the Project Plan for the District, attached as Exhibit B, and recommends its approval to the Common Council.
3. Creation of the District promotes orderly development in the City.

Introduced at a regular meeting of the Plan Commission of the City of Franklin this _____ day of _____, 2016.

Passed and adopted at a regular meeting of the Plan Commission of the City of Franklin this _____ day of _____, 2016.

APPROVED:

Stephen R. Olson, Chairman

ATTEST:

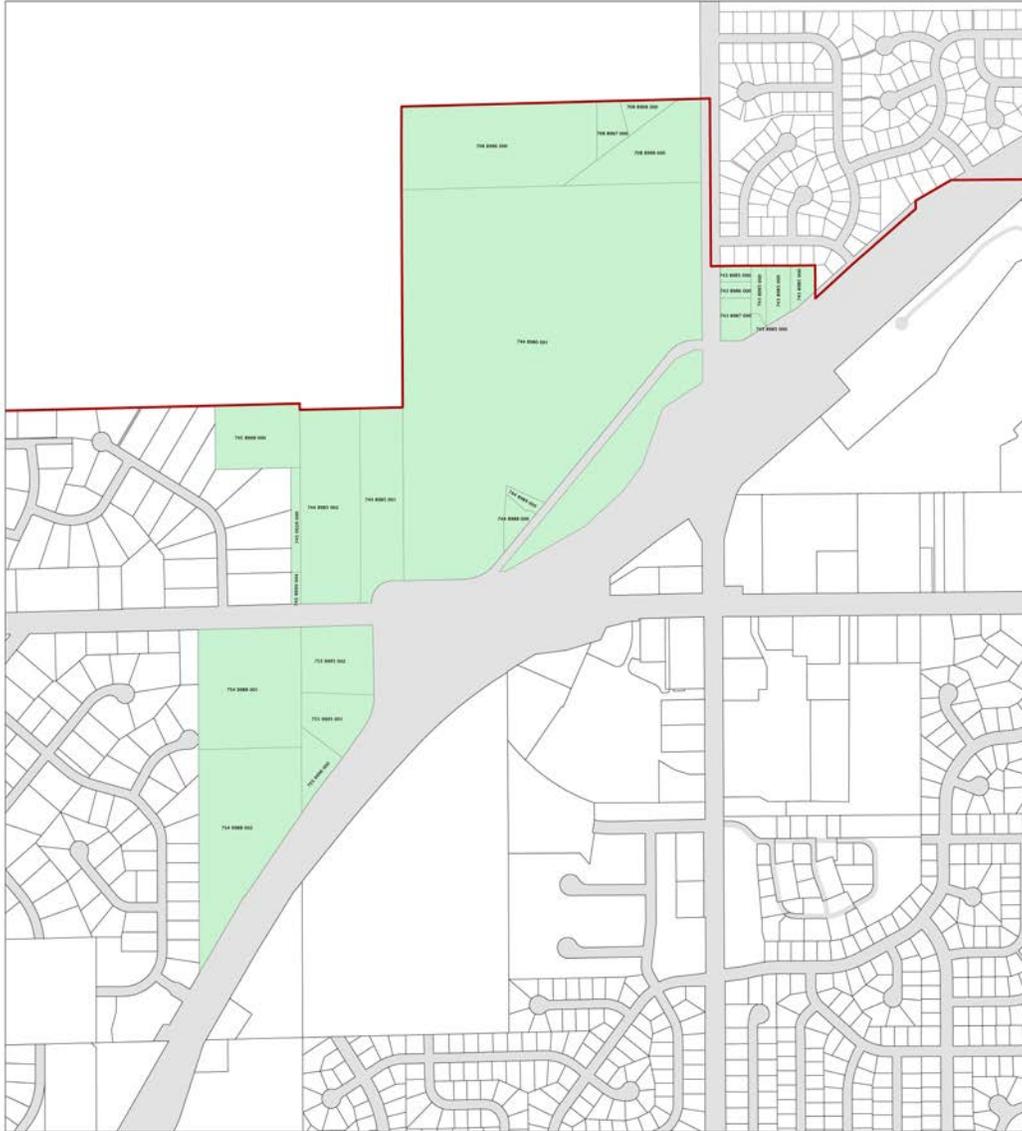
Sandra L. Wesolowski, City Clerk

AYES _____ NOES _____ ABSENT _____

Exhibit A

**LEGAL BOUNDARY MAP OF
TAX INCREMENTAL DISTRICT NO. 5, CITY OF FRANKLIN, WISCONSIN**

[see page 8 of the Project Plan]



Ball Park Commons TIF Map

Exhibit B
PROJECT PLAN

[to be handed out separately]

August 12, 2016

Project Plan for the Creation of Tax Incremental District No. 5



Organizational Joint Review Board Meeting Held:	Scheduled for: August 18, 2016
Public Hearing Held:	Scheduled for: August 18, 2016
Adoption by CDA OR Plan Commission:	Scheduled for: August 18, 2016
Consideration for Adoption by Common Council:	Scheduled for: September 6, 2016
Approval by the Joint Review Board:	Scheduled for: TBD

Tax Incremental District No. 5 Creation Project Plan

City of Franklin Officials

Common Council

Steve Olson

Mark A. Dandrea

Daniel M. Mayer

Kristen Wilhelm

Steve F. Taylor

Mike Barber

Susanne M. Mayer

Mayor

Council Member

Council Member

Council Member

Council Member

Council Member

Council Member

City Staff

Sandra L. Wesolowski

Paul Rotzenberg

Mark Lubberda

Aaron Hertzberg

Jesse Wesolowski

City Clerk

Director of Finance & Treasurer

Director of Administration

Economic Development Director

City Attorney

Plan Commission

Mayor Steve Olson, Chair

Alderman Mark Dandrea

Kevin Haley

Dave Fowler

Patricia Hogan

Patrick Leon

Glen Morrow

Joint Review Board

City Representative

Milwaukee County

Milwaukee Area Technical College District

Franklin Public School District

Public Member



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SECTION 1: Executive Summary

Description of District

Type of District, Size and Location

Tax Incremental District (“TID”) No. 5 (the “TID” or “District”) is proposed to be created by the City of Franklin (“City”) as a mixed-use district. A map of the proposed District boundaries is located in Section 3 of this plan.

Estimated Total Project Expenditures.

The City anticipates making total project expenditures of up to approximately \$22 million to undertake the projects listed in this Project Plan. The City anticipates completing the projects in six phases. The Expenditure Period of this District is 15 years from the date of adoption of the authorizing Resolution of the Common Council (the “Creation Resolution”). The projects to be undertaken pursuant to this Project Plan are expected to be financed with General Obligation bonds and Municipal Revenue (PAYGO) bonds issued by the City, however, the City may use other alternative financing methods which may provide overall lower costs of financing, preserve debt capacity, mitigate risk to the City, or provide other advantages as determined by the Common Council. A discussion and listing of other possible financing mechanisms, as well as a summary of total project financing, is located in Section 10 of this plan.

Economic Development

As a result of the creation of this District, the City projects that additional land and improvements value of approximately \$101 million will be created as a result of new development, redevelopment, and appreciation in the value of existing properties. This additional value will be a result of the improvements made and projects undertaken within the District. A table detailing assumptions as to the timing of new development and redevelopment and associated values is located in Section 10 of this Plan. In addition, creation of the District is expected to result in other economic benefits as detailed in the Summary of Findings hereafter.

Expected Termination of District

Based on the Economic Feasibility Study located in Section 10 of this plan, this District would be expected to generate sufficient tax increments to recover all project costs by the year 2034; 3 years earlier than the 20 year maximum life of this District.

Summary of Findings

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

1. **That “but for” the creation of this District, the development projected to occur as detailed in this Project Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the City.** In making this determination, the City has considered the following information:

- The City has conducted an independent review of the intended developer’s sources and uses proforma for the initial proposed development project. This review has concluded that a public investment of approximately \$9.2 million is required to enable the development to occur in the manner desired by the City, while providing the developer a fair and reasonable return on their investment.
- Some of the sites proposed for development have remained vacant for several years due to lack of adequate infrastructure, environmental contamination, obsolete platting and ownership by multiple parties. Given that the sites have not developed as would have been expected under normal market conditions, it is the judgment of the City that the use of Tax Incremental Financing (“TIF”) will be required to provide the necessary infrastructure and inducements to encourage development on the sites consistent with that desired by the City.
- In order to make the areas included within the District suitable for development, the City will need to make a substantial investment to pay for the costs of: right-of-way and easement acquisition, site preparation, installation of utilities; installation of streets and related streetscape items; development incentive payments, and other associated costs. Due to the extensive initial investment in public infrastructure and/or rehabilitation that is required in order to allow development to occur, the City has determined that development of the area will not occur solely as a result of private investment. Accordingly, the City finds that absent the use of TIF, development of the area is unlikely to occur.
- GRAEF USA, Inc., who was engaged by the City in 2015, conducted a Planning and Engineering Analysis for a larger area encompassing 76th Street and Rawson. This larger area was referred to as Redevelopment Area A and included the property proposed within this District. The study and analysis performed by GRAEF recognizes the use of Tax Increment Financing as a tool for financing the costs necessary to prepare the area for development and/or redevelopment.

2. The economic benefits of the Tax Incremental District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements. In making this determination, the City has considered the following information:

- As demonstrated in the Economic Feasibility Section of this Project Plan, the tax increments projected to be collected are more than sufficient to pay for the proposed project costs. On this basis alone, the finding is supported.
- The development expected to occur is likely to generate approximately 550 to 600 construction jobs paying \$15 to \$45 per hour during construction. When fully developed, the Ballpark Commons will provide approximately 150-175 full time permanent jobs and approximately 350-400 seasonal and part time employment opportunities (225-250 FTEs). Wages will vary widely from seasonal and part time hourly employees to highly compensated full time professionals. (source: Ballpark Commons Developer).
- The development expected to occur within the District would create approximately 403 residential units, providing housing opportunities for workers.

3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.

- If approved, the District’s creation would become effective for valuation purposes as of January 1, 2016. As of this date, the values of all existing development would be frozen and the property taxes collected on this base value would continue to be distributed amongst the various taxing entities as they currently are now. Taxes levied on any additional value established within the District due to new construction, renovation, conversion from public to private ownership or appreciation of property values occurring after January 1, 2016 would be collected by the TID and used to repay the costs of TIF-eligible projects undertaken within the District.
 - Since the development expected to occur is unlikely to take place or in the same manner without the use of TIF (see Finding #1) and since the District will generate economic benefits that are more than sufficient to compensate for the cost of the improvements (see Finding #2), the City reasonably concludes that the overall benefits of the District outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. It is further concluded that since the “but for” test is satisfied, there would, in fact, be no foregone tax increments to be paid in the event the District is not created. As required by Section 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been made and can be found in Exhibit A of this plan.
4. Not less than 50% by area of the real property within the District is suitable for a combination of commercial and residential uses, defined as “mixed-use development” within the meaning of Wisconsin Statutes Section 66.1105(2)(cm). Lands proposed for newly platted residential development comprise 20% by area of the real property within the District. Any project costs related to newly platted residential development are eligible expenditures based on the finding that the development has a residential housing density of at least 3 units per acre as defined in Wisconsin Statutes Section 66.1105(2)(f)3.a.
 5. Based upon the findings, as stated above, the District is declared to be a mixed-use District based on the identification and classification of the property included within the District.
 6. The project costs relate directly to promoting mixed-use development in the District consistent with the purpose for which the District is created.
 7. The improvement of such area is likely to enhance significantly the value of substantially all of the other real property in the District.
 8. The equalized value of taxable property of the District, plus the value increment of all existing tax incremental districts within the City, does not exceed 12% of the total equalized value of taxable property within the City.
 9. The City estimates that approximately 10-15% of the territory within the District will be devoted to retail business at the end of the District’s maximum expenditure period, pursuant to Wisconsin Statutes Sections 66.1105(5)(b) and 66.1105(6)(am)1.
 10. The Project Plan for the District in the City is feasible, and is in conformity with the master plan of the City.

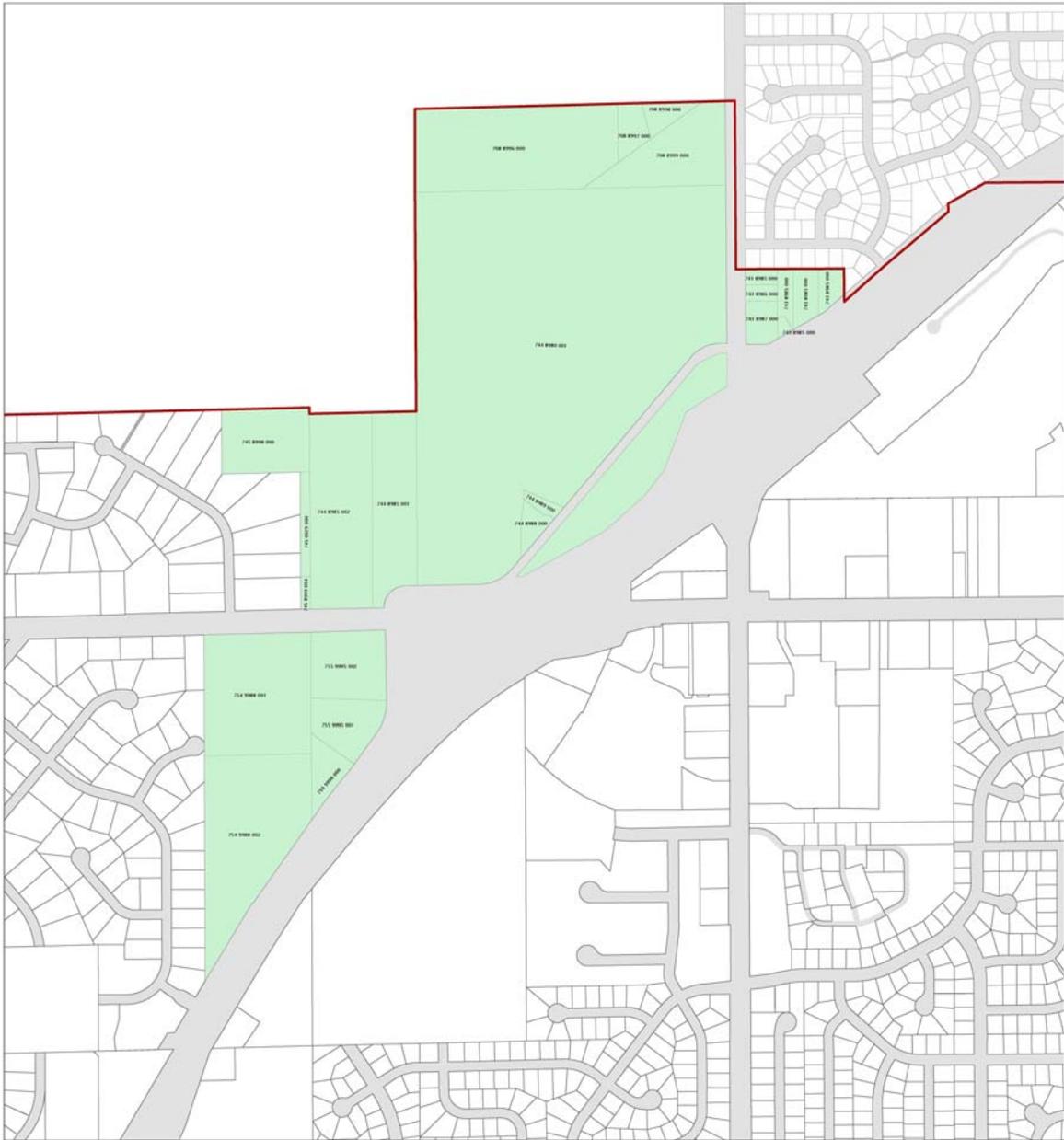
SECTION 2: Type and General Description of District

The District is being created by the City under the authority provided by Wisconsin Statutes Section 66.1105. The District is created as a “Mixed Use District” based upon a finding that at least 50%, by area, of the real property within the District is suitable for a combination of commercial and residential uses as defined within the meaning of Wisconsin Statutes Section 66.1105(2)(cm) (See Section 5 of this plan for a breakdown of District parcels by class and calculation of compliance with the 50% test). Lands proposed for newly platted residential development comprise 20% of the area of the District. To the extent that project costs will be incurred by the City for newly platted residential development, the residential development will have a density of at least 3 units per acre as defined in Wisconsin Statutes Section 66.1105(2)(f)3.a.

A map depicting the boundaries of the District is found in Section 3 of this Plan. A map depicting the proposed uses of the District is found in Section 8 of this plan. The City intends that TIF will be used to assure that a combination of private commercial and residential development occurs within the District consistent with the City’s development objectives. This will be accomplished by installing public improvements and making necessary related expenditures to induce and promote development within the District. The goal is to increase the tax base and to provide for and preserve employment opportunities within the City. The project costs included in the Plan relate directly to promoting mixed-use development in the District consistent with the purpose for which the District is created.

Based upon the findings, as stated within this Plan, the District is declared to be a mixed-use District based on the identification and classification of the property included within the district.

SECTION 3: Preliminary Map of Proposed District Boundary




City of Franklin
City Department
9029 W. Loomis Rd.
Franklin, WI 53132
www.franklinwi.gov

Ball Park Commons TIF Map



SECTION 4: Map Showing Existing Uses and Conditions



Ball Park Commons TIF Map

 City of Franklin
GIS Department
9225 W Loomis Rd.
Franklin, WI 53132
www.franklinwi.gov



SECTION 6: Equalized Value Test

The following calculations demonstrate that the City is in compliance with Wisconsin Statutes Section.66.1105(4)(gm)4.c., which requires that the equalized value of the taxable property in the proposed District, plus the value increment of all existing tax incremental districts, does not exceed 12% of the total equalized value of taxable property within the City.

The equalized value of the increment of existing tax incremental districts within the City, plus the base value of the proposed District, totals \$130,175,494. This value is less than the maximum of \$437,902,308 in equalized value that is permitted for the City of Franklin. The City is therefore in compliance with the statutory equalized valuation test and may proceed with creation of this District.

City of Franklin, Wisconsin				
Tax Increment District # 5				
Valuation Test Compliance Calculation				
District Creation Date	9/6/2016			
	Valuation Data Currently Available 2015	Dollar Charge	Percent Change	Valuation Data Est. Creation Date
Total EV (TID In)	3,649,185,900			3,649,185,900
12% Test	437,902,308			437,902,308
Increment of Existing TIDs				
TID #3	72,829,900			72,829,900
TID #4	54,274,300			54,274,300
				0
				0
				0
				0
Total Existing Increment	127,104,200			127,104,200
Projected Base of New or Amended District	3,071,294			3,071,294
Total Value Subject to 12% Test	130,175,494			130,175,494
Compliance	PASS			PASS

SECTION 7: Statement of Kind, Number and Location of Proposed Public Works and Other Projects

The following is a list of public works and other TIF-eligible projects that the City expects to implement in conjunction with this District. Any costs necessary or convenient to the creation of the District or directly or indirectly related to the public works and other projects are considered "Project Costs" and eligible to be paid with tax increment revenues of the District.

Property, Right-of-Way and Easement Acquisition

Property Acquisition for Development

In order to promote and facilitate development the City may acquire property within the District. The cost of property acquired, and any costs associated with the transaction, are eligible Project Costs. Following acquisition, other Project Costs within the categories detailed in this Section may be incurred in order to make the property suitable for development and/or redevelopment. Any revenue received by the City from the sale of property acquired pursuant to the execution of this Plan will be used to reduce the total project costs of the District. If total Project Costs incurred by the City to acquire property and make it suitable for development and/or redevelopment exceed the revenues or other consideration received from the sale or lease of that property, the net amount shall be considered "real property assembly costs" as defined in Wisconsin Statutes Section 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.

Property Acquisition for Conservancy

In order to promote the objectives of this Plan, the City intends to acquire property within the District that it will designate for conservancy. These conservancy objectives include: preserving historic resources or sensitive natural features; protection of scenic and historic views; maintaining habitat for wildlife; maintaining adequate open space; reduction of erosion and sedimentation by preserving existing vegetation; and providing adequate areas for management of stormwater. The cost of property acquired for conservancy, and any costs associated with the transaction, are eligible Project Costs.

Acquisition of Rights-of-Way

The City may need to acquire property to allow for installation of streets, driveways, sidewalks, the extension of the Oakleaf Trail system, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate and acquire rights-of-way are eligible Project Costs.

Acquisition of Easements

The City may need to acquire temporary or permanent easements to allow for installation and maintenance of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate and acquire easement rights are eligible Project Costs.

Relocation Costs

If relocation expenses are incurred in conjunction with the acquisition of property, those expenses are eligible Project Costs. These costs may include, but are not limited to: preparation of a relocation plan; allocations of staff time; legal fees; publication of notices; obtaining appraisals; and payment of relocation

benefits as required by Wisconsin Statutes Sections 32.19 and 32.195.

Site Preparation Activities

Environmental Audits and Remediation

Land owned by Milwaukee County north of Rawson Avenue is a former landfill that has undergone extensive environmental testing and monitoring. The County-owned land is considered a “closed” landfill by the Wisconsin Department of Natural Resources. There have been no known environmental studies performed on other parcels within the proposed District. If, however, it becomes necessary to evaluate any land or improvement within the District, any cost incurred by the City related to environmental audits, testing, and remediations are eligible Project Costs.

Demolition

In order to make sites suitable for development, the City may incur costs related to demolition and removal of structures or other land improvements, to include abandonment of wells or other existing utility services.

Site Grading

Land within the District may require grading to make it suitable for development and/or redevelopment, to provide access, and to control stormwater runoff. The City may need to remove and dispose of excess material, or bring in fill material to provide for proper site elevations. Expenses incurred by the City for site grading are eligible Project Costs.

Relocation and improvement to Landfill Gas System

Land within the proposed District is a former landfill site and contains a landfill gas system. In order to make the site suitable for development, the City may incur costs related to the relocation and improvements to the methane gas system. Expenses incurred by the City for these costs are eligible Project Costs.

Utilities

Sanitary Sewer System Improvements

There are inadequate sanitary sewer facilities serving areas of the District. To allow development to occur, the City may need to construct, alter, rebuild or expand sanitary sewer infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: collection mains; manholes and cleanouts; service laterals; force mains; interceptor sewers; pumping stations; lift stations; and all related appurtenances. To the extent sanitary sewer projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand sanitary sewer infrastructure located outside of the District. That portion of the costs of sanitary sewer system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs. The improvements to the wastewater treatment facilities, although not within the ½ mile radius, is an eligible project cost under Section 66.1105(2)(f)1 k.

Water System Improvements

There are inadequate water distribution facilities serving areas of the District. To allow development to occur, the City may need to construct, alter, rebuild or expand water system infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or

expansion of: distribution mains; manholes and valves; hydrants; service laterals; pumping stations; wells; storage tanks and reservoirs; and all related appurtenances. To the extent water system projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand water system infrastructure located outside of the District. That portion of the costs of water system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Stormwater Management System Improvements

Development within the District will cause stormwater runoff and pollution. To manage this stormwater runoff, the City may need to construct, alter, rebuild or expand stormwater management infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: stormwater collection mains; inlets, manholes and valves; service laterals; ditches; culvert pipes; box culverts; and infiltration, filtration and detention Best Management Practices (BMP's). To the extent stormwater management system projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand stormwater management infrastructure located outside of the District. That portion of the costs of stormwater management system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Electric Service

In order to create sites suitable for development, the City may incur costs to provide, relocate or upgrade electric services. Relocation may require abandonment and removal of existing poles or towers, installation of new poles or towers, or burying of overhead electric lines. Costs incurred by the City to undertake this work are eligible Project Costs.

Gas Service

In order to create sites suitable for development, the City may incur costs to provide, relocate or upgrade gas mains and services. Costs incurred by the City to undertake this work are eligible Project Costs.

Methane Landfill Gas system

In order to create sites suitable for development, the City may incur costs to relocate or upgrade the methane gas system. Costs incurred by the City to undertake this work are eligible Project Costs.

Communications Infrastructure

In order to create sites suitable for development, the City may incur costs to provide, relocate or upgrade infrastructure required for voice and data communications, including, but not limited to: telephone lines, cable lines and fiber optic cable. Costs incurred by the City to undertake this work are eligible Project Costs.

Streets and Streetscape

Street Improvements

There are inadequate street improvements serving areas of the District. To allow development to occur, the City may need to construct and/or reconstruct streets, highways, alleys, access drives and parking

areas. Eligible Project Costs include, but are not limited to: excavation; removal or placement of fill; construction of road base; asphalt or concrete paving or repaving; installation of curb and gutter; installation of sidewalks and bicycle lanes; installation of culverts, utility relocation, to include burying overhead utility lines; street lighting; installation of traffic control signage and traffic signals; pavement marking; right-of-way restoration; installation of retaining walls; and installation of fences, berms, and landscaping.

Streetscaping and Landscaping

In order to attract development consistent with the objectives of this Plan, the City may install amenities to enhance development sites, rights-of-way and other public spaces. These amenities include, but are not limited to: landscaping; lighting of streets, sidewalks, parking areas and public areas; installation of planters, benches, clocks, tree rings, trash receptacles and similar items; and installation of brick or other decorative walks, terraces and street crossings. These and any other similar amenities installed by the City are eligible Project Costs.

CDA Type Activities

Contribution to Community Development

As provided for in Wisconsin Statutes Sections 66.1105(2)(f)1.h and 66.1333(13), the City may provide funds to its CDA to be used for administration, planning operations, and capital costs, including but not limited to real property acquisition, related to the purposes for which it was established in furtherance of any redevelopment or urban renewal project. Funds provided to the CDA for this purpose are eligible Project Costs.

Miscellaneous

Cash Grants (Development Incentives)

The City may enter into agreements with property owners, lessees, or developers of land located within the District for the purpose of sharing costs to encourage the desired kind of improvements and assure tax base is generated sufficient to recover project costs. No cash grants will be provided until the City executes a developer agreement with the recipient of the cash grant. Any payments of cash grants made by the City are eligible Project Costs.

Projects Outside the Tax Increment District

Pursuant to Wisconsin Statutes Section 66.1105(2)(f)1.n, the City may undertake projects within territory located within one-half mile of the boundary of the District provided that: 1) the project area is located within the City's corporate boundaries and 2) the projects are approved by the Joint Review Board. The cost of projects completed outside the District pursuant to this section are eligible project costs, and may include any project cost that would otherwise be eligible if undertaken within the District. The City intends to make the following project cost expenditures outside the District: Street improvements, streetscaping, trails landfill gas control systems.

Professional Service and Organizational Costs

The costs of professional services rendered, and other costs incurred, in relation to the creation, administration and termination of the District, and the undertaking of the projects contained within this Plan, are eligible Project Costs. Professional services include, but are not limited to: architectural; environmental; planning; engineering; legal, audit; financial; and the costs of informing the public with respect to the creation of the District and the implementation of the Plan.

Administrative Costs

The City may charge to the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee salaries. Costs allocated will bear a direct connection to the time spent by City employees in connection with the implementation of the Plan.

Financing Costs

Interest expense, debt issuance expenses, redemption premiums, and any other fees and costs incurred in conjunction with obtaining financing for projects undertaken under this Plan are eligible Project Costs.

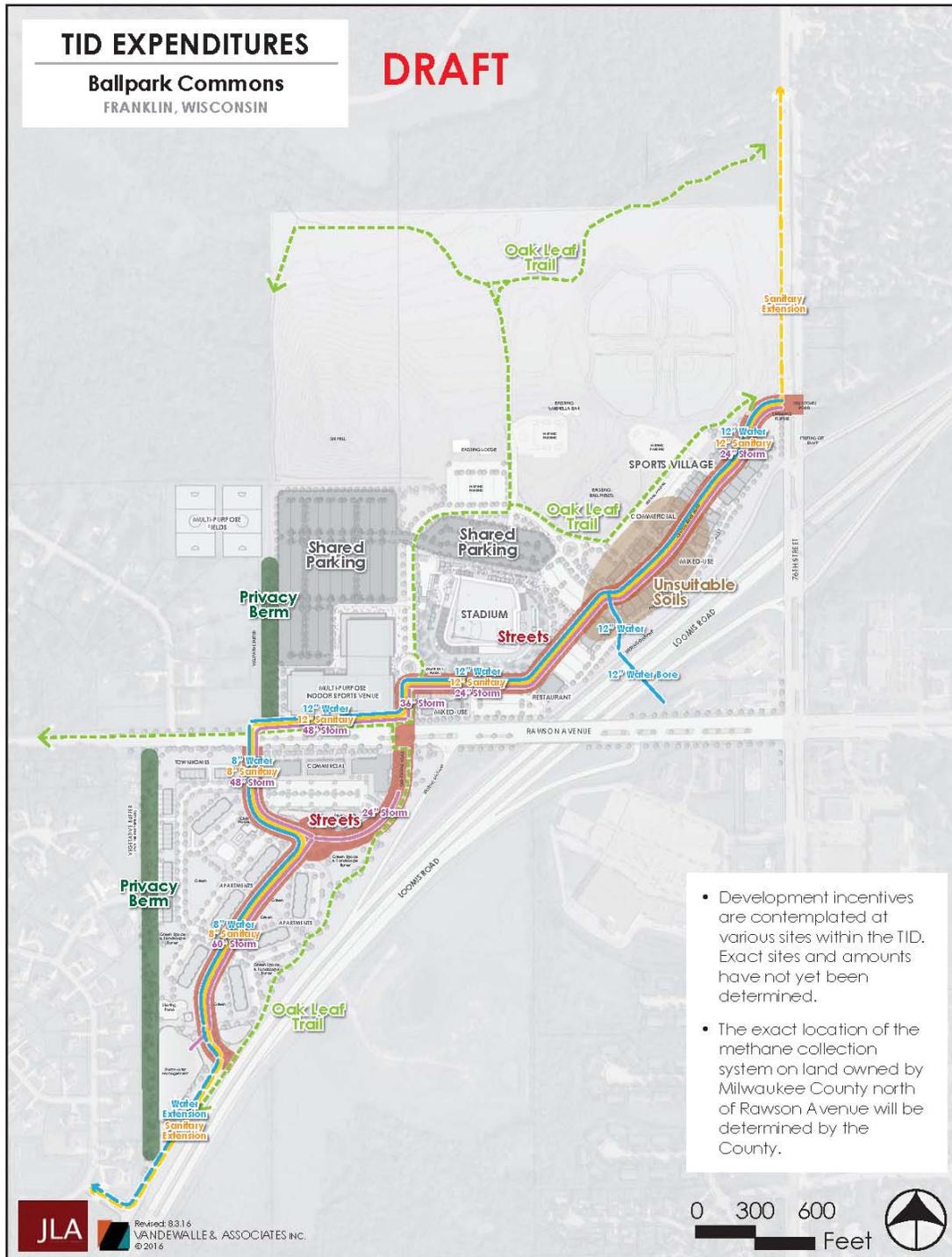
With all projects the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, apparatus necessary for public works, legal and other consultant fees, testing, environmental studies, permits, updating City ordinances and plans, judgments or claims for damages and other expenses are included as Project Costs.

In the event any of the public works project expenditures are not reimbursable out of the special TIF fund under Wisconsin Statutes Section 66.1105, in the written opinion of counsel retained by the City for such purpose or a court of record so rules in a final order, then such project or projects shall be deleted herefrom and the remainder of the projects hereunder shall be deemed the entirety of the projects for purposes of this Project Plan.

The City reserves the right to implement only those projects that remain viable as the Plan period proceeds.

Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred, by the City and as outlined in this Plan. Project Costs will be diminished by any income, special assessments or other revenues, including user fees or charges. To the extent the costs benefit the municipality outside the District, a proportionate share of the cost is not a Project Cost. Costs identified in this Plan are preliminary estimates made prior to design considerations and are subject to change after planning is completed. Prorations of costs in the Plan are also estimates and subject to change based upon implementation, future assessment policies and user fee adjustments.

Map Showing Proposed Improvements



SECTION 9: Detailed List of Project Costs

All costs are based on 2016 prices and are preliminary estimates. The City reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2016 and the time of construction. However, for increases in excess of 25% over the cost of inflation of total project costs, the City would pursue an amendment to the Plan in accordance with the amendment procedures specified in Wisconsin Statutes Section 66.1105(4)(h), which include review by the Joint Review Board. The City also reserves the right to increase certain project costs to the extent others are reduced or not implemented, without amending the Plan. The tax increment allocation is preliminary and is subject to adjustment based upon the implementation of the Plan.

This Plan is not meant to be a budget nor an appropriation of funds for specific projects, but a framework within which to manage projects. All costs included in the Plan are estimates based on best information available. The City retains the right to delete projects or change the scope and/or timing of projects implemented as they are individually authorized by the Common Council, without amending the Plan.

Proposed TIF Project Cost Estimates

City of Franklin, Wisconsin							
Tax Increment District # 5							
Estimated Project List							
Project ID	Project Name/Type	Phase I 2017	Phase II 2017	Phase III 2017	Phase V 2020	Phase VI 2031	
						Total (Note 1)	
North of Rawson							
1	Sanitary Sewer (with 75% Special Assessed)	523,500 *	523,500 *				1,047,000 *
2	Storm Sewer	263,250	263,250				526,500
3	Water (with 75% Special Assessed)	609,250 *	609,250 *				1,218,500 *
4	Streets (with 75% Special Assessed)	900,000 *	900,000 *				1,800,000 *
5	Shared Parking	1,500,000	1,500,000				3,000,000
6	County Methane Collection System				1,530,000		1,530,000
7	Relocate Methane Gas Line	125,000	125,000				250,000
8	Excavate Unsuitable soils	1,225,000	1,225,000				2,450,000
9	Oak Leaf Trail		120,000				120,000
10	Privacy Berms			160,000			160,000
11	Contingency @ 15%	771,900	783,900	24,000		229,500	1,809,300
South of Rawson							0
12	Sanitary Sewer (with 75% Special Assessed)	104,500 *	104,500 *				209,000 *
13	Storm Sewer	208,250	208,250				416,500
14	Water (with 75% Special Assessed)	147,500 *	147,500 *				295,000 *
15	Streets (with 75% Special Assessed)	875,000 *	875,000 *				1,750,000 *
16	Oak Leaf Trail		50,000				50,000
17	Privacy Berms			400,000			400,000
18	Contingency @ 15%	200,288	206,288	60,000			466,575
Overall TIF Area							0
19	TIF Creation and Administration	30,000					30,000
20	Developer Incentive for delivery of additional development			8,240,000	1,050,000		9,290,000
Total Projects		<u>7,483,438</u>	<u>7,641,438</u>	<u>644,000</u>	<u>1,050,000</u>	<u>1,759,500</u>	<u>26,818,375</u>

Notes:

- Note 1: Project costs are estimates and are subject to modification
- Infrastructure Costs Provided by Developer
- * 75% of Sewer, Water and Streets costs identified above are anticipated to be Special Assessed to the benefitting properties and would not be costs to the District (Estimated at \$4,739,625)

SECTION 10: Economic Feasibility Study, Financing Methods, and the Time When Costs or Monetary Obligations Related are to be Incurred

The information and exhibits contained within this Section demonstrate that the proposed District is economically feasible insofar as:

- The City has available to it the means to secure the necessary financing required to accomplish the projects contained within this Plan. A listing of “Available Financing Methods” follows.
- The City expects to complete the projects in one or multiple phases, and can adjust the timing of implementation as needed to coincide with the pace of private development. A discussion of the phasing and projected timeline for project completion is discussed under “Plan Implementation” within this Section. A table identifying the financing method for each phase and the time at which that financing is expected to be incurred is included.
- The development anticipated to occur as a result of the implementation of this Plan will generate sufficient tax increments to pay for the cost of the projects. Within this Section are tables identifying: 1) the development expected to occur, 2) a projection of tax increments to be collected resulting from that development and other economic growth within the District, and 3) a cash flow model demonstrating that the projected tax increment collections and all other revenues available to the District will be sufficient to pay all Project Costs.

Available Financing Methods

The following is a list of the types of obligations the City may choose to utilize.

General Obligation (G.O.) Bonds or Notes

The City may issue G.O. Bonds or Notes to finance the cost of projects included within this Plan. The Wisconsin State Constitution limits the principal amount of G.O. debt that the community may have outstanding at any point in time to an amount not greater than five percent of its total equalized value (TID IN). As of the date of this plan, the City has a G.O. debt limit of \$182,459,295, of which \$146,547,019 is currently unused and could be made available to finance Project Costs.

Bonds Issued to Developers (“Pay as You Go” Financing)

The City may issue a bond or other obligation to one or more developers who provide financing for projects included in this Plan. Repayment of the amounts due to the developer under the bonds or other obligations are limited to an agreed percentage of the available annual tax increments collected that result from the improvements made by the developer. To the extent the tax increments collected are insufficient to make annual payments, or to repay the entire obligation over the life of the District, the City’s obligation is limited to not more than the agreed percentage of the actual increments collected. Bonds or other obligations issued to developers in this fashion are not general obligations of the City and, therefore, do not count against the City’s statutory borrowing capacity.

Tax Increment Revenue Bonds

The City has the authority to issue revenue bonds secured by the tax increments to be collected. These bonds may be issued directly by the City, or as a form of lease revenue bond by a Community Development Authority (CDA). Tax Increment Revenue Bonds and Lease Revenue Bonds are not general obligations of the City and therefore do not count against the City's statutory borrowing capacity. To the extent tax increments collected are insufficient to meet the annual debt service requirements of the revenue bonds, the City may be subject to either a permissive or mandatory requirement to appropriate on an annual basis a sum equal to the actual or projected shortfall.

Utility Revenue Bonds

The City can issue revenue bonds to be repaid from revenues of the its various systems, including revenues paid by the City that represent service of the system to the City. There is neither a statutory nor constitutional limitation on the amount of revenue bonds that can be issued, however, water rates are controlled by the Wisconsin Public Service Commission and the City must demonstrate to bond purchasers its ability to repay revenue debt with the assigned rates. To the extent the City utilizes utility revenues other than tax increments to repay a portion of the bonds, the City must reduce the total eligible Project Costs in an equal amount.

Special Assessment "B" Bonds

The City has the ability to levy special assessments against benefited properties to pay part of the costs for street, curb, gutter, sewer, water, storm sewers and other infrastructure. In the event the City determines that special assessments are appropriate, the City can issue Special Assessment B bonds pledging revenues from special assessment installments to the extent assessment payments are outstanding. These bonds are not counted against the City's statutory borrowing capacity. If special assessments are levied, the City must reduce the total eligible Project Costs under this Plan in an amount equal to the total collected.

Plan Implementation

Projects identified will provide the necessary anticipated governmental services to the area. A reasonable and orderly sequence is outlined on the following page. However, public debt and expenditures should be made at the pace private development occurs to assure increment is sufficient to cover expenses.

It is anticipated developer agreements between the City and property owners will be in place prior to major public expenditures. These agreements can provide for development guarantees or a payment in lieu of development. To further assure contract enforcement, these agreements might include levying of special assessments against benefited properties.

The order in which public improvements are made should be adjusted in accordance with development and execution of developer agreements. The City reserves the right to alter the implementation of this Plan to accomplish this objective.

Interest rates projected are based on current market conditions. Municipal interest rates are subject to constantly changing market conditions. In addition, other factors such as the loss of tax-exempt status of municipal bonds or broadening the purpose of future tax-exempt bonds would affect market conditions. Actual interest expense will be determined once the methods of financing have been approved and securities or other obligations are issued.

If financing as outlined in this Plan proves unworkable, the City reserves the right to use alternate financing solutions for the projects as they are implemented, including interfund advances.

Implementation and Financing Timeline

City of Franklin, Wisconsin					
Tax Increment District # 5					
Estimated Financing Plan					
	G.O. Bond 2017	Municipal Revenue Obligation (MRO) 2017	Municipal Revenue Obligation (MRO) 2020	TIF Revenue Note 2031	Totals
Projects					
Phase I	5,113,625				5,113,625
Phase II	5,271,625				5,271,625
Phase III	644,000				644,000
Phase IV		8,240,000			8,240,000
Phase V			1,050,000		1,050,000
Phase VI				1,759,500	1,759,500
Total Project Funds	11,029,250	8,240,000	1,050,000	1,759,500	20,319,250
Estimated Finance Related Expenses					
Municipal Advisor	32,900				
Bond Counsel	17,500				
Disclosure Counsel (if engaged)	10,500				
Rating Agency Fee	18,000				
Paying Agent	675				
Underwriter Discount	12.50 145,313	0.00 0	0.00 0	0.00 0	0
Debt Service Reserve					
Capitalized Interest	381,694				
Capitalized Carrying Costs		1,018,427			
Total Financing Required	11,635,831	9,258,427	1,050,000	1,759,500	
Estimated Interest	0.25% (13,787)	0.00% 0	0.00% 0	0.00% 0	0
Assumed spend down (months)	6	6	6	6	
Rounding	2,955	0	0	0	
Net Issue Size	11,625,000	9,258,427	1,050,000	1,759,500	23,692,927
Notes: Project costs proposed to be finance above are net of the amount anticipated to be special assessed to benefitting property					

Increment Revenue Projections

City of Franklin, Wisconsin									
Tax Increment District # 5									
Tax Increment Projection Worksheet									
Type of District	Mixed Use		Base Value	3,071,294					
District Creation Date	September 6, 2016		Appreciation Factor	0.00%		Apply to Base Value			
Valuation Date	Jan 1,	2016	Base Tax Rate	\$23.76					
Max Life (Years)	20		Rate Adjustment Factor	-1.00%					
Expenditure Period/Termination	15	9/6/2031	Tax Exempt Discount Rate						
Revenue Periods/Final Year	20	2037	Taxable Discount Rate	1.50%					
Extension Eligibility/Years	Yes	3							
Recipient District	No								

Construction Year	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment	Tax Exempt NPV Calculation	Taxable NPV Calculation
1	2016	0	0	2018	\$23.53	0	0	0
2	2017	24,808,950	0	2019	\$23.29	577,798	577,798	560,847
3	2018	37,066,375	0	2020	\$23.06	1,426,660	2,004,458	1,925,186
4	2019	25,213,550	0	2021	\$22.83	1,987,929	3,992,387	3,798,181
5	2020	14,078,125	0	2022	\$22.60	2,286,189	6,278,576	5,920,359
6	2021	0	0	2023	\$22.37	2,263,327	8,541,903	7,990,268
7	2022	0	0	2024	\$22.15	2,240,694	10,782,597	10,009,193
8	2023	0	0	2025	\$21.93	2,218,287	13,000,884	11,978,391
9	2024	0	0	2026	\$21.71	2,196,104	15,196,989	13,899,087
10	2025	0	0	2027	\$21.49	2,174,143	17,371,132	15,772,475
11	2026	0	0	2028	\$21.28	2,152,402	19,523,534	17,599,721
12	2027	0	0	2029	\$21.06	2,130,878	21,654,412	19,381,960
13	2028	0	0	2030	\$20.85	2,109,569	23,763,981	21,120,302
14	2029	0	0	2031	\$20.64	2,088,473	25,852,454	22,815,827
15	2030	0	0	2032	\$20.44	2,067,589	27,920,043	24,469,591
16	2031	0	0	2033	\$20.23	2,046,913	29,966,955	26,082,622
17	2032	0	0	2034	\$20.03	2,026,444	31,993,399	27,655,923
18	2033	0	0	2035	\$19.83	2,006,179	33,999,578	29,190,473
19	2034	0	0	2036	\$19.63	1,986,117	35,985,695	30,687,226
20	2035	0	0	2037	\$19.44	1,966,256	37,951,952	32,147,113
Totals	101,167,000	0	0	Future Value of Increment		37,951,952		

Notes:
 Actual results will vary depending on development, inflation of overall tax rates.
 NPV calculations represent estimated amount of funds that could be borrowed (including project cost, capitalized interest and issuance costs).

Cash Flow

City of Franklin, Wisconsin																
Tax Increment District # 5																
Cash Flow Projection																
Year	Projected Revenues					Expenditures						Balances			Year	
	Tax Increments	Interest Earnings/ (Cost)	Capitalized Interest	PILOT	Total Revenues	G.O. Bond 11,625,000 Dated Date: 03/01/17			Municipal Revenue Obligation (MRO)	TIF Revenue Note	Admin.	Total Expenditures	Annual	Cumulative		Principal Outstanding
2016		0.25%			0						0	0	0		2016	
2017			381,694		381,694			127,231			127,231	254,463	254,463	20,119,607	2017	
2018	0	636			636		1.40%	254,463			254,463	(253,826)	636	20,628,820	2018	
2019	577,798	2			577,800		1.45%	254,463	254,607		30,000	539,069	38,730	20,883,427	2019	
2020	1,426,660	98			1,426,758	500,000	1.55%	250,588	656,463		30,000	1,437,051	(10,293)	21,283,427	2020	
2021	1,987,929	73			1,988,001	625,000	1.70%	241,400	1,041,338		30,000	1,937,738	50,263	20,108,427	2021	
2022	2,286,189	198			2,286,388	775,000	1.80%	229,113	1,235,401		30,000	2,269,513	16,874	18,558,427	2022	
2023	2,263,327	241			2,263,568	825,000	1.85%	214,506	1,173,963		25,000	2,238,470	25,098	16,983,427	2023	
2024	2,240,694	303			2,240,997	900,000	1.95%	198,100	1,113,901		25,000	2,237,001	3,996	15,358,427	2024	
2025	2,218,287	313			2,218,600	1,000,000	2.05%	179,075	1,006,588		25,000	2,210,663	7,937	13,708,427	2025	
2026	2,196,104	333			2,196,437	1,050,000	2.15%	157,538	952,026		20,000	2,179,563	16,874	12,033,427	2026	
2027	2,174,143	375			2,174,519	1,100,000	2.25%	133,875	918,288		20,000	2,172,163	2,355	10,313,427	2027	
2028	2,152,402	381			2,152,783	1,150,000	2.35%	107,988	797,301		15,000	2,070,288	82,495	8,638,427	2028	
2029	2,130,878	587			2,131,465	1,175,000	2.45%	80,081	759,338		15,000	2,029,420	102,045	6,953,427	2029	
2030	2,109,569	843			2,110,412	1,225,000	2.55%	50,069	727,063		10,000	2,012,132	98,279	5,228,427	2030	
2031	2,088,473	1,088			2,089,562	1,300,000	2.65%	17,225	605,063		10,000	1,932,288	157,273	3,528,427	2031	
2032	2,067,589	1,481			2,069,070		2.75%	0	1,895,938	400,000	10,000	2,305,938	(236,868)	1,778,427	2032	
2033	2,046,913	889			2,047,802		2.85%	0	1,827,334	400,000	10,000	2,237,334	(189,532)	(0)	2033	
2034	2,026,444	415			2,026,859		2.95%	0	0	959,500		959,500	1,067,359	1,233,522	(0)	2034
2035	2,006,179	3,084			2,009,263		3.00%	0	0	0		0	2,009,263	3,242,785	(0)	2035
2036	1,986,117	8,107			1,994,224		3.05%	0	0	0		0	1,994,224	5,237,010	(0)	2036
2037	1,966,256	13,093			1,979,349	0	3.10%	0	0	0		0	1,979,349	7,216,358	(0)	2037
Total	37,951,952	32,541	381,694	0	38,366,187	11,625,000		2,495,713	14,964,616	1,759,500	305,000	31,149,828			Total	

Notes: Interest estimates based upon June, 2016 Aa1 sale plus .60%
MRO includes carrying costs
TIF Revenue Note for County Methane Collection System

Projected TID Closure

SECTION 11: Annexed Property

There are no lands proposed for inclusion within the District that were annexed by the City on or after January 1, 2004.

SECTION 12: Estimate of Property to be Devoted to Retail Business

Pursuant to Wisconsin Statutes Sections 66.1105(5)(b) and 66.1105(6)(am)1, the City estimates that approximately 10-15% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

SECTION 13: Proposed Zoning Ordinance Changes

The City anticipates that a portion of the District will be rezoned prior to development.

SECTION 14: Proposed Changes in Master Plan, Map, Building Codes and City of Franklin Ordinances

It is expected that this Plan will be complementary to the City's Master Plan. The City does not anticipate changes to the Master Plan, map, building codes or other City ordinances for the implementation of this Plan.

SECTION 15: Relocation

It is not anticipated there will be a need to relocate 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 Wisconsin Statutes Section chapter 32.

SECTION 16: Orderly Development of the City of Franklin

The District contributes to the orderly development of the City by providing the opportunity for continued growth in tax base, job opportunities and general economic activity.

SECTION 17: 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 TIF 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 expects to special assessment approximately 75% of the Streets, sewer and water costs necessary to prepare the area for Development. This is estimated to be approximately \$4.7 million and would be non-project costs in the implementation of this Project Plan.

SECTION 18:
Opinion of Attorney for the City of Franklin Advising
Whether the Plan is Complete and Complies with
Wisconsin Statutes 66.1105

August 12, 2016

SAMPLE

Mayor Steve Olson
City of Franklin
9229 West Loomis Road
Franklin, Wisconsin 53132

RE: City of Franklin, Wisconsin Tax Incremental District No. 5

Dear Mayor:

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

Sincerely,

Attorney Jesse Wesolowski
City of Franklin

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 portion of taxes that owners of taxable property in each taxing jurisdiction overlaying district would pay by jurisdiction.							
Statement of Taxes Data Year:		2015		Percentage			
County		18,083,210		21.13%			
Special District		6,145,125		7.18%			
Municipality		23,529,350		27.49%			
School District		33,404,871		39.03%			
School District				0.00%			
Technical College		4,428,322		5.17%			
Total		<u>85,590,878</u>					
Revenue Year	County	Special District	Municipality	School District	Technical College	Total	Revenue Year
2018	0	0	0	0	0	0	2018
2019	122,074	41,484	158,840	225,506	29,894	577,798	2019
2020	301,417	102,429	392,196	556,804	73,813	1,426,660	2020
2021	420,000	142,726	546,491	775,860	102,852	1,987,929	2021
2022	483,015	164,140	628,485	892,266	118,283	2,286,189	2022
2023	478,184	162,499	622,200	883,344	117,101	2,263,327	2023
2024	473,403	160,874	615,978	874,510	115,930	2,240,694	2024
2025	468,669	159,265	609,818	865,765	114,770	2,218,287	2025
2026	463,982	157,673	603,720	857,107	113,623	2,196,104	2026
2027	459,342	156,096	597,683	848,536	112,486	2,174,143	2027
2028	454,749	154,535	591,706	840,051	111,362	2,152,402	2028
2029	450,201	152,990	585,789	831,651	110,248	2,130,878	2029
2030	445,699	151,460	579,931	823,334	109,145	2,109,569	2030
2031	441,242	149,945	574,132	815,101	108,054	2,088,473	2031
2032	436,830	148,446	568,390	806,950	106,973	2,067,589	2032
2033	432,461	146,961	562,706	798,880	105,904	2,046,913	2033
2034	428,137	145,492	557,079	790,891	104,845	2,026,444	2034
2035	423,855	144,037	551,508	782,982	103,796	2,006,179	2035
2036	419,617	142,596	545,993	775,153	102,758	1,986,117	2036
2037	415,421	141,170	540,533	767,401	101,731	1,966,256	2037
		<u>8,018,297</u>	<u>2,724,817</u>	<u>10,433,177</u>	<u>14,812,093</u>	<u>1,963,568</u>	<u>37,951,952</u>
Notes:							
The projection shown above is provided to meet the requirements of Wisconsin Statute 66.1105(4)(i)4.							