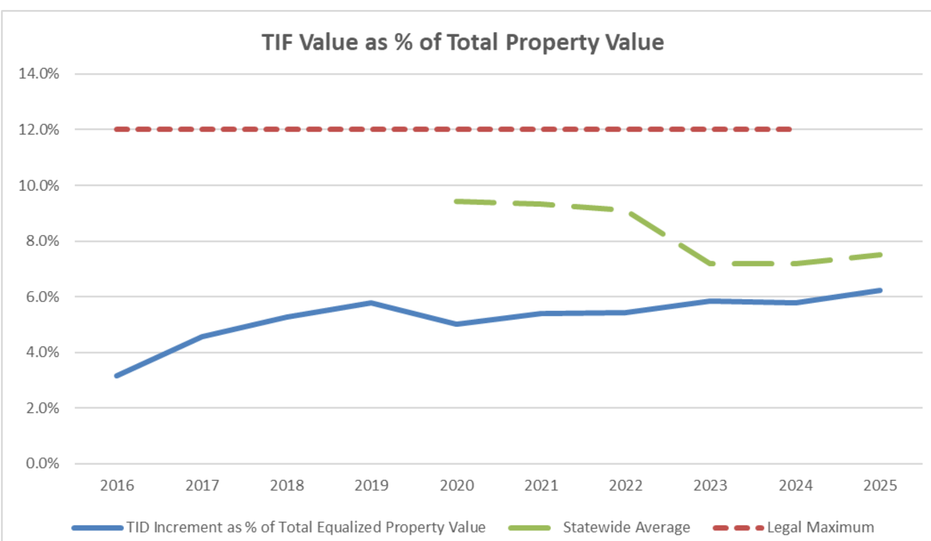
TAX INCREMENTAL DISTRICTS

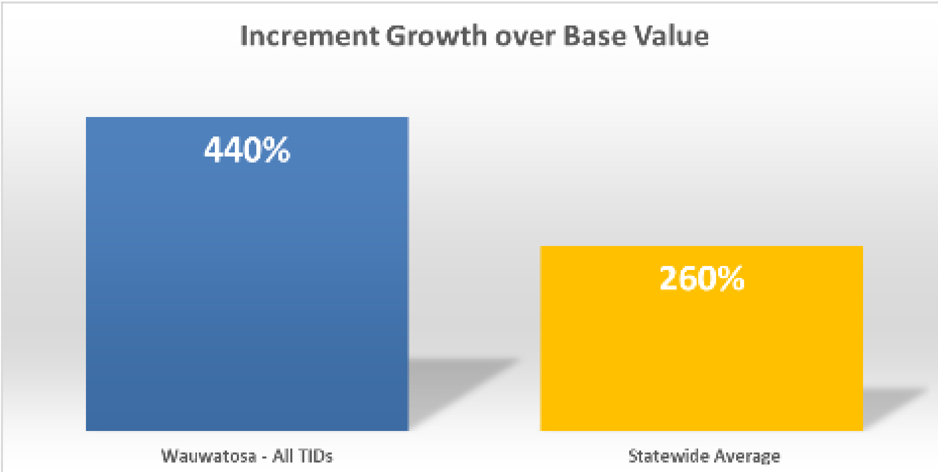
CORE RESPONSIBILITIES

Tax Increment Districts (TID) provide funding that enables redevelopment of property over a period of time. During the existence of a district the original (base) value of the district is held constant and the taxes paid on that value continue to be distributed to each of the overlaying taxing jurisdictions. The increased (incremental) taxable value of the district is the basis of property tax payments that are 'captured' by the city for the payment of any projects authorized to foster the development. After all financial obligations of the district are met, the district is closed with the then higher current value becoming the basis of taxes paid again to all overlaying taxing jurisdictions.

PERFORMANCE MEASURES



Remaining below the legal maximum and statewide average is a positive trend



Remaining above the statewide average is a positive trend

NEXT YEAR'S GOALS

- Develop a financing instrument to provide Mayfair Mall residential developer city-loan as per the approved term sheet.
- Update Tax Increment 7 pro-forma after Wingspan development breaks ground to determine long-term tax increment district capacity
- Present before the Milwaukee County Inter-governmental Cooperation Council on the City's Procurement Inclusion Policy to encourage other municipalities to adopt the same.
- Continue to support bold redevelopment of the BMO site
- Develop creative ways to fund affordable housing utilizing tax increment financing

TIF DISTRICT #2 (MILWAUKEE COUNTY RESEARCH PARK) CREATED 1994

TIF 2 was closed in 2015 with a final tax incremental value (total current value less base value) of $199,356,100. This represented 3.73% of the equalized value of the city and resulted in approximately $4.8 million in additional tax revenue for all of the overlying taxing jurisdictions, of which the City accounts for approximately 30%. This was a major reason for the reduction in the 2016 municipal tax rate.

TIF DISTRICT #5 (MAYFAIR MEDICAL) CREATED 2007

The Mayfair Medical building was a pay-as-you-go district wherein the developer financed a parking structure in order to construct a larger and denser facility and is reimbursed those costs out of the tax payment received each year. This district had a base value of $2,401,800 and closed in 2018 with an incremental of $14,101,600.

This reflected 0.23% of the City's equalized value so that the City could increase the levy 0.115% and the municipal tax rate would be 0.115% less than it otherwise would.

TIF DISTRICT #6 (INNOVATION CAMPUS)

The City of Wauwatosa created Tax Incremental Finance District Number 6 in 2010. The location is on the former Milwaukee County Grounds that had historically been used for a variety of Milwaukee County Institutional functions for over 150 years. The existing infrastructure was deteriorating and insufficient to meet the needs of the proposed re-use of the site. Innovation Campus is a mixed-use project that currently houses the University of Wisconsin Milwaukee's Accelerator Building (a project that focuses on the development of new manufacturing processes that support existing businesses and create new businesses and jobs), commercial buildings, the Echelon multi-family housing project, and the Marriott Residence Inn.

The district was amended in 2014 to include structured parking as an eligible activity within the campus. The district was also amended in 2015 to add territory and amend the project plan to allow for assistance related to a 155,000 square foot office building with structured parking in the Research Park which is located south of Innovation Campus.

Construction began in 2022 for a two-phase development led by Irgens with phase I consisting of construction of an approximately 70,357 rentable square foot ("RSF") (73,289 gross square foot ("GSF")) office building, with approximately 22 underground parking stalls and an above ground, approximately 633-stall parking ramp. Phase II consists of an approximately 177,690 RSF (185,094 GSF) office building, with approximately 88 underground parking stalls to be constructed in the next five years.

Future project costs beyond 2025 include future parking structures to facilitate additional commercial development. The table below provides an overview of the district's financial performance.

Categories	TIF 6 Innovation Campus
Type of TID	Blight
Year Established	2010
Maximum Life	2037
Base Value	$ 26,768,400
Incremental Value	$ 110,607,000
Total Expenditures (through 12/31/24)	$ 43,046,303
Project Plan Expenditures	$ 48,943,121
% of Project Plan Expenditures	88%
% of Equalized Value	1.09%
Increment Growth over Base Value	413%
Incremental Value per Investment	2.57
Change in Value from 2024	$ (53,071,500)
% Change in Value	-32.4%
2026 Annual Property Tax Increment	$ 1,880,319
12/31/24 Audited Fund Balance	$ 4,743,229

TIF 6 is our oldest TIF, created in 2010. It has the largest cash balance at $4.7 million making up 78% of the available cash in the TIF fund as of 12/31/24

BUDGETARY CHANGES

CURRENT YEAR BUDGET REESTIMATE

DECREASE IN INCREMENT -$157,079

Property tax increment is re-estimated to decrease 5.4% to $2,749,458 due to a lower than estimated equalized tax rate.

INCREASE IN INVESTMENT EARNINGS $63,450

Investment earnings are increased 27% to $300,000 reflecting higher than budgeted interest rates.

NEXT YEAR BUDGET REQUEST

DECREASE IN INCREMENT -$1,026,218

Increment decreases 35% to $1,880,319 as the equalized value is brought closer in line with the new assessments. Year over year assessed value only changed -1.5% as the increase in multi-family residential nearly offset the decrease in the office buildings and hotel.[1]

DECREASE IN MUNICIPAL REVENUE OBLIGATION -$102,681

The Municipal Revenue Obligation owed for the Meadowlands project is estimated to decrease to $258,665 due an assumed decrease in value and tax rate.

BUDGET SUMMARY TABLE

TIF #06

Expenditures

2024 Actual	2025 Adopted Budget	2025 Revised		2026 Budget	2026 / 2025 Dollar Change	2026 / 2025 % of Change
150	150	150	Operating	150	-	0.0%
9,174	6,573	81,573	Services	6,770	197	3.0%
409,994	362,016	372,897	Fixed Charges	260,165	(101,851)	-28.1%
-	-	-	Other Expenses	-	-	0.0%
21,551	-	-	Capital Outlay	-	-	0.0%
1,376,431	1,305,244	1,305,244	Transfers	1,306,994	1,750	0.1%
1,817,301	**1,673,983**	**1,759,864**	**TOTAL**	**1,574,079**	**(99,904)**	**-6.0%**

Revenues

2024 Actual	2025 Adopted Budget	2025 Revised		2026 Budget	2026 / 2025 Dollar Change	2026 / 2025 % of Change
2,896,889	2,906,537	2,749,458	Taxes	1,880,319	(1,026,218)	-35.3%
4,097	212,641	212,641	Intergovt Revenues	212,100	(541)	-0.3%
248,179	236,550	300,000	Miscellaneous	276,000	39,450	16.7%
3,149,165	**3,355,728**	**3,262,099**	**TOTAL**	**2,368,419**	**(987,309)**	**-29.4%**

Net Cost

(1,331,865)	**(1,681,745)**	**(1,502,235)**	**TOTAL**	**(794,340)**	**887,405**	**-52.8%**

[1] All references to assessed values are estimates and do not include any Board of Review changes.

TIF DISTRICT #7 (BURLEIGH TRIANGLE)

This approximately 67-acre district was created in November 2012 to facilitate the redevelopment of the Burleigh Triangle area within the City. The first phase of development is located on the western-most 23-acre parcel and adaptively re-using existing warehouse space to create a 275,000 square foot regional specialty retail center known as Mayfair Collection.

The Common Council approved a term sheet for phase 2 of the project on October 6, 2015 which resulted in additional retail, a grocery store, a hotel, four restaurants, and a parking structure to support phases one and two. A third phase will include additional retail as well as more than 1,000 apartments. Terms for the first 260 apartments and 50,000 sq. ft. of retail were approved on August 2, 2016. Demolition of the Schoenick warehouse took place in 2020-2021 as well as the completion of internal roadways and utilities. The City is currently in negotiations for the acquisition of the necessary private property to complete a roadway under the interstate at the northern tip of the district. In addition a 80 unit affordable housing building opened in 2024. The Planned Unit Development of a two-phase project to construct approximately 450 units was approved in 2023 and is anticipated to break ground in 2026.

Future projects include additional housing, commercial development and the construction of bike and pedestrian crossing over the railroad tracks into Curry Park. The table below provides an overview of the district's financial performance.

Categories		TIF 7 Burleigh Triangle
Type of TID		Blight
Year Established		2013
Maximum Life		2039
Base Value	$	20,811,900
Incremental Value	$	193,928,500
Total Expenditures (through 12/31/24)	$	43,582,777
Project Plan Expenditures	$	64,736,911
% of Project Plan Expenditures		67%
% of Equalized Value		1.92%
Increment Growth over Base Value		932%
Incremental Value per Investment		4.45
Change in Value from 2024	$	(8,922,200)
% Change in Value		-4.4%
2026 Annual Property Tax Increment	$	3,296,785
12/31/24 Audited Fund Balance	$	(1,912,565)

TIF 7 has the largest % of value of all our districts at 1.92%. For every $1.00 invested by the City, this district has returned $4.45 of incremental property value.

BUDGETARY CHANGES

CURRENT YEAR BUDGET REESTIMATE

DECREASE IN INCREMENT -$194,671

Property tax increment is re-estimated to decrease 5.4% to $3,407470 due to a lower than estimated equalized tax rate.

DECREASE IN INVESTMENT EARNINGS -$50,000

Investment earnings are decreased 56% to $40,000 reflecting actuals to date.

INCREASE IN MUNICIPAL REVENUE OBLIGATION $81,805

The Municipal Revenue Obligation issued to the Synergy developers was 16% higher than budgeted.

PROPOSED WINGSPAN DEVELOPMENT POSTPONED NET INCREASE $1,934,157

The proposed Wingspan development has been postponed due to higher than budgeted construction costs. As a result, the assumed $5,000,000 in bond proceeds revenue is re-estimated to $0 as is the $5,100,000 in project costs. However, the budget is also re-estimated to account for the $2,129,159 advance of a reimbursement owed by the City to the developer for infrastructure constructed in 2017. This was approved by the Common Council in March 2025.

NEXT YEAR BUDGET REQUEST

DECREASE IN INCREMENT -$305,356

Increment decreases 9% to $3,296,785 on an equalized basis. However, on an assessed basis, the tax increment district saw a 35% increase with the multi-family parcels adding $34 million which offset the loss of $4 million of value at the hotel parcel while the retail added $5.1 million.

INCREASE IN MUNICIPAL REVENUE OBLIGATION $369,862

The Municipal Revenue Obligation payments increase as the value of the Synergy project increased 56% and the MSP project reached full value at $14.6 million

DECREASE IN DEBT SERVICE $531,750

The annual debt service payment decreased 37% to $908,195 as the 2015 taxable bonds that financed the second phase retail are paid off.

BUDGET SUMMARY TABLE

TIF #07

Expenditures

2024 Actual	2025 Adopted Budget	2025 Revised		2026 Budget	2026 / 2025 Dollar Change	2026 / 2025 % of Change
300	150	150	Operating	150	-	0.0%
72,327	16,573	16,573	Services	6,770	(9,803)	-59.2%
571,309	707,967	789,772	Fixed Charges	1,084,029	376,062	53.1%
1,115,806	5,195,000	2,129,158	Other Expenses	5,100,000	(95,000)	-1.8%
484,514	-	-	Capital Outlay	-	-	0.0%
2,660,095	1,439,945	1,439,945	Transfers	908,195	(531,750)	-36.9%
4,904,351	**7,359,635**	**4,375,598**	**TOTAL**	**7,099,144**	**(260,491)**	**-3.5%**

Revenues

2024 Actual	2025 Adopted Budget	2025 Revised		2026 Budget	2026 / 2025 Dollar Change	2026 / 2025 % of Change
3,462,681	3,602,141	3,407,470	Taxes	3,296,785	(305,356)	-8.5%
81,378	288,093	288,093	Intergovt Revenues	287,557	(536)	-0.2%
-	-	-	Public Charges	-	-	0.0%
-	5,000,000	1	Other Sources	5,000,000	-	0.0%
84,205	90,000	40,000	Miscellaneous	52,000	(38,000)	-42.2%
3,628,264	**8,980,234**	**3,735,564**	**TOTAL**	**8,636,342**	**(343,892)**	**-3.8%**

Net Cost

2024 Actual	2025 Adopted Budget	2025 Revised		2026 Budget	2026 / 2025 Dollar Change	2026 / 2025 % of Change
1,276,087	**(1,620,599)**	**640,034**	**TOTAL**	**(1,537,198)**	**83,401**	**-5.1%**

TIF DISTRICT #8 (EAST STATE STREET OVERLAY)

Created in 2014, this overlay district allowed for the closure of TIF 3 while keeping in place a mechanism to continue to facilitate redevelopment along State Street. The initial project included in this TIF is the Tosa Reef Apartments developed by Wangard. The terms with Wangard include funds for environmental remediation as well as a $1,500,000 Municipal Revenue Obligation equal to 70% of the increment generated by the project. In 2021 phase one of MSP's 136-unit rental multi-family apartments and townhomes opened, the majority of which are affordable,.

A second phase of 50 rental multi-family apartments, a portion of which is designated as affordable housing opened in 2023. Approximately 10 units are 30%, 20 units are 50%, and 7 units are 60% of Milwaukee County's median income (CMI) along with 13 units of market rate housing. Further, approximately 10 units are set aside to provide supportive services for individuals and families at 30% of CMI. All units are non-age-restricted to complement the Phase I development.

Categories	TIF 8 East State Street
Type of TID	Rehab
Year Established	2014
Maximum Life	2041
Base Value	$ 21,009,000
Incremental Value	$ 101,239,900
Total Expenditures (through 12/31/24)	$ 8,703,265
Project Plan Expenditures	$ 13,100,000
% of Project Plan Expenditures	66%
% of Equalized Value	1.00%
Increment Growth over Base Value	482%
Incremental Value per Investment	11.63
Change in Value from 2024	$ 37,236,500
% Change in Value	58.2%
2026 Annual Property Tax Increment	$ 1,721,078
12/31/24 Audited Fund Balance	$ 2,635,274

TIF 8 saw a 58% increase in value in 2025 largely multi-family apartment appreciation.

BUDGETARY CHANGES

CURRENT YEAR BUDGET REESTIMATE

DECREASE IN INCREMENT	-$61,423

Property tax increment is re-estimated to decrease 5.4% to $1,075,124 due to a lower than estimated equalized tax rate.

INCREASE IN INVESTMENT EARNINGS	-$63,610

Investment earnings are increased 74% to $150,000 reflecting actuals to date.

INCREASE IN MUNICIPAL REVENUE OBLIGATION	$18,998

The Municipal Revenue Obligation issued to the River Parkway Phase 1 project was 7.2% higher than budgeted due to higher value than estimated.

PROPOSED HART PARK EAST IMPROVEMENTS POSTPONED	DECREASE $1,270,000

The capital project proposed to construct additional park amenities in the area behind the River Parkway projects is postponed as we wait for the Milwaukee Metropolitan Sewerage District to complete their levy work.

NEXT YEAR BUDGET REQUEST

INCREASE IN INCREMENT $584,531

Increment increases 52% to $1,721,078 based on the appreciation of the multi-family buildings within the District.

MUNICIPAL REVENUE OBLIGATION PAYMENT INCREASE $97,951

Increases due to value of both River Parkway projects appreciating.

BUDGET SUMMARY TABLE

TIF #08						
Expenditures						
2024 Actual	**2025 Adopted Budget**	**2025 Revised**		**2026 Budget**	**2026 / 2025 Dollar Change**	**2026 / 2025 % of Change**
300	150	150	Operating	150	-	0.0%
248,905	3,801	3,801	Services	3,915	114	3.0%
197,816	263,665	282,663	Fixed Charges	361,616	97,951	37.1%
-	-	-	Other Expenses	-	-	0.0%
-	1,270,000	1	Capital Outlay	1,270,000	-	0.0%
10,000	10,000	10,000	Transfers	10,000	-	0.0%
457,021	**1,547,616**	**296,615**	**TOTAL**	**1,645,681**	**98,065**	**6.3%**
Revenues						
2024 Actual	**2025 Adopted Budget**	**2025 Revised**		**2026 Budget**	**2026 / 2025 Dollar Change**	**2026 / 2025 % of Change**
924,193	1,136,547	1,075,124	Taxes	1,721,078	584,531	51.4%
6,606	18,757	18,757	Intergovt Revenues	20,414	1,657	8.8%
121,135	86,390	150,000	Miscellaneous	118,000	31,610	36.6%
1,051,933	**1,241,694**	**1,243,881**	**TOTAL**	**1,859,492**	**617,798**	**49.8%**
Net Cost						
(594,913)	**305,922**	**(947,266)**	**TOTAL**	**(213,811)**	**(519,733)**	**-169.9%**

TIF DISTRICT #9 (THE 2100)

The purpose of Tax Incremental Finance District Number 9 is redevelopment of the area included within the district on Mayfair Road North. As part of the redevelopment plan, the 30,000 square foot office building located at 2100 North Mayfair Road was demolished and the parcel was combined with the neighboring located at 2050 North Mayfair Road. The development consisted the construction of a 96 unit multifamily apartment. In addition, additional redevelopment activities are contemplated on the remaining properties within the District.

The District is anticipated to create a total of $10,986,420 in incremental value. The economic feasibility projections are based on the utilization of approximately 11-12 years of the maximum allowed tax increment collection period of 27 years, which is the maximum for blight and rehabilitation TIDs.

Categories		TIF 9 2100 Mayfair
Type of TID		Rehab
Year Established		2015
Maximum Life		2042
Base Value	$	4,878,000
Incremental Value	$	25,930,800
Total Expenditures (through 12/31/24)	$	2,538,456
Project Plan Expenditures	$	2,870,000
% of Project Plan Expenditures		88%
% of Equalized Value		0.26%
Increment Growth over Base Value		532%
Incremental Value per Investment		10.22
Change in Value from 2024	$	7,692,600
% Change in Value		42.2%
2026 Annual Property Tax Increment	$	440,824
12/31/24 Audited Fund Balance	$	75,187

TIF 9's outstanding liabilities will be paid off in 2029 unless additional project costs are incurred.

BUDGETARY CHANGES

CURRENT YEAR BUDGET REESTIMATE — NO SIGNFICANT CHANGES

NEXT YEAR BUDGET REQUEST

INCREASE IN INCREMENT — $116,957

Increment increases 36.1% to $440,824 due to value appreciation of the 2100 apartments.

MUNICIPAL REVENUE OBLIGATION PAYMENT — INCREASE $38,703

Increases 21% due to value of both River Parkway projects appreciating.

TRANSFER TO DEBT SERVICE — DECREASE 77,063

The Transfer to Debt Service decreases to zero as the District made it's final payment in 2025.

BUDGET SUMMARY TABLE

TIF #09

Expenditures

2024 Actual	2025 Adopted Budget	2025 Revised		2026 Budget	2026 / 2025 Dollar Change	2026 / 2025 % of Change
300	150	150	Operating	150	-	0.0%
5,305	3,801	3,801	Services	3,915	114	3.0%
181,616	181,616	189,312	Fixed Charges	220,319	38,703	21.3%
82,688	82,063	82,063	Transfers	5,000	(77,063)	-93.9%
269,908	**267,630**	**275,326**	**TOTAL**	**229,384**	**(38,246)**	**-14.3%**

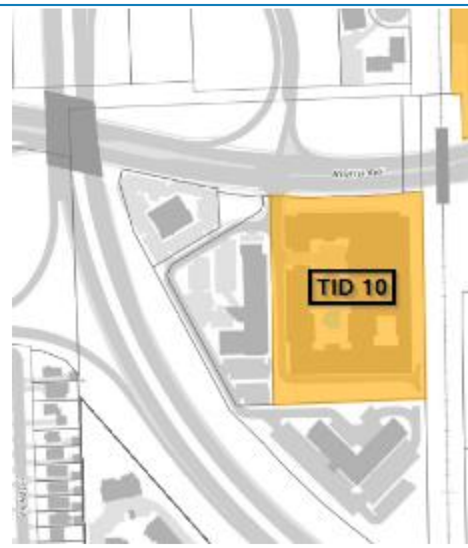
Revenues

2024 Actual	2025 Adopted Budget	2025 Revised		2026 Budget	2026 / 2025 Dollar Change	2026 / 2025 % of Change
286,035	323,867	306,363	Taxes	440,824	116,957	36.1%
249	2,999	2,999	Intergovt Revenues	2,992	(7)	-0.2%
7,659	8,730	9,000	Miscellaneous	16,000	7,270	83.3%
293,942	**335,596**	**318,362**	**TOTAL**	**459,816**	**124,220**	**37.0%**

Net Cost

2024 Actual	2025 Adopted Budget	2025 Revised		2026 Budget	2026 / 2025 Dollar Change	2026 / 2025 % of Change
(24,034)	**(67,966)**	**(43,036)**	**TOTAL**	**(230,432)**	**(162,466)**	**239.0%**

TIF DISTRICT #10 (THE RESERVE AT MAYFAIR)



Tax Incremental Finance District Number 10 involved the redevelopment and rehabilitation of a site that was formerly occupied by a car dealership and was no longer in use or viable for such. The buildings were obsolete and were not consistent with City's desire to maintain and improve its tax base and provide housing opportunities for employees and workers within the immediate community and greater Milwaukee area. The buildings were demolished and the site environmentally restored.

236 market rate apartment units were developed with 4 stories of apartments surrounding a 5-level concrete parking structure situated on a 4.97-acre site. The site offers frontage on North Avenue just down the street from Mayfair Mall with easy access to employment bases in the greater Milwaukee area.

As a result of the creation of this District, the City projected that additional land and improvements value of approximately $27,000,000 would be created as a result of new development, redevelopment, and appreciation in the value of existing properties. In fact, $48 million of incremental value has been created to date. The City anticipates making total project expenditures of approximately $4,900,000 to undertake the projects listed in this Project Plan. This includes a Municipal Revenue Obligation of $4,500,000 as well as $400,000 for public capital improvements.

Based on the Economic Feasibility Study, this District would be expected to generate sufficient tax increments to recover all project costs by the year 2025; 17 years earlier than the 27 year maximum life of this District. However, the District was amended in 2022 to include the acquisition costs of the Boston Store. This is expected to extend the life of the TID through 2034.

	TIF 10	
Categories	Mayfair Reserve	
Type of TID	Rehab	
Year Established		2015
Maximum Life		2042
Base Value	$	3,911,600
Incremental Value	$	51,093,800
Total Expenditures (through 12/31/24)	$	5,151,326
Project Plan Expenditures	$	12,660,000
% of Project Plan Expenditures		41%
% of Equalized Value		0.50%
Increment Growth over Base Value		1306%
Incremental Value per Investment		9.92
Change in Value from 2024	$	3,062,900
% Change in Value		6.4%
2026 Annual Property Tax Increment	$	868,595
12/31/24 Audited Fund Balance	$	368,949

TIF 10's $9.82 of incremental value per 1.00 of investment and its 1228% of growth over the base are the highest of Wauwatosa's active districts.

BUDGETARY CHANGES

CURRENT YEAR BUDGET REESTIMATE

INCREASE IN BOSTON STORE CARRYING COSTS	$349,850

Due to general challenges negotiating with the owner of the Mayfair Mall on the transfer of the Boston Store as well as the overall challenge of a negotiating a complex real estate transaction with four parties, the City is incurring unanticipated holding costs for the property estimated to total $350,000 for the year. This will be partially off-set by negotiated rent payments made by Scheels during this interim period. While a significant cost, the City negotiating team is holding firm on several key deal terms with the Mayfair Mall owner is worth this cost while at the same time necessary to ensure the final details of the various and complex agreements are acceptable to all parties, including the housing developer that will be generating the vast majority of the incremental new taxes.

NEXT YEAR BUDGET REQUEST

INCREASE IN INTEREST INCOME	$18,410

Revenue increases 46.5% to $58,000.

MUNICIPAL REVENUE OBLIGATION PAYMENT	DECREASE $182,496

Decreases to zero as the District made its final payment in 2025.

TRANSFER TO DEBT SERVICE	INCREASE 643,895

The Transfer to Debt Service increases as the District begins making full principal and interest payments on the Boston Store acquisition.

BUDGET SUMMARY TABLE

TIF #10

Expenditures

2024 Actual	2025 Adopted Budget	2025 Revised		2026 Budget	2026 / 2025 Dollar Change	2026 / 2025 % of Change
168,706	150	350,000	Operating	150	-	0.0%
5,305	3,801	5,801	Services	3,915	114	3.0%
624,644	182,686	182,686	Fixed Charges	450	(182,236)	-99.8%
45,958	-	-	Capital Outlay	-	-	
39,576	10,000	49,281	Transfers	653,895	643,895	6439.0%
884,189	**196,637**	**587,768**	**TOTAL**	**658,410**	**461,773**	**234.8%**

Revenues

2024 Actual	2025 Adopted Budget	2025 Revised		2026 Budget	2026 / 2025 Dollar Change	2026 / 2025 % of Change
770,757	852,913	806,819	Taxes	868,595	15,682	1.8%
34,944	39,590	39,590	Miscellaneous	58,000	18,410	46.5%
805,701	**892,503**	**846,409**	**TOTAL**	**926,595**	**34,092**	**3.8%**

Net Cost

78,488	**(695,866)**	**(258,641)**	**TOTAL**	**(268,185)**	**427,681**	**-61.5%**

TIF DISTRICT #11 (THE VILLAGE)

Tax Incremental District Number 11 is a rehabilitation - conservation, district. The City anticipates making total project expenditures of approximately $21,201,616 to undertake the projects listed in the Project Plan. The City anticipates completing the projects in five phases. The expenditures include a $3,926,500 Municipal Revenue Obligation to the developer of the State Street Station project as well as $2,875,000 in public capital construction costs associated with the State Street Reconstruction project. In addition, a municipal revenue obligation of $1,438,269 was agreed to for the development of Harmonee Square, a 75,600 square foot mixed use development with 7,350 of ground floor retail, 30-32 apartments and 33 public parking stalls.

The project plan estimated that additional land and improvements value of approximately $27,250,000 will be created as a result of new development, redevelopment, and appreciation in the value of existing properties. The District has exceeded this amount.

Negotiations continue with the Mandel Company and are expected to conclude in late 2024 on a term sheet for construction of a multi-family building with approximately 150 rental apartments. A portion of the project would be constructed on the public Blanchard Street parking lot which would be replaced with a 120-space parking structure.

Categories	TIF 11 Tosa Village
Type of TID	Rehab
Year Established	2015
Maximum Life	2042
Base Value	$ 10,779,000
Incremental Value	$ 70,994,400
Total Expenditures (through 12/31/24)	$ 9,229,630
Project Plan Expenditures	$ 21,201,616
% of Project Plan Expenditures	44%
% of Equalized Value	0.70%
Increment Growth over Base Value	659%
Incremental Value per Investment	7.69
Change in Value from 2024	$ 24,129,200
% Change in Value	51.5%
2026 Annual Property Tax Increment	$ 1,206,905
12/31/24 Audited Fund Balance	$ 355,472

TIF 11's 7.9% change in value is entirely due to market appreciation. 2023 also marks the first year of positive fund balance in this district.

BUDGETARY CHANGES

CURRENT YEAR BUDGET REESTIMATE - NO SIGNIFICANT CHANGES

NEXT YEAR BUDGET REQUEST

INCREASE IN INCREMENT $194,671

Property tax increment is estimated to increase 44% to $1,310,571 due the appreciation of values of the multi-family properties in the District.

INCREASE IN INTEREST INCOME $24,800

Revenue increases 82% to $55,000.

MUNICIPAL REVENUE OBLIGATION PAYMENT INCREASE $220,230

Increases to $632,046 due to the increases in value of the State Street Station and Harmonee Square projects.

BUDGET SUMMARY TABLE

TIF #11

Expenditures

2024 Actual	2025 Adopted Budget	2025 Revised		2026 Budget	2026 / 2025 Dollar Change	2026 / 2025 % of Change
-	-	-	Wages	-	-	0.0%
-	-	-	Benefits	-	-	0.0%
300	150	150	Operating	150	-	0.0%
48,480	3,801	8,801	Services	3,915	114	3.0%
411,886	411,816	431,491	Fixed Charges	632,046	220,230	53.5%
144,413	140,263	140,263	Transfers	140,563	300	0.2%
605,079	**556,030**	**580,705**	**TOTAL**	**776,674**	**220,644**	**39.7%**

Revenues

2024 Actual	2025 Adopted Budget	2025 Revised		2026 Budget	2026 / 2025 Dollar Change	2026 / 2025 % of Change
771,192	832,213	787,238	Taxes	1,206,905	374,692	45.0%
9,600	48,767	48,767	Intergovt Revenues	48,666	(101)	-0.2%
27,781	30,200	40,000	Miscellaneous	55,000	24,800	82.1%
-	-	-	Other Sources	-	-	0.0%
808,574	**911,180**	**876,005**	**TOTAL**	**1,310,571**	**399,391**	**43.8%**

Net Cost

(203,495)	**(355,150)**	**(295,300)**	**TOTAL**	**(533,897)**	**(178,747)**	**50.3%**

TIF DISTRICT #12 (THE MAYFAIR HOTEL)

The District is created as a "Rehabilitation - conservation District". The City anticipates making total project expenditures of approximately $19,700,000 to undertake the projects listed in this Project Plan.

As a result of the creation of this District, the City projects that additional land and improvements value of approximately $53,000,000 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.

The primary development at this time is the rehabilitation of the former 12-story US Bank building into a 196 room Renaissance Hotel with an estimated value of $31,175,000. The City provided a Municipal Revenue Obligation totaling $13,843,674 (approximately $8.8 million present value) towards this project.

This District would be expected to generate sufficient tax increments to recover all project costs by the year 2040; 7 years earlier than the 27 year maximum life of this District.

Categories	TIF 12 Mayfair Hotel	
Type of TID	Rehab	
Year Established		2018
Maximum Life		2046
Base Value	$	31,990,100
Incremental Value	$	38,365,900
Total Expenditures (through 12/31/24)	$	14,608,347
Project Plan Expenditures	$	19,600,000
% of Project Plan Expenditures		75%
% of Equalized Value		0.38%
Increment Growth over Base Value		120%
Incremental Value per Investment		2.63
Change in Value from 2024	$	4,291,900
% Change in Value		12.6%
2026 Annual Property Tax Increment	$	652,220
12/31/24 Audited Fund Balance	$	(301,537)

BUDGETARY CHANGES

CURRENT YEAR BUDGET REESTIMATE - NO SIGNIFICANT CHANGES

NEXT YEAR BUDGET REQUEST

INCREASE IN INCREMENT $47,148

Property tax increment is estimated to increase 8% to $652,220 as commercial property appreciation offsets the loss of hotel value.

INCREASE IN INTEREST INCOME $24,800

Revenue increases 82% to $55,000.

MUNICIPAL REVENUE OBLIGATION PAYMENT DECREASE $211,105

Decreases to $211,105 due to a 36% decrease in the value of the Renaissance hotel.

BUDGET SUMMARY TABLE

TIF #12

Expenditures

2024 Actual	2025 Adopted Budget	2025 Revised		2026 Budget	2026 / 2025 Dollar Change	2026 / 2025 % of Change
300	150	150	Operating	150	-	0.0%
5,305	3,801	9,801	Services	3,915	114	3.0%
437,818	437,818	460,117	Fixed Charges	226,713	(211,105)	-48.2%
12,799	5,000	5,000	Transfers	5,000	-	0.0%
456,222	**446,769**	**475,068**	**TOTAL**	**235,778**	**(210,991)**	**-47.2%**

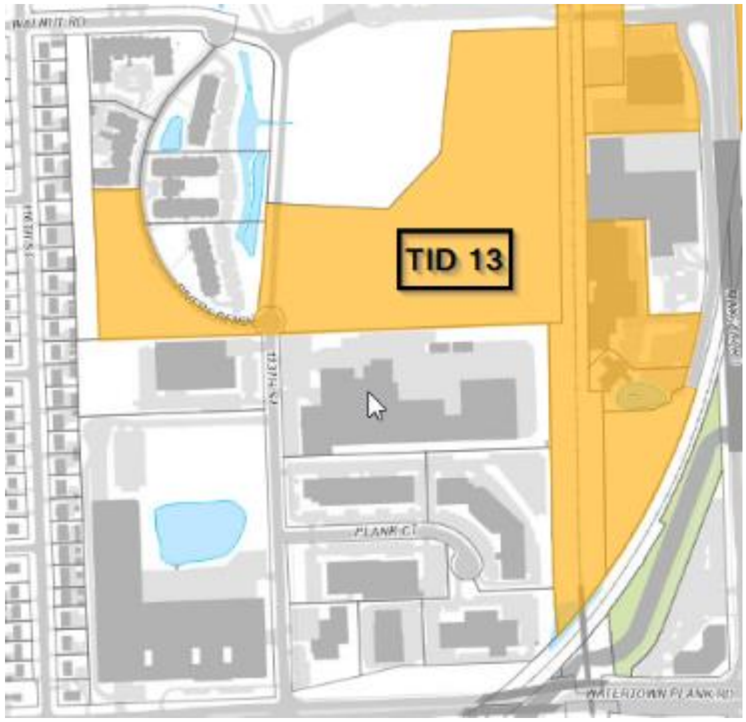
Revenues

2024 Actual	2025 Adopted Budget	2025 Revised		2026 Budget	2026 / 2025 Dollar Change	2026 / 2025 % of Change
641,566	605,072	572,372	Taxes	652,220	47,148	7.8%
-	181,285	181,285	Intergovt Revenues	180,815	(470)	-0.3%
2,235	9,800	3,000	Miscellaneous	20,000	10,200	104.1%
643,801	**796,157**	**756,657**	**TOTAL**	**853,035**	**56,878**	**7.1%**

Net Cost

(187,578)	**(349,388)**	**(281,589)**	**TOTAL**	**(617,257)**	**(267,869)**	**76.7%**

TIF DISTRICT #13 (WALNUT ROAD REDEVELOPMENT DISTRICT)



Tax Incremental District No. 13 was created in September 2020 compromising approximately 34 acres located between N. Mayfair Road, N. 116th Street and W. Walnut Road. The District will be created to pay the costs of infrastructure and developer incentives needed for development. That development initially will include two parcels by Horizon Development Group. In addition to the incremental property value that will be created, the City expects this project will create affordable and workforce housing within the area. This development will contain 71 senior apartments with a mix of 1- and 2-bedroom units renting to residents earning between 30% to 60% of County Median Income (CMI), and an additional 16 apartments will be rented at market rates. Another 14 townhouse-style residences will be developed in separate building as 3 bedroom units catering to the 50% CMI level. This project is estimated to generate $6.2 million of incremental value.

Future phases are intended to include light manufacturing uses.

The City anticipates the total expenditures required for the entire area to develop are approximately $40 million which includes costs for soil stabilization and remediation on a former landfill site and railroad underpass. These projects would only be undertaken if future development occurs. The City will expend approximately $1.9 million for the Walnut Glen development incentive. The District is anticipated to remain open the full 27 years.

Categories	TIF 13 Walnut Rd Redev	
Type of TID	Blight	
Year Established		2020
Maximum Life		2047
Base Value	$	2,985,200
Incremental Value	$	37,050,500
Total Expenditures (through 12/31/24)	$	2,043,457
Project Plan Expenditures	$	10,200,000
% of Project Plan Expenditures		20%
% of Equalized Value		0.37%
Increment Growth over Base Value		1241%
Incremental Value per Investment		18.13
Change in Value from 2024	$	21,963,700
% Change in Value		145.6%
2026 Annual Property Tax Increment	$	629,859
12/31/24 Audited Fund Balance	$	156,084

TIF 13's incremental value grow this mostly due to the construction of the new hotel on Mayfair Road. However, the value increase attributed to Walnut Glenn affordable multi-family is overstated and will be corrected in 2027

BUDGETARY CHANGES

CURRENT YEAR BUDGET REESTIMATE - NO SIGNIFICANT CHANGES

NEXT YEAR BUDGET REQUEST

INCREASE IN INCREMENT $361,104

Property tax increment is estimated to increase 135% to $629,859. While the hotel under construction did increase 156% of value, the reason for this very large increase is that the affordable multi-family project Walnut Glenn was originally assessed in 2025 as a market-rate project because they had not submitted their income and expense information. This was corrected during open-book but not in time for the State to make an adjustment in the equalized increment value for this District. There is a correction process and this will be adjusted in 2026 and has no adverse impact on the Walnut Glenn project.

INCREASE IN CONSULTING SERVICES $42,000

$42,000 is budgeted in consulting services as 50% contribution towards the redevelopment plan costs for the Public Works landfill site if a phase II environmental remediation study is required. The Redevelopment Reserve is paying the other half.

MUNICIPAL REVENUE OBLIGATION PAYMENT INCREASE $24,586

Increases to $120,000 due to a 48% increase in the value of the Walnut Glenn property.

BUDGET SUMMARY TABLE

TIF #13

Expenditures

2024 Actual	2025 Adopted Budget	2025 Revised		2026 Budget	2026 / 2025 Dollar Change	2026 / 2025 % of Change
300	150	150	Operating	150	-	0.0%
5,305	3,801	3,801	Services	45,915	42,114	1108.0%
95,414	95,414	99,848	Fixed Charges	120,000	24,586	25.8%
-	-	-	Capital Outlay	250,000	250,000	0.0%
3,750	10,000	10,000	Transfers	10,000	-	0.0%
104,769	**109,365**	**113,799**	**TOTAL**	**426,065**	**316,700**	**289.6%**

Revenues

2024 Actual	2025 Adopted Budget	2025 Revised		2026 Budget	2026 / 2025 Dollar Change	2026 / 2025 % of Change
192,669	267,905	253,427	Taxes	629,859	361,954	135.1%
-	127	127	Intergovt Revenues	127	-	0.0%
8,477	9,850	16,000	Miscellaneous	16,000	6,150	62.4%
201,147	**277,882**	**269,554**	**TOTAL**	**645,986**	**368,104**	**132.5%**

Net Cost

(96,378)	**(168,517)**	**(155,755)**	**TOTAL**	**(219,921)**	**(51,404)**	**30.5%**

TIF DISTRICT #14 (BMO BANK REDEVELOPMENT)

Tax Incremental District No. 14 was created in October 2022 compromising approximately 2 acres located on the southwest corner of North Avenue and Wauwatosa Avenue. The District will be created to pay the costs of development incentives needed through Pay-as-You-Go funding for the construction of a 94-unit apartment and 9,111 square feet of commercial space This project has not moved forward due to the changing economic conditions and the departure of one of the partner organizations from the development team. City staff continue to work with the Luther Group on a revised project.

Categories	TIF 14 BMO Redevelopment	
Base Value	$	2,932,500
Incremental Value	$	102,600
Total Expenditures (through 12/31/24)	$	66,264
Project Plan Expenditures	$	8,500,000
% of Project Plan Expenditures		1%
% of Equalized Value		0.00%
Increment Growth over Base Value		3%
Incremental Value per Investment		1.55
Change in Value from 2024	$	(506,500)
% Change in Value		-83.2%
2026 Annual Property Tax Increment	$	1,744
12/31/24 Audited Fund Balance	$	(51,432)

The TIF 14 project has been delayed so there is very little financial activity.

BUDGETARY CHANGES

CURRENT YEAR BUDGET REESTIMATE - NO SIGNIFICANT CHANGES

NEXT YEAR BUDGET REQUEST - NO SIGNIFICANT CHANGES

BUDGET SUMMARY TABLE

TIF #14

Expenditures

2024 Actual	2025 Adopted Budget	2025 Revised		2026 Budget	2026 / 2025 Dollar Change	2026 / 2025 % of Change
300	150	150	Operating	150	-	0.0%
5,305	23,801	23,801	Services	3,915	(19,886)	-83.6%
3,750	10,000	10,000	Transfers	5,000	(5,000)	-50.0%
9,355	**33,951**	**33,951**	**TOTAL**	**9,065**	**(24,886)**	**-73.3%**

Revenues

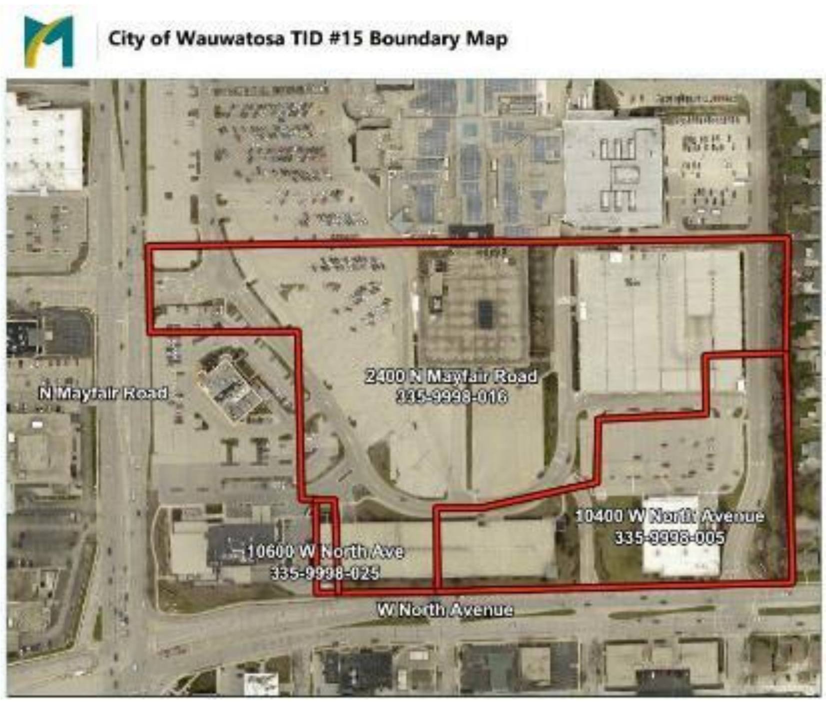
2024 Actual	2025 Adopted Budget	2025 Revised		2026 Budget	2026 / 2025 Dollar Change	2026 / 2025 % of Change
4,832	10,816	10,232	Taxes	1,744	(9,072)	-83.9%
-	556	556	Intergovt Revenues	554	(2)	-0.4%
4,832	**11,372**	**10,788**	**TOTAL**	**2,298**	**(9,074)**	**-79.8%**

Net Cost

2024 Actual	2025 Adopted Budget	2025 Revised		2026 Budget	2026 / 2025 Dollar Change	2026 / 2025 % of Change
4,523	**22,579**	**23,163**	**TOTAL**	**6,767**	**(15,812)**	**-70.0%**

TIF DISTRICT #15 (MAYAIR SOUTH REDEVELOPMENT)

Wauwatosa Tax Increment District (TID) No. 15 is a "In Need of Rehabilitation" or "Conservation" District comprising approximately 21 acres located on the southern end of Mayfair Mall created in 2023. Approximately 15 of the 21 acres includes the former Boston Store building attached to Mayfair Mall that has been vacant for more than 5 years. In 2022 Wauwatosa's Community Development Authority acquired the 15-acre Boston Store property at auction to facilitate investment and redevelopment and ensure Mayfair Mall continues to be the premier mall in Wisconsin.



The proposed District is being created to facilitate multi-family housing development. At this time, the existing infrastructure is insufficient to meet the needs of the proposed use. The District will be created to pay the costs of development incentives for the first phase of a three-phase construction project. The first phase construction will consist of approximately 463 multi-family residential housing units, 486 residential structured parking stalls, 131 commercial structured parking stalls and 6,667 rentable square fee of commercial space to be developed by the Barrett Lo Visionary Development company. The second phase of construction, consisting of approximately 208 multi-family residential units and associated parking, is anticipated to occur when phase one is stabilized and the third phase of construction, consisting of approximately 235 multi-family residential units, associated parking, and commercial space, is anticipated to occur when phase two is stabilized. Phases two and three are anticipated to be financially structured in a manner similar to phase one.

The City anticipates making total expenditures of approximately $57.9 million to undertake the project. These costs include an estimated $4.0 million in watermain and pedestrian connections/sidewalks in and around the project site, $7.8 million for on-site improvements and $35.7 million development incentives, of which a significant portion will be repaid by the Developer.

These improvements are estimated to produce $111.6 million of incremental property value and the District is estimated to remain open the full 27-year term.

	TIF 15	
Categories	Mayfair South	
Base Value	$	16,950,900
Incremental Value	$	536,100
Total Expenditures (through 12/31/24)	$	19,848
Project Plan Expenditures	$	57,900,000
% of Project Plan Expenditures		0%
% of Equalized Value		0.01%
Increment Growth over Base Value		3%
Incremental Value per Investment		
Change in Value from 2024	$	(820,000)
% Change in Value		
2026 Annual Property Tax Increment	$	9,114
12/31/24 Audited Fund Balance	$	(19,848)

The TIF 15 project negotiations continue with the Mayfair Mall owner so there has been little financial activity.

BUDGETARY CHANGES

CURRENT YEAR BUDGET REESTIMATE - NO SIGNIFICANT CHANGES

NEXT YEAR BUDGET REQUEST- NO SIGNIFICANT CHANGES

BUDGET SUMMARY TABLE

TIF #15

Expenditures

2024 Actual	2025 Adopted Budget	2025 Revised		2026 Budget	2026 / 2025 Dollar Change	2026 / 2025 % of Change
150	150	150	Operating	150	-	0.0%
2,698	23,801	248,688	Services	23,915	114	0.5%
-	15,000	15,000	Transfers	15,000	-	0.0%
2,848	**38,951**	**263,838**	**TOTAL**	**39,065**	**114**	**0.3%**

Revenues

2024 Actual	2025 Adopted Budget	2025 Revised		2026 Budget	2026 / 2025 Dollar Change	2026 / 2025 % of Change
-	24,081	22,780	Taxes	9,114	(14,967)	-62.2%
-	**24,081**	**22,780**	**TOTAL**	**9,114**	**(14,967)**	**-62.2%**

Net Cost

2,848	**14,870**	**241,058**	**TOTAL**	**29,951**	**15,081**	**101.4%**

PERSONNEL SCHEDULES

No personnel are budgeted within the TID districts. As needed, employee time is charged directly.