

CITY OF FRANKLIN

TIF DISTRICTS

The City of Franklin has two operating Tax Incremental Financing (TIF) Districts. 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 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. 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 \$16.6 million in infrastructure cost and incentives, \$4.2 million in net financing costs and anticipates \$81 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 west 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 infrastructure costs, \$3.7 million in net financing costs and anticipates \$128 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 2016. In 2012, \$3.0 million from the 2005 Debt Issue was replaced with an inter-fund loan from a City fund.

TIF District's Outstanding Debt

General obligation note proceeds are provided to the TIF Districts directly or through inter-fund advances from City funds. 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 12/31/2013	2014	2015	2016	2017
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TIF #3 City of Franklin General Obligation Notes

1/3/2007	Capital improvements Taxable Notes	3/1	\$ 6,195,000	6,195,000			
10,000,000	Principal	3/1, 9/1		153,326			
	Interest 4.95%						
8/26/2008	Capital improvements Tax Exempt Notes	3/1	\$ 3,500,000	3,500,000			
	Principal	3/1, 9/1		61,250			
	Interest 3.0 to 3.5%						
2/1/2013	Line of Credit	3/1	\$ 1,150,000	(2,200,000)	1,650,000	1,250,000	450,000
	Principal	Monthly		110,710	64,405	19,466	1,338
	Interest 3.5%						
	Total Principal			7,495,000	1,650,000	1,250,000	450,000
	Total Interest			325,286	64,405	19,466	1,338

Population	Per Capita
35,810	218
Annual Debt Payment	\$ 7,820,286
TIF No. 3 Debt Total	\$ 10,845,000
	\$ 1,714,405
	\$ 1,269,466
	\$ 451,338
	\$ 450,000
	\$ 450,000

TIF #4 Line of Credit loan from City of Franklin

8/15/2005	Capital improvements	2/1	\$ 2,163,000	750,000	775,000	638,000	
\$3,000,000	Principal	Quarterly		67,190	32,024	2,465	
	Interest 4.55%						
Population	Per Capita						
35,810	23						
Annual Debt Payment	\$ 817,190						
TIF No. 4 Debt Total	\$ 1,413,000						
	\$ 807,024						
	\$ 640,465						
	\$ 640,465						
	\$ 638,000						
	\$ 638,000						
	\$ 638,000						
	\$ 638,000						
Population Total TIF Districts Debt	Per Capita						
35,810	241						
Annual Debt Payment	\$ 8,637,476						
TIF Districts Debt Total	\$ 4,763,000						
	\$ 2,338,000						
	\$ 451,338						
	\$ 450,000						
	\$ 450,000						