

CITY OF FRANKLIN

TIF DISTRICTS

The City of Franklin has two operating Tax Incremental Financing (TIF) Districts (TIF District #2 was completed in 2011 and the assessed valuation was returned to the general tax roll.) TIF Districts exist to assist in the development of particular areas. They receive the increase in tax revenue that is generated from the increase in development that occurs in that area. The City has asked its Community Development Authority (CDA) to act as agent of the City (i) in planning and carrying out any community development programs and activities approved by the Mayor and Common Council within the TIF Districts. The tax levy generated by the increase in assessed value in the TIF District's is the main source of revenue for the TIF District's. Expenditures consistent with approved Project Plans may be incurred until a time determined by State statute.

TIF District #3

In June 2005, the City of Franklin adopted Resolution 2005-5906 establishing TIF District #3. The TIF District is generally from Rawson Avenue to just south of Drexel Avenue and from 27th Street to 35th Street. The main purpose of the TIF District is to improve road infrastructure in the district to promote quality development. The latest projection anticipates \$18.2 million in the costs of infrastructure and incentives, \$4.5 million in net financing costs and anticipates \$109 million in incremental development within the District. The debt issued will pay for the infrastructure with tax revenue created by the development paying off the debt. The plan anticipates that the debt will be paid off and TIF District closed by 2018. The following year the tax revenue will be available to the taxing districts. THE one remaining project for this district is the improvements to the 27th Street road infrastructure.

TIF District #4

In June 2005, the City of Franklin adopted Resolution 2005-5907 establishing TIF District #4. The TIF District is generally from 27th Street to the Oakwood Golf Course then south to the Racine County line. The main purpose of the TIF District is to improve road and sanitary sewer infrastructure in the district to promote quality development. The plan anticipates \$24.6 million in the costs of infrastructure created and anticipates \$133 million in incremental development within the District. The debt will pay for the infrastructure with tax revenue created by the development paying off the debt. The project plan anticipates that the debt will be paid off and TIF District closed by 2026. The following year the tax revenue will be available to the taxing districts. The first phase of project cost will be completed and phases 2 & 3 are dependant upon future development within the District. The first phase debt will be retired by 2017.

TIF District's Outstanding Debt

General obligation note proceeds are provided to the TIF Districts directly or through interfund advances from a shared issuance (2005) with similar terms to the general obligation notes issued by the City. The schedule of outstanding debt maturities shows the amounts borrowed, the balance outstanding and annual debt service payment obligations for the next several years.

City of Franklin
Tax Incremental Financing Districts
Outstanding Debt Maturities

Date	Purpose of borrowing	Payment Dates	Balance 12/31/2011	2012	2013	2014	2015
TIF #3 City of Franklin General Obligation Notes							
1/3/2007	Capital improvements Taxable Notes						
10,000,000	Principal	3/1	\$ 7,520,000	655,000	670,000	6,195,000	
	Interest 4.95%	3/1, 9/1		356,029	323,235	153,326	
8/26/2008	Capital improvements Tax Exempt Notes						
	Principal	3/1	\$ 8,000,000	2,000,000	2,500,000	3,500,000	
	Interest 3.0 to 3.5%	3/1, 9/1		261,500	178,125	65,625	
	Total Principal			2,655,000	3,170,000	9,695,000	-
	Total Interest			617,529	501,360	218,951	-
Population		Per Capita					
35,451	Annual Debt Payment	92	\$ 3,272,529	\$ 3,671,360	\$ 9,913,951	\$ -	
	TIF No. 3 Debt Total	438	\$ 15,520,000	\$ 12,865,000	\$ 9,695,000	\$ -	

TIF #4 Interfund Advance by City of Franklin

8/15/2005	Capital improvements						
\$3,000,000	Principal	3/1	\$ 3,738,000	700,000	875,000	1,038,000	1,125,000
	Interest 4.55%	3/1, 9/1		131,607	101,420	64,116	21,938
Population		Per Capita					
35,451	Annual Debt Payment	23	\$ 831,607	\$ 976,420	\$ 1,102,116	\$ 1,146,938	
	TIF No. 4 Debt Total	105	\$ 3,738,000	\$ 3,038,000	\$ 2,163,000	\$ 1,125,000	
Population	Total TIF Districts Debt	Per Capita					
35,451	Annual Debt Payment	116	\$ 4,104,136	\$ 4,647,780	\$ 11,016,067	\$ 1,146,938	
	TIF Districts Debt Total	543	\$ 19,258,000	\$ 15,903,000	\$ 11,858,000	\$ 1,125,000	