March 25, 2026

PROJECT PLAN

City of Franklin, Wisconsin

Tax Incremental District No. 10

Poths General Redevelopment Site

EHLERS
PUBLIC FINANCE ADVISORS

Prepared by:

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KEY DATES

Organizational Joint Review Board Meeting Held:	February 16, 2026
Public Hearing Held:	February 19, 2026
Action by Plan Commission:	February 19, 2026
Action by Common Council:	April 8, 2026
Action by the Joint Review Board:	TBD

TABLE OF CONTENTS

SECTION 1:
Executive Summary

DESCRIPTION OF DISTRICT

Tax Incremental District ("TID") No. 10 ("District") is a proposed Blighted Area District comprising approximately 30 acres located to the southeast of S. 76th Street and W Rawson Avenue. The District will be created to pay the cost of development incentives and other ongoing administrative costs related to redevelopment of the Orchard View Shopping Center and adjoining parcels ("Project"). The initial development will consist of a 292-unit market rate multifamily development to be constructed by Land by Label ("Developer") named Poths General, honoring the legacy of the historic Poths General Store that previously stood on the site. Additionally, the Developer plans to build a new Dollar Tree store within the district, to replace the existing Dollar Tree building that will be demolished by the Developer as a part of the multifamily development. There is also opportunity for future commercial development in the District. In addition to the incremental property value that will be created, the City expects the Project to provide employment opportunities, increased income and sales tax collection, development of housing, increased commercial activity, and other benefits to the local economy resulting from the purchase of goods and services related to construction and operation of the Project.

AUTHORITY

The City is creating the District under the provisions of Wis. Stat. § 66.1105.

ESTIMATED TOTAL PROJECT COST EXPENDITURES

The City anticipates making total expenditures of approximately $15.7 million ("Project Costs") to undertake the projects listed in this Project Plan ("Plan"). Project Costs include an estimated $15 million for development incentives, and $705,000 for ongoing administrative expenses.

INCREMENTAL VALUATION

The City projects that new land and improvements value of approximately $42 million will result from the Project. Creation of this additional value will be made possible by the Project Costs made within the District. A table detailing assumptions as to the development timing and associated values is included in the Economic Feasibility Study located within this Plan.

EXPECTED TERMINATION OF DISTRICT

Based on the Economic Feasibility Study located within Section 9 of this Plan, the City anticipates that the District will generate sufficient tax increment to pay all Project Costs within its allowable 27 year life.

SUMMARY OF FINDINGS

As required by Wis. Stat. § 66.1105, and as documented in this 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 Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the City. The City engaged SB Friedman Development Advisors to evaluate the Developer's request for tax incremental financing assistance and to provide an opinion as to whether the Project requires it to procced. The following excerpt taken from the Friedman report summarizes the conclusions. The City has relied on this report to conclude that but for the receipt of the requested assistance, the Project will not proceed. (A full copy of the Friedman report is attached as Appendix A).

   FINANCIAL BUT-FOR TEST
   - Based on SB Friedman's analysis of the Developer's financial pro forma, we've determined that the assumptions are reasonable based on comparable projects and current market conditions.
   - Without assistance, the Project would achieve returns substantially below expected market returns as stated by Land by Label and as observed by SB Friedman on other recent development projects in the region.
   - Therefore, it is our conclusion that this Project would not occur, as presented, but-for the financial assistance requested by the Developer.

2. The economic benefits of the 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 benefits that will result from the Project:

   a. Creation of 292 housing units, providing housing for workers and families that will support the local economy.

   b. Redevelopment of a blighted site, providing new housing and commercial uses that will generate significantly more economic activity than present uses in the District.

   c. The short-term economic benefit in terms of employment and purchase of materials and services related to construction of the Project.

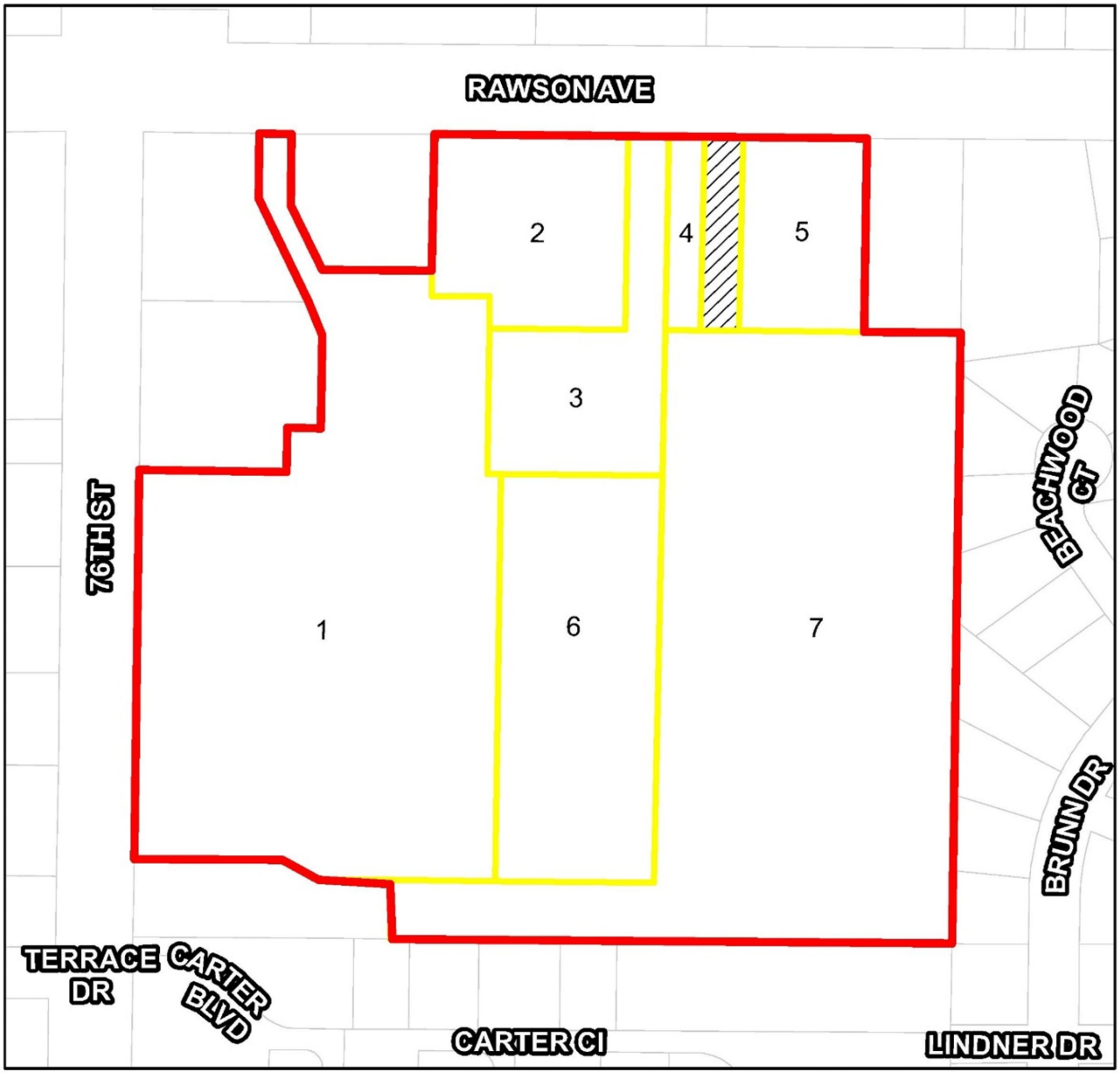
d. The long-term economic benefit resulting from increased employment associated with uses to be established in the District.

3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. As required by Wis. Stat. § 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 prepared and can be found in this Plan. However, because the Project would not occur without the use of tax incremental financing, these tax increments would not be paid but for creation of the District. Accordingly, the City finds that the benefits expected to be realized as set forth in this Plan outweigh the value of the tax increments to be invested in the Project.
4. Not less than 50% by area of the real property within the District is a blighted area as defined by Wis. Stat. § 66.1105(2)(ae)1.
5. Based on the foregoing finding, the District is designated as a blighted area district.
6. The Project Costs relate directly to the elimination of blight in the District, consistent with the purpose for which the District is created.
7. Improvements to be made in the District are likely to significantly enhance the value of substantially all of the other real property in the District.
8. The equalized value of taxable property in the District, plus the incremental value 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 less than 35% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wis. Stat. § 66.1105(5)(b).
10. There are no parcels to be included within the District that were annexed by the City within the preceding three-year period.
11. The Plan for the District is feasible and is in conformity with the Master Plan of the City.

SECTION 2:
Preliminary Map of Proposed District Boundary

Map Found on Following Page.

To the extent District boundaries include wetlands identified on a map prepared under Wis. Stat. § 23.32, the wetlands are excluded from the District.



Franklin Proposed TID 10

TID 10 Boundary and Area

Included Properties

Rawson ROW

Franklin WISCONSIN

GIS Department
9229 W Loomis Rd
Franklin, WI 53132
www.franklinwi.gov

Map Ref #	Parcel Number
1	756 9993 021
2	756 9993 013
3	756 9993 005
4	756 9993 019
5	756 9993 018
6	756 9993 016
7	756 9993 012

Feet 0 100 200

This map shows the approximate relative location of property boundaries but was not prepared by a professional land surveyor.
This map is provided for informational purposes only and may not be sufficient or appropriate for legal, engineering, or surveying purposes.

BFausel - 12/22/2025
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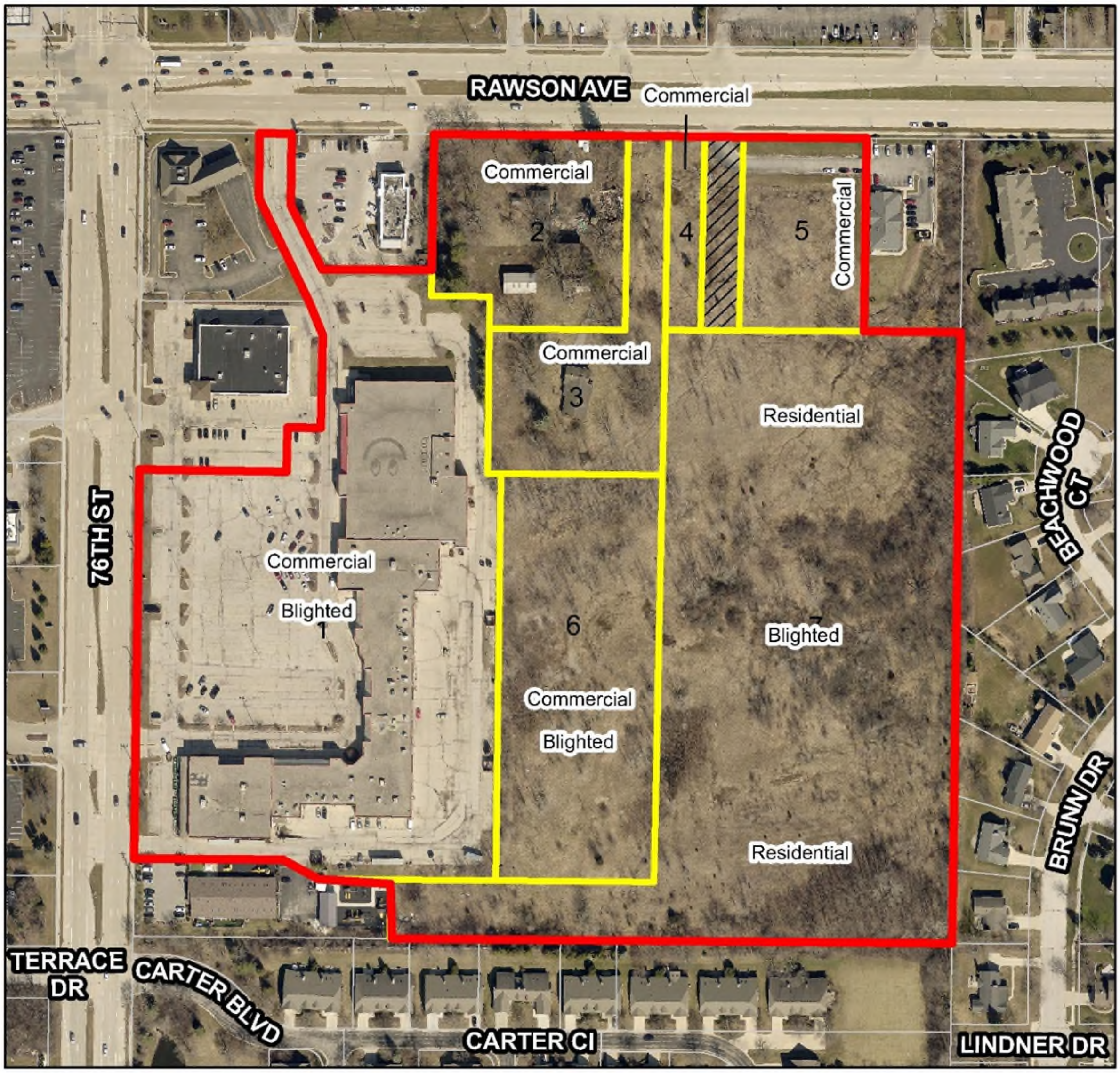

Franklin Proposed TID 10

Existing Uses

Franklin
WISCONSIN

GIS Department
9229 W Loomis Rd
Franklin, WI 53132
www.franklinwi.gov

TID 10 Boundary and Area
Included Properties
Rawson ROW

N W E S

0 100 200 Feet

This map shows the approximate relative location of property boundaries but was not prepared by a professional land surveyor.
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BFausel - 12/29/2025
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SECTION 4:
Preliminary Parcel List and Analysis

Map Reference Number	Parcel Number	Address	Owner	Acres	Acres Blighted
N/A	ROW Areas			0.41	
1	756 9993 021	7178 S 76TH ST	INITECH, LLC	10.10	10.10
2	756 9993 013	7401 W RAWSON	FRANKLIN RAWSON, LLC	1.97	
3	756 9993 005	7401 W RAWSON	FRANKLIN RAWSON, LLC	1.83	
4	756 9993 019	7295 W RAWSON	FRANKLIN RAWSON, LLC	0.38	
5	756 9993 018	7255 W RAWSON	FRANKLIN RAWSON, LLC	1.31	
6	756 9993 016	0 W RAWSON AV	INITECH, LLC	3.59	3.59
7	756 9993 012	0 W RAWSON AV	INITECH, LLC	10.71	10.71
TOTALS				30.31	24.40

Percentage of TID Area Designated as Blighted (at least 50%)	81%
Percentage of TID Area Not Designated as Blighted	19%
Total Area	100%
Wetland Acreage Removed from District Boundaries	0.18

Calculation of Estimated Base Value[1]

	Assessed Value			Equalized Value[2]		
Parcel	Land	Improvement	Total	Land	Improvement	Total
756 9993 021	2,931,600	1,648,300	**4,579,900**	3,230,100	1,816,100	**5,046,200**
756 9993 013	138,500	7,700	**146,200**	152,600	8,500	**161,100**
756 9993 005	138,800	1,400	**140,200**	152,900	1,500	**154,400**
756 9993 019	86,300	0	**86,300**	95,100	0	**95,100**
756 9993 018	575,500	0	**575,500**	634,100	0	**634,100**
756 9993 016	598,200	0	**598,200**	659,100	0	**659,100**
756 9993 012	259,300	0	**259,300**	285,700	0	**285,700**
TOTALS	4,728,200	1,657,400	6,385,600	5,209,600	1,826,100	7,035,700

1) Estimated based on values as of January 1, 2025. Actual base value will be as of January 1, 2026.

2) Calculation based on aggregate assessment ratio of 90.76%.

Blighted Area:

The District will be designated as a blighted area. Under the definition of blighted area found at Wis. Stat. § 66.1105(2)(ae), qualifying criteria includes: "An area, including a slum area, in which the structures, buildings or improvements, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of these factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime, and is detrimental to the public health, safety, morals or welfare"; or "An area which is predominantly open and which consists primarily of an abandoned highway corridor, as defined in § 66.1333(2m)(a), or that consists of land upon which buildings or structures have been demolished and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, or otherwise, substantially impairs or arrests the sound growth of the community."

Specific blighting conditions include the following parcels:

- The Orchard View Shopping Center, specifically the Poth's General Site (see Map Reference #1).
- 13 acres of vacant land, east of the shopping center (Map Reference #6 & #7).

A total of 24.40 acres, or 81% of the District area, is blighted, meeting the requirement that at least 50% of the area be blighted.

See Appendices B and C for the Blight Designation Narrative & Photos.

SECTION 5:
Equalized Value Test

The following calculations demonstrate that the City expects to be in compliance with Wis. Stat. § 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 $374,704,700. This value is less than the maximum of $869,462,904 in equalized value that is permitted for the City.

City of Franklin, Wisconsin		
Tax Increment District No. 10		
Valuation Test Compliance Calculation		
Calculation of City Equalized Value Limit		
City TID IN Equalized Value (Jan. 1, 2025)	$	7,245,524,200
TID Valuation Limit @ 12% of Above Value	$	869,462,904
Calculation of Value Subject to Limit		
Estimated Base Value of Territory to be Included in District	$	7,035,700
Plus: Assumed change for Jan. 1, 2026 assessment	$	-
Incremental Value of Existing Districts (Jan. 1, 2025)	$	367,669,000
Less: Value of Parcels Removed from District	$	-
Less: Value of Underlying TID Parcels	$	-
Total Value Subject to 12% Valuation Limit	$	374,704,700
Total Percentage of TID IN Equalized Value		5.17%
Residual Value Capacity of TID IN Equalized Value	$	494,758,204

SECTION 6:
Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District

Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred as outlined in this Plan. Project Costs will be diminished by any income, special assessments or other revenues, including user fees or charges, other than tax increments, received or reasonably expected to be received in connection with the implementation of the Plan. If Project Costs incurred benefit territory 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, design and construction is completed.

The following is a list of tax incremental financing eligible Project Costs that the City expects to make, or may need to make, in conjunction with the implementation of the District's Plan. The map found in Section 7 of this Plan along with the Detailed List of Project Costs found in Section 8 provide additional information as to the kind, number and location of potential Project Costs. There are no public improvements in this Project Plan.

Community Development

Cash Grants (Development Incentives)

The City may enter into agreements with property owners, lessees, or developers of land located within the District for 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.

Miscellaneous

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

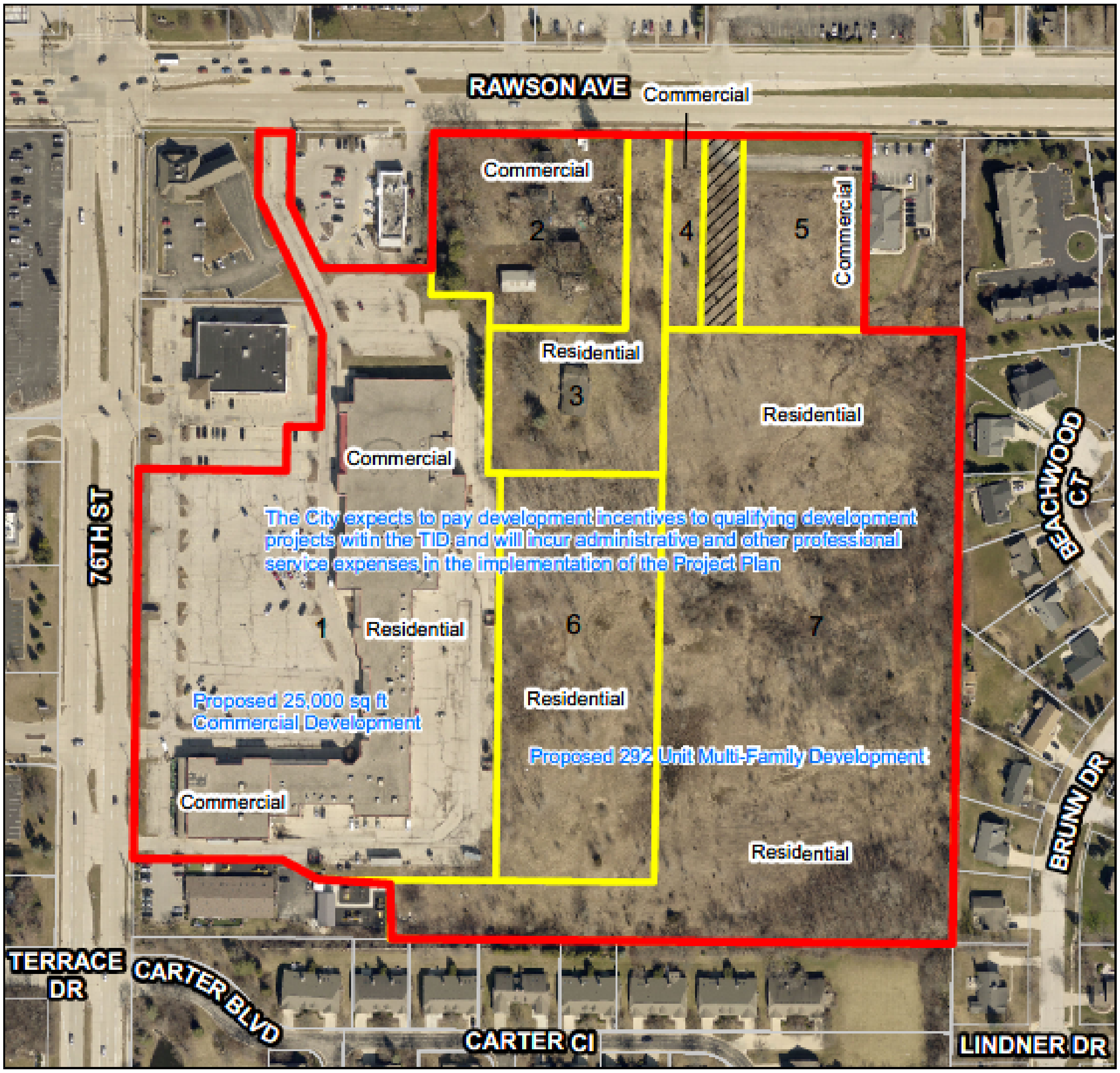
The City may charge the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee salaries. Costs allocated will bear a direct connection to the time spent by City employees relating to the implementation of the Plan.

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.

SECTION 7:
Map Showing Proposed Improvements and Uses

Map Found on Following Page.



Franklin Proposed TID 10

Future Uses

Franklin
WISCONSIN

GIS Department
9229 W Loomis Rd
Franklin, WI 53132
www.franklinwi.gov

TID 10 Boundary and Area
Included Properties
Rawson ROW

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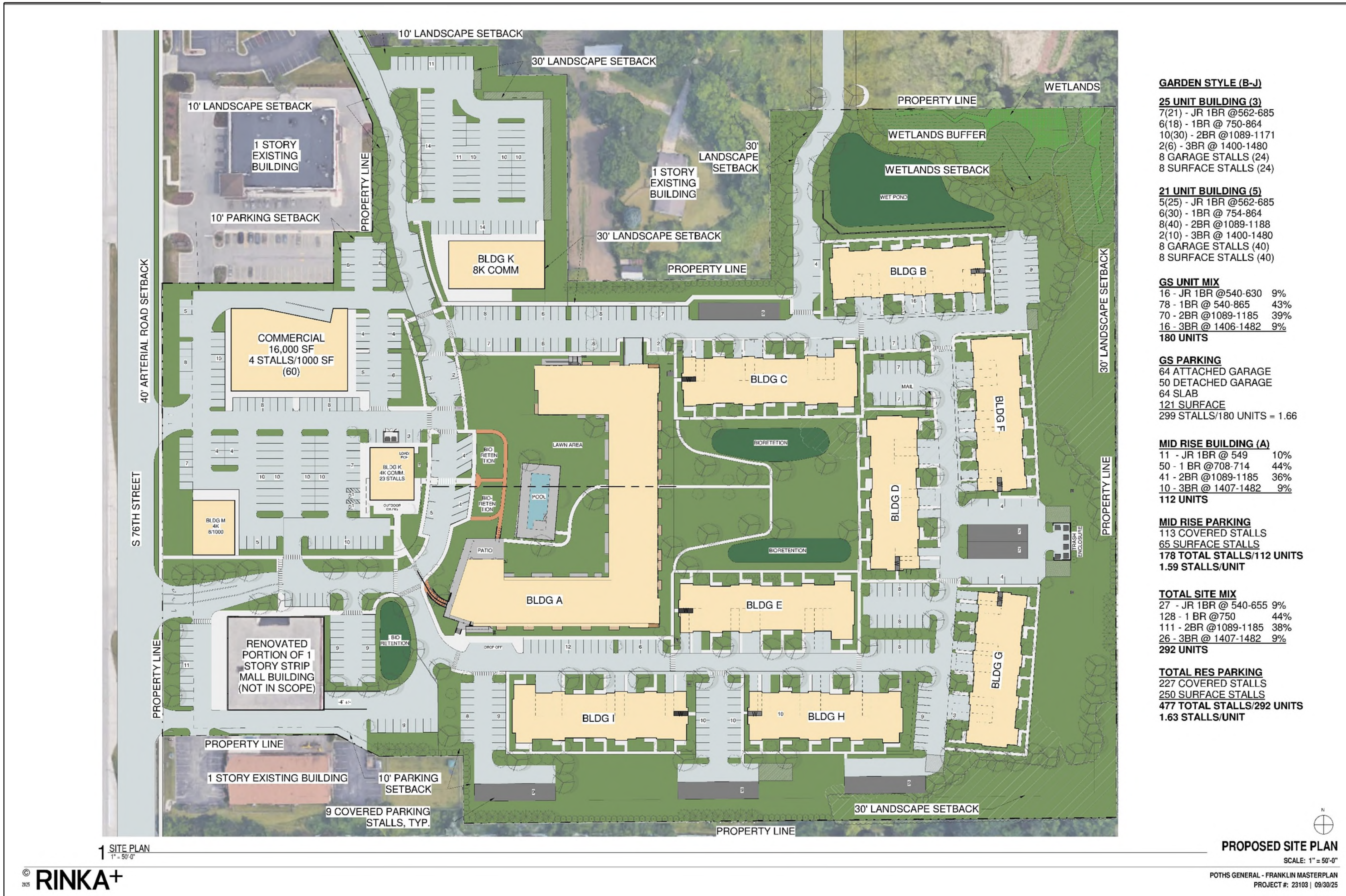
10' LANDSCAPE SETBACK
30' LANDSCAPE SETBACK
10' LANDSCAPE SETBACK
1 STORY EXISTING BUILDING
10' PARKING SETBACK
PROPERTY LINE
1 STORY EXISTING BUILDING
30' LANDSCAPE SETBACK
30' LANDSCAPE SETBACK
PROPERTY LINE
WETLANDS
PROPERTY LINE
WETLANDS BUFFER
WETLANDS SETBACK
WET POND
BLDG K
8K COMM
40' ARTERIAL ROAD SETBACK
S 76TH STREET
COMMERCIAL
16,000 SF
4 STALLS/1000 SF
(60)
BLDG B
BLDG C
BLDG F
BLDG D
30' LANDSCAPE SETBACK
PROPERTY LINE
LAWN AREA
BIORETENTION
POOL
PATIO
BIORETENTION
BLDG A
BLDG E
BLDG G
BLDG M
4K
8/1000
BLDG K
4K COMM.
23 STALLS
TRASH ENCLOSURE
MAIL
DROP OFF
BIO RETENTION
RENOVATED PORTION OF 1 STORY STRIP MALL BUILDING (NOT IN SCOPE)
PROPERTY LINE
BLDG I
BLDG H
PROPERTY LINE
1 STORY EXISTING BUILDING
10' PARKING SETBACK
9 COVERED PARKING STALLS, TYP.
30' LANDSCAPE SETBACK
PROPERTY LINE
GARDEN STYLE (B-J)
25 UNIT BUILDING (3)
7(21) - JR 1BR @562-685
6(18) - 1BR @ 750-864
10(30) - 2BR @1089-1171
2(6) - 3BR @ 1400-1480
8 GARAGE STALLS (24)
8 SURFACE STALLS (24)
21 UNIT BUILDING (5)
5(25) - JR 1BR @562-685
6(30) - 1BR @ 754-864
8(40) - 2BR @1089-1188
2(10) - 3BR @ 1400-1480
8 GARAGE STALLS (40)
8 SURFACE STALLS (40)
GS UNIT MIX
16 - JR 1BR @540-630 9%
78 - 1BR @ 540-865 43%
70 - 2BR @1089-1185 39%
16 - 3BR @ 1406-1482 9%
180 UNITS
GS PARKING
64 ATTACHED GARAGE
50 DETACHED GARAGE
64 SLAB
121 SURFACE
299 STALLS/180 UNITS = 1.66
MID RISE BUILDING (A)
11 - JR 1BR @ 549 10%
50 - 1 BR @708-714 44%
41 - 2BR @1089-1185 36%
10 - 3BR @ 1407-1482 9%
112 UNITS
MID RISE PARKING
113 COVERED STALLS
65 SURFACE STALLS
178 TOTAL STALLS/112 UNITS
1.59 STALLS/UNIT
TOTAL SITE MIX
27 - JR 1BR @ 540-655 9%
128 - 1 BR @750 44%
111 - 2BR @1089-1185 38%
26 - 3BR @ 1407-1482 9%
292 UNITS
TOTAL RES PARKING
227 COVERED STALLS
250 SURFACE STALLS
477 TOTAL STALLS/292 UNITS
1.63 STALLS/UNIT
1 SITE PLAN
1" = 50'-0"
PROPOSED SITE PLAN
SCALE: 1" = 50'-0"
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POTHS GENERAL - FRANKLIN MASTERPLAN
PROJECT #: 23103 | 09/30/25

SECTION 8:
Detailed List of Estimated Project Costs

The following list identifies the Project Costs that the City currently expects to incur in implementing the District's Plan. All projects identified and related costs reflect the best estimates available as of the date of preparation of this Plan. All costs are preliminary estimates and may increase or decrease. Certain Project Costs listed may become unnecessary, and other Project Costs not currently identified may need to be made. (Section 6 details the general categories of eligible Project Costs). Changes in Project Cost totals or the types of Project Costs to be incurred will not require that this Plan be amended. This Plan is not meant to be a budget nor an appropriation of funds for specific Project Costs, but a framework within which to manage Project Costs.

City of Franklin, Wisconsin

Tax Increment District No. 10

Detailed List of Estimated Project Costs

Project ID	Project Name/Type	Est. Cost	Totals
1	Development Incentives		
	Land By Label	15,000,000	**15,000,000**
2	Ongoing Planning & Administrative Costs	705,000	**705,000**
Total Projects		**15,705,000**	**15,705,000**

SECTION 9:
Economic Feasibility Study, Description of the Methods of Financing Estimated Project Costs and the Time When Related Costs or Monetary Obligations are to be Incurred

This Section includes a forecast of the valuation increases expected within the District, the associated tax increment collections, a summary of how Project Costs would be financed, and a projected cash flow demonstrating that the District is economically feasible.

Key Assumptions

The Project Costs the City plans to make are expected to create $42 million in incremental value by 2054. Estimated valuations and timing for construction of the Project are included in Table 1. Assuming the City's current equalized TID Interim tax rate of $16.50 per thousand of equalized value, declining at -0.5% annually, and no economic appreciation or depreciation, the Project would generate $17 million in incremental tax revenue over the 27-year term of the District as shown in Table 2.

City of Franklin, Wisconsin

Tax Increment District No. 10

Development Assumptions

Construction Year		Actual	Poths General - Apartments[1] Units	Poths General - Apartments[1] Total Value	Net Out Base[2]	Net Out Base[2] Total Value	Annual Total	Construction Year	
Estimated Value per				$158,000					
1	2026		146	23,068,000		(3,789,100)	**19,278,900**	2026	1
2	2027		146	23,068,000			**23,068,000**	2027	2
3	2028			0			**0**	2028	3
4	2029			0			**0**	2029	4
5	2030			0			**0**	2030	5
6	2031			0			**0**	2031	6
7	2032			0			**0**	2032	7
8	2033			0			**0**	2033	8
9	2034			0			**0**	2034	9
10	2035			0			**0**	2035	10
11	2036			0			**0**	2036	11
12	2037			0			**0**	2037	12
13	2038			0			**0**	2038	13
14	2039			0			**0**	2039	14
15	2040			0			**0**	2040	15
16	2041			0			**0**	2041	16
17	2042			0			**0**	2042	17
18	2043			0			**0**	2043	18
19	2044			0			**0**	2044	19
20	2045			0			**0**	2045	20
21	2046			0			**0**	2046	21
22	2047			0			**0**	2047	22
23	2048			0			**0**	2048	23
24	2049			0			**0**	2049	24
25	2050			0			**0**	2050	25
26	2051			0			**0**	2051	26
27	2052			0			**0**	2052	27
Totals		**0**	**292**	**46,136,000**	**0**	**(3,789,100)**	**42,346,900**		

Notes:
1.) Developer plans to build 292 units, $158,00 AV per Unit, in 2026 and 2027
2.) No value assumed for Dollar General or other expected Commercial development.

Table 1 – Development Assumptions

City of Franklin, Wisconsin

Tax Increment District No. 10

Tax Increment Projection Worksheet

Type of District	Blighted Area	Base Value	7,035,700
District Creation Date	March 17, 2026	Economic Change Factor	0.00%
Valuation Date	Jan 1, 2026	Apply to Base Value	
Max Life (Years)	27	Base Tax Rate	$ 16.50
End of Expenditure Period	22 3/17/2048	Rate Adjustment Factor	-0.50%
Revenue Periods/Final Year	27 2054		
Extension Eligibility/Years	Yes 3		
Eligible Recipient District	Yes		

	Construction Year	Value Added	Valuation Year	Economic Change	Total Increment	Revenue Year	Tax Rate[1]	Tax Increment
1	2026	19,278,900	2027	0	19,278,900	2028	$16.42	**316,588**
2	2027	23,068,000	2028	0	42,346,900	2029	$16.34	**691,922**
3	2028	0	2029	0	42,346,900	2030	$16.26	**688,462**
4	2029	0	2030	0	42,346,900	2031	$16.18	**685,020**
5	2030	0	2031	0	42,346,900	2032	$16.10	**681,595**
6	2031	0	2032	0	42,346,900	2033	$16.02	**678,187**
7	2032	0	2033	0	42,346,900	2034	$15.93	**674,796**
8	2033	0	2034	0	42,346,900	2035	$15.86	**671,422**
9	2034	0	2035	0	42,346,900	2036	$15.78	**668,065**
10	2035	0	2036	0	42,346,900	2037	$15.70	**664,724**
11	2036	0	2037	0	42,346,900	2038	$15.62	**661,401**
12	2037	0	2038	0	42,346,900	2039	$15.54	**658,094**
13	2038	0	2039	0	42,346,900	2040	$15.46	**654,803**
14	2039	0	2040	0	42,346,900	2041	$15.39	**651,529**
15	2040	0	2041	0	42,346,900	2042	$15.31	**648,272**
16	2041	0	2042	0	42,346,900	2043	$15.23	**645,030**
17	2042	0	2043	0	42,346,900	2044	$15.16	**641,805**
18	2043	0	2044	0	42,346,900	2045	$15.08	**638,596**
19	2044	0	2045	0	42,346,900	2046	$15.00	**635,403**
20	2045	0	2046	0	42,346,900	2047	$14.93	**632,226**
21	2046	0	2047	0	42,346,900	2048	$14.86	**629,065**
22	2047	0	2048	0	42,346,900	2049	$14.78	**625,920**
23	2048	0	2049	0	42,346,900	2050	$14.71	**622,790**
24	2049	0	2050	0	42,346,900	2051	$14.63	**619,676**
25	2050	0	2051	0	42,346,900	2052	$14.56	**616,578**
26	2051	0	2052	0	42,346,900	2053	$14.49	**613,495**
27	2052	0	2053	0	42,346,900	2054	$14.41	**610,427**
	Totals	**42,346,900**		**0**			**Future Value of Increment**	**17,225,891**

Notes:
1) Tax rate shown is actual 2025/2026 rate per DOR Form PC-202 (Tax Increment Collection Worksheet).

Table 2 – Tax Increment Projection Worksheet

Financing and Implementation

The City expects to enter into a development agreement to provide the Developer with a pay-as-you go ("PAYGO") developer incentive up to a cap of $15 million. The terms include annual PAYGO payments will be equal to 90% of the tax increment generated by the residential portion of the Project. Payments to the Developer are payable solely from and limited to the tax increment generated, subject to annual appropriation. If the Project achieves financial returns above 17% IRR or 3.00x investor return multiple, the City would be entitled to 25% of excess proceeds, not to exceed $2.5 million. This summary is intended to provide a general explanation of the District plan of finance. Specific terms and conditions pertaining to development projects will be detailed in related development agreements.

Based on the Project Cost expenditures as included within the cash flow exhibit (Table 3), the District is projected to accumulate sufficient funds by the year 2054 to pay off all Project cost liabilities and obligations. The projected closure is based on the various assumptions noted in this Plan and will vary dependent on actual Project Costs incurred and the actual amount of tax increments collected. In particular, the Plan only considers the tax increment to be generated by the residential development. The City expects commercial development and redevelopment to occur within the District. Potential incremental value increases from that commercial development are not quantified but will increase tax increment collections that may permit an earlier closure of the District.

City of Franklin, Wisconsin

Tax Increment District No. 10

Cash Flow Projection

	Projected Revenues			Projected Expenditures			Balances			
Year	Tax Increments	Interest Earnings	Total Revenues	MRO #1 Land by Label[2] $14,868,802	Ongoing Planning & Administration[1]	Total Expenditures	Annual	Cumulative	Liabilities Outstanding	Year
2026			**0**			**0**	0	0	0	2026
2027			**0**			**0**	0	0	0	2027
2028	316,588		**316,588**	181,429	115,000	**296,429**	20,159	20,159	14,687,373	2028
2029	691,922		**691,922**	519,230	115,000	**634,230**	57,692	77,851	14,168,143	2029
2030	688,462		**688,462**	516,116	115,000	**631,116**	57,346	135,197	13,652,027	2030
2031	685,020		**685,020**	603,018	15,000	**618,018**	67,002	202,199	13,049,009	2031
2032	681,595		**681,595**	599,935	15,000	**614,935**	66,659	268,859	12,449,074	2032
2033	678,187		**678,187**	596,868	15,000	**611,868**	66,319	335,177	11,852,206	2033
2034	674,796		**674,796**	593,816	15,000	**608,816**	65,980	401,157	11,258,390	2034
2035	671,422		**671,422**	590,780	15,000	**605,780**	65,642	466,799	10,667,610	2035
2036	668,065		**668,065**	587,758	15,000	**602,758**	65,306	532,106	10,079,852	2036
2037	664,724		**664,724**	584,752	15,000	**599,752**	64,972	597,078	9,495,100	2037
2038	661,401		**661,401**	581,761	15,000	**596,761**	64,640	661,718	8,913,339	2038
2039	658,094		**658,094**	578,784	15,000	**593,784**	64,309	726,027	8,334,555	2039
2040	654,803		**654,803**	575,823	15,000	**590,823**	63,980	790,008	7,758,732	2040
2041	651,529		**651,529**	572,876	15,000	**587,876**	63,653	853,661	7,185,855	2041
2042	648,272		**648,272**	569,945	15,000	**584,945**	63,327	916,988	6,615,911	2042
2043	645,030		**645,030**	567,027	15,000	**582,027**	63,003	979,991	6,048,883	2043
2044	641,805		**641,805**	564,125	15,000	**579,125**	62,681	1,042,671	5,484,759	2044
2045	638,596		**638,596**	561,237	15,000	**576,237**	62,360	1,105,031	4,923,522	2045
2046	635,403		**635,403**	558,363	15,000	**573,363**	62,040	1,167,071	4,365,159	2046
2047	632,226		**632,226**	555,504	15,000	**570,504**	61,723	1,228,794	3,809,656	2047
2048	629,065		**629,065**	552,659	15,000	**567,659**	61,407	1,290,201	3,256,997	2048
2049	625,920		**625,920**	549,828	15,000	**564,828**	61,092	1,351,292	2,707,170	2049
2050	622,790		**622,790**	547,011	15,000	**562,011**	60,779	1,412,072	2,160,159	2050
2051	619,676		**619,676**	544,209	15,000	**559,209**	60,468	1,472,539	1,615,950	2051
2052	616,578		**616,578**	541,420	15,000	**556,420**	60,158	1,532,697	1,074,530	2052
2053	613,495		**613,495**	538,645	15,000	**553,645**	59,849	1,592,546	535,885	2053
2054	610,427		**610,427**	535,885	15,000	**550,885**	**59,543**	**1,652,089**	**(0)**	2054
Totals	**17,225,891**	**0**	**17,225,891**	**14,868,802**	**705,000**	**15,573,802**				Totals

Notes:
1.) Admin fees are per the City's proforma
2.) MRO is not to exceed $15 million per draft Development Agreement

PROJECTED CLOSURE YEAR

LEGEND:

END OF EXP. PERIOD

Table 3 – Cash Flow

SECTION 10:
Annexed Property

A tax incremental district cannot include annexed territory unless at least three years have elapsed since the annexation, or certain other requirements are met. None of the property within the proposed District boundary was annexed during the past three years.

SECTION 11:
Estimate of Property to Be Devoted to Retail Business

Pursuant to Wis. Stat. § 66.1105(5)(b), the City estimates that less than 35% of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

SECTION 12:
Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and City Ordinances

Zoning Ordinances

The proposed Plan is in general conformance with the City's current zoning ordinances. Individual properties may require rezoning at the time of development.

Master (Comprehensive) Plan and Map

The proposed Plan is in general conformance with the City's Comprehensive Plan identifying the area as appropriate for mixed use development.

Building Codes and Ordinances

Development within the District will be required to conform to State Building Codes and will be subject to the City's permitting and inspection procedures. The proposed Plan conforms to all relevant State and local ordinances, plans, and codes. No changes to the existing regulations are proposed or needed.

SECTION 13:
Statement of the Proposed Method for the Relocation of any Persons to be Displaced

Should implementation of this Plan require relocation of individuals or business operations, relocations will be handled in compliance with Wis. Stat. Chapter 32 and Wis. Admin. Code ADM 92.

SECTION 14:
How Creation of the Tax Incremental District Promotes the Orderly Development of the City

Creation of the District and the implementation of the projects in its Plan will promote the orderly development of the City by creating opportunities for mixed use development, rehabilitating and conserving property, eliminating blighted areas, providing necessary public infrastructure improvements, and providing appropriate financial incentives for private development projects. Through use of tax increment financing, the City can attract new investment that results in increased tax base. Development will occur in an orderly fashion in accordance with approved plans so that the Projects will be compatible with adjacent land uses. Development of new uses in the District will add to the tax base and will generate positive secondary impacts in the community such as

a. Creation of 292 housing units, providing housing for workers and families that will support the local economy.

b. Redevelopment of a blighted site, providing new housing and commercial uses that will generate significantly more economic activity than present uses in the District.

c. Short-term economic benefits in terms of employment and purchase of materials and services related to construction of the Project.

d. Long-term economic benefits resulting from increased employment associated with uses to be established in the District.

SECTION 15:
List of Estimated Non-Project Costs

Non-project costs are public works projects which only partly benefit the District. Costs incurred that do not benefit the District may not be paid with tax increments. Examples of non-project costs are:

- 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.

No improvements to be made within the District will benefit property outside the District. Furthermore, there will be no improvements made outside the District that will only partially benefit the District.

SECTION 16:
Legal Opinion Advising Whether the Plan is Complete and Complies with Wis. Stat. § 66.1105(4)(f)

Legal Opinion Found on Following Page.

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February 18, 2026

Mayor John R. Nelson
City of Franklin
9229 West Loomis Road
Franklin, Wisconsin 53132

re: Project Plan for Tax Incremental District No. 10, City of Franklin, Wisconsin

Dear Mayor:

As City Attorney for the City of Franklin, I have been asked to review the above-referenced Project Plan for compliance with the applicable statutory requirements. Based upon my review, in my opinion, the Project Plan for the City of Franklin Tax Incremental District No. 10 creation is complete and complies with the provisions of Wisconsin Statute § 66.1105. This opinion is provided pursuant to Wisconsin Statute § 66.1105(4)(f).

Cordially,

Jesse A. Wesolowski
City Attorney
City of Franklin

SECTION 17:
Calculation of the Share of Projected Tax Increments Estimated to be Paid by the Owners of Property in the Overlying Taxing Jurisdictions

The following projection is provided to meet the requirements of Wis. Stat. § 66.1105(4)(i)4.

Revenue Year	Milwaukee County	Milwaukee County Metro	City of Franklin	Franklin School District	Milwaukee Area Technical	Total	Revenue Year
2028	68,273	26,884	96,975	146,855	17,398	356,385	2028
2029	148,589	58,510	211,055	319,615	37,866	775,635	2029
2030	147,846	58,217	210,000	318,017	37,677	771,756	2030
2031	147,107	57,926	208,950	316,427	37,488	767,898	2031
2032	146,371	57,636	207,905	314,845	37,301	764,058	2032
2033	145,639	57,348	206,866	313,270	37,114	760,238	2033
2034	144,911	57,061	205,831	311,704	36,929	756,437	2034
2035	144,187	56,776	204,802	310,146	36,744	752,654	2035
2036	143,466	56,492	203,778	308,595	36,560	748,891	2036
2037	142,748	56,210	202,759	307,052	36,378	745,147	2037
2038	142,035	55,929	201,745	305,517	36,196	741,421	2038
2039	141,325	55,649	200,737	303,989	36,015	737,714	2039
2040	140,618	55,371	199,733	302,469	35,835	734,025	2040
2041	139,915	55,094	198,734	300,957	35,655	730,355	2041
2042	139,215	54,818	197,741	299,452	35,477	726,703	2042
2043	138,519	54,544	196,752	297,955	35,300	723,070	2043
2044	137,827	54,272	195,768	296,465	35,123	719,455	2044
2045	137,137	54,000	194,789	294,983	34,948	715,857	2045
2046	136,452	53,730	193,815	293,508	34,773	712,278	2046
2047	135,769	53,462	192,846	292,040	34,599	708,717	2047
2048	135,091	53,194	191,882	290,580	34,426	705,173	2048
2049	134,415	52,928	190,923	289,127	34,254	701,647	2049
2050	133,743	52,664	189,968	287,681	34,083	698,139	2050
2051	133,074	52,400	189,018	286,243	33,912	694,648	2051
2052	132,409	52,138	188,073	284,812	33,743	691,175	2052
2053	131,747	51,878	187,133	283,388	33,574	687,719	2053
2054	131,088	51,618	186,197	281,971	33,406	684,280	2054
Totals	**3,699,517**	**1,456,750**	**5,254,775**	**7,957,660**	**942,773**	**19,311,475**	