

**Project Plan for**  
**TAX INCREMENTAL FINANCE DISTRICT #42**  
**(WINGRA)**  
**City of Madison**

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## **TAX INCREMENTAL FINANCE DISTRICT # 42 (WINGRA)**

### **INTENT AND PURPOSE**

The City of Madison (the “City”) has established that the health of the Madison economy and its neighborhoods is vital. The City intends to continue to expand, stabilize and diversify its economic base while continuing to revitalize neighborhoods. To that end, the City may utilize its various implementation tools, such as the City and Community Development Authority’s (CDA) development revenue bonds, tax incremental financing (TIF), and other State or federal tools that may be available.

In particular, the City of Madison is proposing to create Tax Incremental District (TID) #42–(Wingra) as a blighted area TID, for the purposes of:

- 1) Elimination of blighting conditions
- 2) Financing public works improvements
- 3) Stimulating commercial redevelopment and the retention or creation of jobs
- 4) Retention, expansion and attraction of business
- 5) Revitalizing the Wingra Neighborhood as vibrant commercial area in the City of Madison

### **PROPOSED CHANGES IN ORDINANCES, CODES OR PLANS**

The project elements proposed in this Project Plan conform to the objectives and conceptual recommendations contained in the Objectives and Policies, A Part of The Master Plan For The City of Madison (the “Master Plan”) as approved by the City Plan Commission. No changes in the Official Map, Building Codes or other City Ordinances appear to be necessary to implement the Project Plan. Zoning changes may be necessary as commercial or residential projects are proposed for the area, although none are proposed at this time. The Plan Commission reviews such proposals.

This TID is presently zoned, M1, C2, C3, R2, R4, PUDGDP and PUDSIP.

#### **Consistency With the City of Madison Comprehensive Plan**

Volume II, Chapter 2 of the Comprehensive Plan, entitled “Objectives and Policies for Established Neighborhoods on pages 2-16 through 2-37, stipulates goals and objectives that are consistent with the activities planned for the proposed TID #41, including but not limited to the following:

Objective 11: Seek to reduce the demand for vacant development land on the periphery of the City by encouraging urban infill, redevelopment, and higher development densities in areas recommended in City plans as appropriate locations for more intense development.

Objective 23: Promote the assessment, clean up and reuse of polluted (“brownfield”) sites.

Objective 29: Provide a range of affordable, quality housing choices in all neighborhoods to meet the needs of households of different sizes, lifestyles, incomes and tastes.

Objective 35: Maintain and enhance economically viable business centers as a source of local employment, a focal point for neighborhood activities and a centralized convenience shopping and service center for area residents.

Objective 43: Provide and upgrade as necessary essential neighborhood infrastructure and services including streets, utilities, transit service, sidewalks, parks, schools, police and fire, ambulance service and code enforcement.

Objective 44: Encourage private investment and property maintenance in existing developed areas to prevent property deterioration and promote renovation and rehabilitation.

Also in Volume II, Chapter 2, pages 2-48 through 2-55:

Objective 54: Primary entry routes into the City and to important destinations within the City should provide a welcoming and attractive gateway to the community.

Objective 59: Identify sites within the City and its planned urban expansion areas that are appropriate locations for mixed-use employment and commercial activity centers.

Objective 61: Develop and implement strategies to strengthen and diversify the local economy, expand the local tax base, cultivate an entrepreneurial culture, and stimulate job creation, while preserving and enhancing the high quality of life currently enjoyed by City residents and businesses.

Objective 65: Transform, over time, existing conventional suburban-style commercial developments into more compact, mixed use, pedestrian, bicycle and transit-oriented destinations that have a greater variety of activities including retail, office, entertainment, civic, open space and residential uses.

Volume II, Chapter 5, Page 5-9 through 5-11 of the Comprehensive Plan, entitled "Economic Development, The Plan: Goals, Objectives, Policies and Implementation Recommendations" stipulate goals and objectives that are consistent with the activities planned for the proposed TID #42, including but not limited to the following:

Objective 7: Support Madison's diversified economic base by providing adequate land and infrastructure to make locations in the City attractive to business.

Objective 9: Redevelop appropriate underutilized, obsolete, abandoned or contaminated sites for commercial and industrial uses.

Objective 10: Enhance neighborhood commerce and retail capacity, especially in older neighborhoods.

### **Consistency With TIF Policy**

The Project Plan is also consistent with City of Madison Tax Incremental Finance Objectives and Policies (the "TIF Policy") adopted by the City's Common Council on April 17, 2001 and amended on March 31, 2009. The Project Plan conforms to the following TIF Policy objectives:

#### **Goal 1: Support Economic Development**

- (1) **Job Creation in High-Need Areas.** Job creation in "high need" areas located within blighted area TIDs that demonstrate a **significant and substantial** combination of the following economic factors:
  - i. Deteriorating or obsolete building stock;
  - iii. Commercial and / or industrial vacancy
- (2) **Job Creation through New Business Development.** New business development in high-need areas or industrial TIDs to create living wage jobs.
- (3) **Job Creation through Attraction, Retention, Expansion of Existing Business.** Attraction, retention or expansion of existing business in high-need areas or industrial TIDs that create and retain jobs with a preference.

#### **Goal 2: Support Neighborhood Revitalization, Including Downtown**

- (1) **High-Need TIDs.** Improved conditions in blighted area TIDs in "high need" areas that demonstrate a **significant and substantial** combination of the following examples of physical deterioration:
  - (a) Deteriorating or obsolete building stock
  - (b) Stagnation or decline in property values
  - (c) High density or overcrowding
  - (d) Existence of conditions which endanger life or property by fire or other causes
  - (e) Any combination of factors that are conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime, and is detrimental to the public health, safety or welfare.

- (f) 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.

## PROPOSED PROJECT COSTS

The following represent total estimated costs. By TIF Law, TIF may only pay for the non-assessable portion of these costs. More detail is provided in the section entitled "Detailed Estimate of Timing and Project Costs" that estimates the amount of cost paid with TIF.

### Public Works Improvements (See Detailed Estimate on Page 6)

<b>Storm Sewer Repair</b>		\$434,000
<b>New Street Construction</b>		
Extension of South Street from Midland to Park	\$1,910,000	
Extension of Cedar Street from South Street to Park Street.	\$1,360,000	
Subtotal New Streets		\$3,270,000
<b>Street Repair, Rehabilitation</b>		
Street Repair includes resurfacing, reconstruction or other such repairs.		\$3,302,000
<b>Bike Paths</b>		\$19,000
Resurface Wingra Creek Bike Path.		
<b>Streetscape</b>		\$450,000
<b>Subtotal Public Works Improvements</b>		<b>\$7,475,000</b>

### Community Development Authority Revitalization Activities

In accordance with Section 66.1333 of the State Statutes (Redevelopment Law), the CDA may undertake a variety of revitalization activities in the TIF District if that area corresponds to the boundary of a Redevelopment District.

Estimated Cost: \$0

### Economic Development Assistance

#### **Economic Development Loans**

Where necessary or convenient to the implementation of the Project Plan, TIF assistance in the form of loans may be provided to private development projects, including those affordable housing projects that conform to land use density recommendations of the Wingra Plan and TIF Policy, that demonstrate that "but for" such TIF assistance, the project would not occur. TIF Law allows such funds to be used to reduce the cost of site acquisition or site improvements including the construction or razing of buildings, parking facility construction, site preparation, environmental remediation, landscaping and similar types of related activities.

Estimated Cost \$5,000,000

#### **Land Acquisition**

In order to construct the public improvements and for the revitalization and development of private property, the acquisition of property and relocation of occupants may be necessary in this TIF District. The acquisitions could vary from rights-of-way and air space to entire parcels. Currently, the City of Madison intends to purchase the Truman-Olson Army Reserve Center property to stimulate further development within the District.

Estimated Cost: \$1,385,000

### Organizational, Administrative and Professional Costs

This category of project costs includes estimates for administrative, professional, organizational and legal costs. Project costs may include salaries, including benefits, of City employees engaged in the planning, engineering, implementing and administering activities in connection with TID #42, supplies and materials, contract and consultant services, and those costs of City departments such as the Finance Department, City Attorney, City Engineer, Parks Division, Planning & Development and the Office of the Mayor.

Estimated Cost: \$300,000

**TOTAL COST \$14,160,000**

### Financing Costs

The total TIF-eligible cost authorized in the Detailed Estimate of Project Cost and Timing represents the total TIF Capital Budget for which TIF funds may be used. Finance costs represent the estimated amount of interest incurred if the City were to borrow funds to pay for the entire TIF-eligible costs. Staff estimates that in the event the City of Madison borrows funds to pay for the capital costs authorized herein that tax increments estimated to be generated by the district over its life may be sufficient to repay \$13,658,000 of the \$14,160,000 of estimated project costs and an estimated \$3,927,000 financing cost.

## **DETAILED ESTIMATE OF TIMING AND PROJECT COSTS**

The following are the eligible project costs as provided for under Section 66.1105 (2)(f), Wisconsin Statutes and the timing in which certain project costs will be incurred. TIF Law requires that all project plan expenditures be made within a blighted area TID within 22 years of its creation. Certain project costs will be subject to the anticipated long-term development expectations as described elsewhere in this Plan. **The actual eligible project costs herein (shown below) may vary or may be adjusted without a project plan amendment, so long as the total amount of eligible costs does not exceed the amount adopted in the Project Plan.**

PROJECT	DESCRIPTION	TOTAL COST	ASSESSED	TIF COST	TIMING
<b>Storm Water Improvements</b>					
Storm Sewer Replacement	165' replace and re-size culverts crossing Park St north and south of old RR tracks	\$58,000	\$0	\$58,000	2012-24
Storm Sewer Replacement	1265' replace failing corrugated metal arch pipe from Wingra Creek South through Thorstads to old RR track	\$285,000	\$0	\$285,000	2012-24
Storm Water Treatment Devices	1 <sup>st</sup> installation prior to discharge to Wingra Creek of above arch pipe, 2 <sup>nd</sup> one undistributed likely on Park Street	\$25,000	\$0	\$25,000	2012-24
Storm Water Cleaning	Clean/regrade 950' RR drainage ditch along RR tracks (w/ RR permission)	\$66,000	\$0	\$66,000	2012-24
<b>SUBTOTAL – Storm Water</b>		<b>\$434,000</b>	<b>\$0</b>	<b>\$434,000</b>	<b>2012-24</b>
<b>New Street Construction</b>					
Cedar Street Extension	New street from South Street to Park Street	\$1,360,000	\$130,000	\$1,230,000	2013-15
South Street Extension	New street from Midland to Park St	\$1,910,000	\$40,000	\$1,870,000	2013-15
Subtotal New Streets		\$3,270,000	\$170,000	\$3,100,000	2013-15

<b>Street Rehab / Reconstruct</b>					
Park Street	Joint repair 2200' Delaplaine to Olin	\$910,000	\$0	\$910,000	2012-20
Park Street	Reconstruction 2500' Olin to RR tracks	\$700,000	\$70,000	\$630,000	2012-20
Fish Hatchery Rd	Resurface Park St. to 300' north of Wingra Drive	\$376,000	\$38,000	\$339,000	2012-20
Wingra Drive	Resurface 1400' South St to Beld St	\$201,000	\$20,000	\$181,000	2012-20
South Street	Resurface 1600' Midland to Wingra	\$184,000	\$18,000	\$166,000	2012-20
High Street	Reconstruct 1050' from Fish Hatchery to south end	\$368,000	\$92,000	\$276,000	2012-20
Midland Street	Resurface 550' from Fish Hatchery to Park St	\$43,000	\$4,000	\$39,000	2012-20
Garden Street	Reconstruct 385' from Midland to south end	\$135,000	\$34,000	\$101,000	2012-20
Appleton Rd	Resurface 300' from Fish Hatchery to South St	\$34,000	\$3,000	\$31,000	2012-20
Beld Street	Resurface 1400' from Park St to railroad	\$181,000	\$18,000	\$163,000	2012-20
Gilson Street	Resurface 1100' from Beld to Cedar St	\$126,000	\$13,000	\$113,000	2012-20
Lowell Street Alley	Reconstruct 180' from Emerson south	\$22,000	\$11,000	\$11,000	2012-20
Lowell Street Alley	Reconstruct 180' from Lakeside south	\$22,000	\$11,000	\$11,000	2012-20
<b>SUBTOTAL - Street Resurface / Reconstruct</b>		\$3,302,000	\$332,000	\$2,297,000	
<b>Bike Paths, Pedestrian Accommodations, Traffic Calming</b>					
Wingra Creek Bike Path	Refurface 550'	\$19,000	\$0	\$19,000	2013-15
Streetscape		\$450,000	\$0	\$450,000	2013-20
<b>Subtotal Bike Paths, Pedestrian</b>		\$469,000		\$469,000	
<b>Economic Development Assistance</b>					
Development Loans		\$5,000,000	\$0	\$5,000,000	2012-22
Land Acquisition – Truman Olson		\$1,385,000	\$0	\$1,385,000	2013
<b>Subtotal Economic Development</b>		\$6,385,000	\$0	\$6,385,000	
<b>Administrative and Professional</b>		\$300,000	\$0	\$300,000	2012-34
<b>TOTAL PROJECT COSTS</b>		\$14,160,000	\$ 502,000	<b>\$13,658,000</b>	

## SUMMARY OF TOTAL PROJECT COSTS AND ECONOMIC FEASIBILITY

The project costs include the estimated costs of planning, engineering, construction or reconstruction of public works and improvements and financing costs. **The actual eligible project costs may vary or may be adjusted without a project plan amendment, so long as the total amount of eligible costs does not exceed the amount adopted in the Project Plan.**

### How Tax Increments Are Generated, Used

Under the Wisconsin TIF Law, the property taxes paid each year on the increase in equalized value of the Tax Incremental District may be used by the City to pay for eligible project costs within the TID. Taking the TID's current value as a result of growth and deducting the value in the District that existed when the District was created determines the increase in value. All taxes levied upon this incremental (or increased) value by the City, Madison Metropolitan School District, Dane County, and the Madison Area Technical College District are allocated to the City for direct payment of project costs and payment of debt service on bonds used to finance project costs.

Per TIF Law, the maximum life of a blighted area TID is 27 years and all project expenditures must be made five (5) years prior to the termination of the TID. Therefore, all project expenditures must be made by December 31, 2034. Tax increments may be received until project costs are recovered, at which time the TID must close.

### TIF-Eligible Capital Budget

The cost of public improvements and other project costs is approximately \$14,160,000. It is anticipated that approximately \$502,000 of the project costs will be assessable to property owners. These assessments have been determined in accordance with the City and Board of Public Works standard special assessment policies. The \$13,658,000 balance of the TIF-eligible project costs (i.e. net of assessable costs) represents the authorized TIF Capital Budget for this Project Plan and will require financial support by incremental taxes from the District.

### Estimate of Economic Feasibility, TIF Generator(s)

TIF Policy requires a proposed TID have an economic "generator" i.e. at least one private development project that generates increment to finance TID costs. The determination of economic feasibility herein, including such TIF generators, is based on anticipated, near-term development, as well as projected development through 2039. The anticipated development for TID #42 includes:

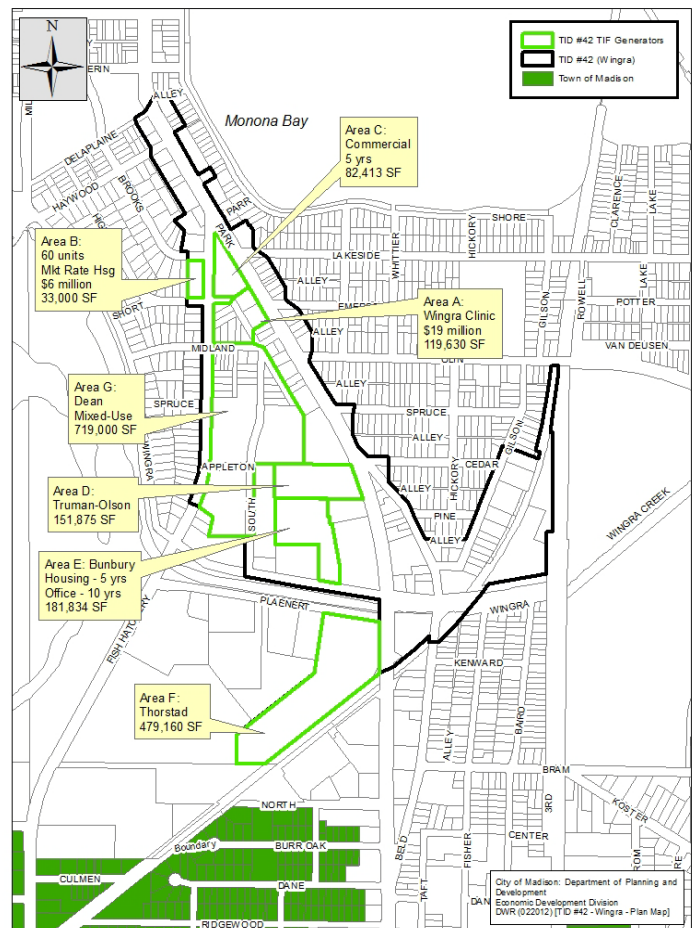
**Area A:** Development of 73,000 SF Wingra Clinic at an estimated \$19 M of value.

Estimated Timing: Completion by 2014  
Estimated Incremental Value: \$19,000,000

**Area B:** A 33,000 SF site. Development of medium-density, 60-65 units of market rate multi-family housing at an estimated value of \$6 million. Two similar multi-family projects have been proposed at this site but did not secure financing.

Estimated Timing: 2014 construction  
Estimated Incremental Value: \$6,000,000

**Area C:** This 82,413 SF site has potential as a mid-rise, flatiron-shaped residential or specialized lodging/conference use. Using a floor-to-area ratio





("FAR") of .75, staff estimates that the site could facilitate 61,810 SF of mixed-use construction.

Timing: Estimated 2015 construction  
Estimated Incremental Value: \$6,181,000

**Area D:** The 3.49 acre (151,875 SF) former Truman-Olson US Army Reserve Center, acquired by the City of Madison. Using a FAR of .75, the site could facilitate 113,906 SF of mixed-use development.

Estimated Timing: 2017 construction  
Estimated Incremental Value: \$11,391,000

**Area E:** The 4.17 acre (181,834 SF) Bunbury surface parking lot. Using a FAR of .75, staff estimates the site could facilitate construction of 136,375 SF for 190 apartment units.

Estimated Timing: 2019 construction  
Estimated Incremental Value: \$19,000,000

**Area F:** The 11 acre (479,160 SF) former Thorstad Chevrolet lot. Using a FAR of .75, staff estimates the site could facilitate construction of 359,370 SF of mixed uses.

Estimated Timing: 2022 construction  
Estimated Incremental Value: \$37,937,000

**Area G:** The 719,000 SF (16.5 AC) of assembled parcels owned by Dean Clinic for a potential 150,000 SF facility that has been suggested for construction in approximately 15 years, although Dean Clinic has made no definitive plans or estimates. Staff has provided a rough estimate herein, using conservative timing and value assumptions.

Estimated Timing: 2025 construction, 2027 completion  
Estimated Incremental Value: \$37,750,000

**Total Estimated Value of All TIF Generators: \$137,259,000**

As demonstrated in the section entitled Expectations for Development, a conservative estimate of total incremental value resulting from these and other development projects, and economic growth or value appreciation over the life of the TID is estimated to be **\$263,216,000**. This value is projected to produce incremental revenues sufficient to support the project costs stated above.

Project expenditures will be contingent upon development actually occurring or committed to occur. Since the majority of the project cost is financed with long-term debt, borrowing would be undertaken only when sufficient development actually occurs to support each borrowing segment and the expenditure of such funds.

Based on the current tax rates and conservative financial market assumptions, the anticipated economic growth of tax incremental revenues over the life (i.e. the total amount of tax increments over 27 years) of the TID should total approximately **\$47,089,000**. The present value of the total incremental revenues that are anticipated to be generated is **\$14,280,000**.

As previously indicated, each segment of the project (i.e., every individual cost element) will require subsequent approval by the Common Council and/or the CDA. The method of financing and the individual debt issues will also require Common Council approval. It is the City's intent to closely monitor all planned and actual development within the TID. The actual City investment in TID #42 may, therefore, be less than the amount shown in the Project Plan.

Finance Cost

Staff estimates that TID increment could support interest payments on capital borrowing. The estimated interest and finance cost of to borrow the entire estimated capital cost is **\$3,927,000**.

## PROMOTION OF ORDERLY LAND DEVELOPMENT

The City of Madison Comprehensive Plan outlines land use and design guidelines specific to the Wingra area. In particular, the plan notes a preference for “community mixed-use” (CMU), “medium density residential” (MDR), and “Low-density residential” (LDR), as noted in the following excerpts from Volume II, Chapter 2, pages 2-79 through 2-89 of the Comprehensive Plan:

### **Low Density Residential (LDR)**

- Low Density Residential districts are characterized by relatively low densities and a predominance of single - family and two - unit housing types. Some Low Density Residential areas, particularly in the older neighborhoods, may include many “house - like” structures that were built as, or that have been converted to multi - unit dwellings. Smaller two, three and four unit apartment buildings may be compatible with the Low Density Residential designation at locations specified in an adopted neighborhood or special area plan, but large apartment buildings or apartment complexes are not.
- In general, Low - Density Residential areas should be protected from encroachments of higher density or higher intensity uses than presently exist in the neighborhood and future conversions of housing in older mixed - housing type neighborhoods from single family to multi - unit should be discouraged. Infill or redevelopment projects should be compatible with established neighborhood character and be consistent with an adopted neighborhood or special area plan.

#### Housing Types in Low Density Residential Districts

- Single - family detached houses on individual lots.
- Townhouses or row houses.
- Duplexes and two - flat buildings.
- Three - flat buildings (stacked units in a three story buildings similar in character to the single - family buildings in the area.)
- Apartment buildings (multi - unit dwellings with units accessed via shared entrances and hallways) compatible with neighborhood character.) Generally limited to no more than four unit buildings if interlaced with other housing types. Small - scale apartment complexes may include buildings with more than four units.
- Accessory dwelling units.

#### Other Uses within the District

- Parks and recreational facilities.
- Community gardens.
- Elementary schools.
- Day care centers.
- Small civic facilities, such as libraries or community centers.
- Places of assembly and worship, if at a scale compatible with other existing or planned development in the area.

#### Commercial uses

- Neighborhood - serving retail and service uses, especially in mixed - use buildings.
- Small offices, especially in mixed-use buildings.

### **Medium Density Residential (MDR)**

Medium Density Residential districts are locations recommended primarily for relatively dense multi-family housing types, such as larger apartment buildings and apartment complexes. The Medium - Density designation is also applied to portions of some established neighborhoods that are composed primarily of “house - like” residential buildings, although there may also be a scattering of apartment buildings. In these areas, the medium - density designation reflects the large number of houses that were originally built as multi - unit, duplex, two - flat, or three - flat structures, or have subsequently been converted to contain several dwelling units.

#### Net Density Range

An average of 16 to 40 dwelling units per net acre for the Medium Density Residential area as a whole. Most developments within the area should fall within or below this range, although small areas of higher density

development may be included, either due to the historical development pattern or based on a specific recommendation in an adopted neighborhood or special area plan.

#### Location and Design Characteristics

Medium Density Residential areas typically are relatively compact areas within a larger neighborhood and generally should be located around and near more - intensively developed areas, such as Mixed - Use, General Commercial, or Employment districts in order to provide convenient access to these activity centers for the greatest number of residents.

#### Types in Medium Density Residential Districts

- Single - family detached houses on individual lots.
- Townhouses or row houses.
- Duplexes and two - flat buildings.
- Three - flat buildings (stacked units in a three story building similar in character to the single family buildings in the area.)
- Apartment buildings (multi - unit dwellings with units accessed via shared entrances and hallways) with no specific size limitation if compatible in scale and character with other neighborhood buildings.
- Accessory dwelling units.
- Live - work units if consistent with the recommendations of an adopted neighborhood or special area plan.

#### Other Uses within the District

- Parks and recreational facilities.
- Community gardens.
- Elementary schools.
- Day care centers.
- Small civic facilities, such as libraries or community centers.
- Places of assembly and worship, if at a scale compatible with other existing or planned development in the area.

#### Commercial uses

- Neighborhood - serving retail and service uses, especially in mixed - use buildings
- Offices, especially in mixed - use buildings.

#### **Community Mixed-Use (CMU)**

- Buildings more than one story in height, with maximum building height compatible with the size of the district, surrounding structures and land uses. Specific height standards may be recommended in an adopted neighborhood or special area plan.
- Pedestrian friendly design amenities, such as decorative paving and lighting along sidewalks and paths, plazas, benches, landscaping. Whenever possible, Community Mixed Use districts should be designed to incorporate some of the Transit Oriented Development standards outlined in the Comprehensive Plan.

#### Recommended Land Uses

- Commercial buildings, employment, retail and service uses serving both adjacent neighborhoods and wider community markets. Detailed neighborhood or special area plans may provide specific recommendations on allowed types of non-residential uses.
- Housing types generally similar to Medium Density Residential districts, provided the building scale is appropriate to the district and the adjacent neighborhood.
- Mixed-use buildings.
- Non-commercial residential support uses similar to Medium Density Residential districts.

#### Recommended Development Intensity

- Generally, buildings should be at least two stories in height. Specific height standards should be established in neighborhood or special area plans and should be compatible with the scale and intensity of the district as a whole and the context of the surrounding neighborhood.
- The maximum development intensity (floor area ratio) for commercial uses should be established in a detailed neighborhood or special area plan.
- No fixed limits on the gross square footage of commercial buildings or establishments, but the types and sizes of commercial uses appropriate in the district may be defined in an adopted neighborhood or special area plan.
- Net residential densities within a Community Mixed-Use district generally should not exceed 60 dwelling units per acre, but a neighborhood or special area plan may recommend small areas within the district for a higher maximum density if the development is compatible with the scale and character of the neighborhood.

#### Wingra Market Study and Conceptual Redevelopment Plan Summary Report

The Wingra Market Study and Conceptual Redevelopment Plan Summary Report ("Wingra Report"), adopted by the Common Council in March 2006, identifies opportunities for the Wingra area, bounded by Wingra Creek, Fish Hatchery Road and South Park Street. The following excerpts from the Wingra Report identify more specifically the opportunities and recommendations (Section IV, Pages 12-13):

- There is market potential for 30,000 to 50,000 square feet of additional commercial space in the project area.
- The major opportunities for urban reinvestment and job creation are in health care and bio-medical services in cooperation with the major health care institutions and the University of Wisconsin. There is the potential to expand facilities for such uses by 400,000 to 600,000 square feet.
- Dean Health System's long-range expansion plans at this site are unknown at this time. However, Dean would like to reserve sufficient area for potential expansion for up to 150,000 square feet of additional clinic space and associated parking for up to 1,000 vehicles.
- The former Dean / Morningstar Dairy site would be a suitable site for mid-rise residential development or a specialized lodging / conferencing facility of high quality urban design character and architecture. The buildings are currently vacant. Any new building at this site should be a "flat iron" building corresponding to the geometry of the site. A flat iron building will maximize the unique triangular shape of the site.

## **EXPECTATIONS FOR DEVELOPMENT**

The expectations for development in TID #42 have been developed from and predicated on the Comprehensive Plan for the City of Madison, as adopted by the Common Council. These adopted plans include a land use schedule that indicates a preference for commercial uses in the area designated as TID #42 (See TID #42 Map - Proposed Land Uses).

#### **Potential Areas for Development**

The Potential Areas for Development are identified on the map in the section entitled Summary of Total Project Costs and Economic Feasibility. They lie generally within an area bounded by South Park Street, Fish Hatchery Road, and Wingra Creek, with one additional area for development located south of Wingra Creek along South Park Street.

#### **Annual Value Increment Estimates**

**Definition of Value Increment:** The increase in value is determined by deducting the value in the TIF district that existed when it was created (i.e. the "base value") from the TIF district's increased value as a result of new development. Appreciation of the base value and the new development over the full 27-year life of the TIF district is also included in this estimate.

**Timeframe for Development:** For the purposes of this project plan's economic expectations new development projects, the TIF generator projects indicated herein are expected to occur within the first 10 years of the district's life. It is the City's practice to anticipate development, repayment of costs and closure of the district within a shorter timeframe than the full

27-year period allowed by TIF Law. TID expenditures may be made for a period of 22 years from the date of TID creation. On average, a City TIF district is closed within about 12 years. To the extent that the District meets or exceeds economic expectations, it is then able to repay its project costs and return the value increment to the overlying taxing jurisdictions in a shorter period of time.

**Anticipated Development:** The actual timing and value of new growth within the District depends upon variables that are unpredictable at this time. The estimated \$19 million Wingra Clinic project is anticipated to be completed in 2014. The remaining development projects in Areas A-G are as yet undefined but are estimated to create an additional \$118,259,000 of value by 2027 at the latest. The total value increment (including estimated TIF generators and appreciation of property value within the district) generated over the 27-year life of the district is estimated at approximately \$263,216,000. This growth is estimated to generate approximately \$47,089,000 of tax increment over the life of the district.

## METHODS FOR THE RELOCATION OF DISPLACED PERSONS AND BUSINESSES

Where the relocation of individuals and business operations would take place as a result of the City's acquisition activities occurring within the District, relocation will be carried out in accordance with the relocation requirements set forth in Chapter 32 of the Wisconsin Statutes and the Federal Uniform Relocation Assistance and Real Property Acquisitions Policy Act of 1970 (P.L. 91-646) as applicable.

## LEGAL DESCRIPTION

Part of the Northeast 1/4, the Southeast 1/4, the Southwest 1/4, and the Northwest 1/4 of Section 26, Township 07 North, Range 09 East of the 4th Principal Meridian, City of Madison, Dane County, Wisconsin, described as follows:

**Beginning** at the northeasterly corner of Lot 1, Block 4, Fiore Plat<sup>1</sup>, also being the southerly right of way of High Street and the westerly right of way of Fish Hatchery Rd; thence westerly along said southerly right of way of High Street, 120.00 feet, more or less, to the intersection with the southerly extension of the westerly line of Lot 5; thence northerly, 60.00 feet, more or less, to the southwesterly corner of Lot 5, Block 2 of said Fiore Plat; thence northerly along the westerly line of Lots 1-5, said Block 2, 275.00 feet, more or less, to the southerly right of way of S. Brooks Street; thence continuing northerly, 66.00 feet, more or less, to the southeasterly corner of Lot 4, Block 1 of said Fiore Plat; thence westerly along the northerly right of way of said Brooks Street, 54.65 feet, more or less, to the southwesterly corner of said Lot 4; thence northeasterly 152.75 feet, more or less, to the northwesterly corner of said Lot 4, also being on the southwesterly line of Lot 1, Block 1 of said Fiore Plat; thence northwesterly along said southwesterly lot line, 110.1 feet, more or less, to the westerly corner of said Lot 1; thence northeasterly along the northwesterly line of said Lot 1, also being the southeasterly line of Lot 9, Block 1, Vogel's Addition to the City of Madison<sup>2</sup>, 73.6 feet, more or less, to the southeast corner of said Lot 9; thence continue northeasterly along said northwesterly line of said Lot 1, 24.0 feet, more or less, to the northeasterly line of a private right of way; thence northwesterly parallel with and 24 feet northeasterly of and perpendicular measure to the northeasterly line of said Vogel's Addition Plat line, and along the northeasterly line of said private right of way, 492.8 feet, more or less, to the northerly corner of said private right of way, also being the southeasterly right of way of Haywood Drive (platted as Ridgewood Avenue); thence northerly, 72.75 feet, more or less, to the southerly corner of Lot 1, Block 2, Back

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<sup>1</sup> Fiore Plat, recorded in Vol. 10 of Plats, page 22, as Doc. No. 649933

<sup>2</sup> Vogel's Addition to the City of Madison, recorded in Vol. 13 of Plats, page 41, as Doc. No. 796988

Bay Subdivision<sup>3</sup> and the northerly right of way of said Haywood Drive, also being the southeasterly corner of Lot 6, said Block 2; thence northwesterly along the southwesterly line of Lots 1-5, of said Block 2, 204.3 feet, more or less, to the northwesterly corner of Lot 5, said Block 2, and the southeasterly right of way of Delaplaine Court (platted as Wingra Court); thence northwesterly, 37 feet, more or less, to the southeasterly line of Lot 2, Certified Survey Map No. 11314<sup>4</sup>, and the northwesterly right of way of said Delaplaine Court; thence northeasterly along said northwesterly right of way, 100.0 feet, more or less, to the southeasterly corner of said Lot 2, and the southwesterly right of way of S. Park Street (U.S.H. 151); thence northeasterly 149 feet, more or less, to the northwesterly corner of Lot 1, Certified Survey Map No. 12999<sup>5</sup> and the northeasterly right of way of S. Park Street (U.S.H. 151); thence easterly along the northerly line of said Lot 1, 92.42 feet, more or less, to the northeasterly corner of said Lot 1, also being the northwest corner of Lot 1, Plat of Addition to West Bay<sup>6</sup>; thence southeasterly along the northeast line of said C.S.M. 12999 and along the northeast line of Lots 6-8, Plat of West Bay<sup>7</sup>, 261.60 feet, more or less, to the easterly corner of Lot 8, said Plat of West Bay; thence southwesterly along the southeasterly line of said Lot 8, 99.4 feet, more or less, to the northeasterly right of way of S. Park Street (U.S.H. 151); thence southeasterly along the northeasterly line of S. Park Street (U.S.H. 151), 360.0 feet, more or less, to the northwesterly line of Lot 18, said Plat of West Bay; thence northeasterly along the northwesterly line of said Lot 18, 100.0 feet, more or less, to the northerly corner of said Lot 18; thence southeasterly along the northeasterly line of said Lot 18, 26.6 feet, more or less, to the easterly corner thereof, said point also being on a line 100.0 feet perpendicular measure to and parallel with the easterly right of way of S. Park Street (U.S.H. 151); thence southeasterly along said parallel line, 54.75 feet, more or less, to a point 34 feet, more or less, northeasterly from the easterly corner of Lot 19 of said Plat of West Bay and perpendicular measure to the right of way of said S. Park Street (U.S.H. 151); thence southwesterly, perpendicular to said S. Park Street, 34 feet, more or less, to the southeasterly corner of said Lot 19; thence southwesterly along the southeasterly line of said Lot 19, 65.8 feet, more or less, to the northeasterly right of way of S. Park Street (U.S.H. 151); thence southeasterly along the northeasterly right of way of S. Park Street (U.S.H. 151), 388.5 feet, more or less, to the northwest line of the southeast 8 inches of Lot 22, Block 10, South Madison<sup>8</sup>; thence northeasterly along said northwest line, 100.00 feet, more or less to the northeast line of the southwest 120 feet of said Lot 22; thence southeasterly along said northeast line, 8 inches, more or less to the southeast line of said Lot 22; thence northeasterly along said southeast line of Lot 22, 30 feet, more or less to the northeast line of the southwest 150 feet of Lot 21, Block 10, of said South Madison; thence southeasterly along said northeast line, 50.0 feet, more or less to the south line of said Lot 21; thence northeasterly along said south line of Lot 21, 9.75 feet, more or less, to the northeast line of the southwest 159.75 feet of Lot 20, Block 10, South Madison; thence southeasterly along said northeast line, 50.00 feet, more or less, to the northwesterly line of Lot 13, Block 10, Richmond Replat<sup>9</sup>; thence southwesterly along said northwesterly line, 0.58 feet, more or less, to the northeasterly corner of Lot 19, Block 10, South Madison; thence southerly along the westerly line of aforementioned Lot 13, also being the easterly line of Lots 18 and 19, said Block 10, 127 feet,

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<sup>3</sup> Back Bay Subdivision, recorded in Vol. 2 of Plats, page 52, as Doc. No. 248744

<sup>4</sup> Certified Survey Map No. 11314, recorded in Vol. 68 of Certified Survey Maps, page 229-232, as Doc. No. 4017355

<sup>5</sup> Certified Survey Map No. 12999, recorded in Vol. 83 of Certified Survey Maps, page 74-78, as Doc. No. 4701287

<sup>6</sup> Plat of Addition to West Bay, recorded in Vol. 4 of Plats, page 17A, as Doc. No. 322235

<sup>7</sup> Plat of West Bay, recorded in Vol. 4 of Plats, Page 16, as Doc. No. 287140

<sup>8</sup> South Madison, recorded in Vol. A of Plats, page 20, as Doc. No. 180760

<sup>9</sup> Richmond Replat, recorded in Vol. 2 of Plats, page 6A, as Doc. No. 438487

more or less, to the northerly right of way of W. Lakeside Street and the southeast corner of said Lot 18; thence southeasterly, 127.1 feet, more or less, to the northeasterly corner of Lot 15, Block 6, of said South Madison, and the southerly right of way of said W. Lakeside Street and the southwesterly right of way of an alley; thence southeasterly along said southwesterly line, 264.67 feet, more or less, to the northeasterly corner of Lot 10 said Block 6, also being on the westerly line of Lot 8 of said Block 6; thence southerly along said westerly line, 87.85 feet, more or less, to the southwesterly corner of said Lot 8, and the northerly right of way of Emerson Street; thence southeasterly, 116.6 feet, more or less, to the northeasterly corner of Lot 10, Block 3 of said South Madison, and being the southerly right of way of said Emerson Street and being the southwesterly right of way of an alley; thence southeasterly along said southwesterly line of an alley, 191.15 feet, more or less, to the southwesterly corner of the alley and to an easterly corner of Lot 6, of said Block 3; thence easterly along the northeasterly line of said Lot 6, 2.85 feet, more or less, to the northeast corner of Lot 6, said point also being the northwesterly corner of Lot 4 of said Block 3; thence southerly along the westerly line of said Lot 4, 150 feet, more or less, to the southwesterly corner of said Lot 4, and the northerly right of way of W. Olin Avenue (platted as Pond Street); thence southwesterly, 68 feet, more or less, to the intersection of the northeasterly right of way of S. Park Street (U.S.H. 151) with the south right of way of said W. Olin Avenue, and the north line of Woodlawn Addition to South Madison<sup>10</sup>; thence southeasterly along said northeasterly right of way, to the intersection with the northerly right of way of Spruce Street; thence easterly along said northerly right of way of Spruce Street, 143.2 feet, more or less, to the southwesterly corner of Lot 16, Block 1, Woodlawn Addition to South Madison<sup>11</sup>; thence southwesterly, 66.25 feet, more or less, to the intersection of the southerly right of way of said Spruce Street with the easterly line of that parcel of land described in Warranty Deed<sup>12</sup>; thence southerly along said easterly line, 150 feet, more or less, to the southeasterly corner thereof, said point also being on the northerly right of way of an alley; thence southerly, 18 feet, more or less, to the intersection of the northeasterly right of way of S. Park Street (U.S.H. 151) with the southerly line of said alley;

thence southeasterly along the northeasterly right of way of said S. Park Street (U.S.H. 151), 80.96 feet, more or less, to a bend point in said right of way; thence southeasterly along said northeasterly right of way, 106.93 feet, more or less, to northerly right of way of Cedar Street; thence easterly along the northerly line of said Cedar Street, 150.00 feet, more or less, to the southeasterly corner of Lot 26, of said Block 2; thence southerly, 66 feet, more or less, to the southerly right of way of said Cedar Street, also being the intersection of the east line of the westerly 10 feet of Lot 2, Block 6, said Woodlawn Addition to South Madison with said right of way; thence southerly along said east line, 110.00 feet, more or less, to the northeasterly right of way of Beld Street (platted as Oregon Street), said point being on the southwesterly line of said Block 6; thence southeasterly along said northeasterly right of way, 222.6 feet, more or less, to a bend point of said Block 6; thence southeasterly along said northeasterly right of way, 45.2 feet, more or less, to the intersection thereof with the northerly right of way of Pine Street; thence southeasterly along said northeasterly right of way of Beld Street to the northwesterly corner of Lot 1, Block 7, Block Seven Woodlawn<sup>13</sup>; thence southeasterly along said northeasterly right of way, 168.33 feet, more or less, to the northerly right of way of an alley and the southwest corner of Lot 2, Block 7, of said Block Seven Woodlawn;

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<sup>10</sup> Woodlawn Addition to South Madison, recorded in Vol. 2 of Plats, page 6, as Doc. No. 223816

<sup>11</sup> Woodlawn Addition to South Madison, recorded in Vol. 2 of Plats, page 6, as Doc. No. 223816

<sup>12</sup> Warranty Deed, recorded in Volume 9230, page 28, as Doc. No. 1984057.

<sup>13</sup> Block Seven Woodlawn, recorded in Vol. 2 of Plats, page 25, as Doc. No. 237891A.

thence easterly along said northerly right of way, 303.05 feet, more or less, to the southeasterly corner of Lot 8, said Block 7, and the northwesterly right of way of Gilson Street (platted as Maple Street); thence northeasterly along said northwesterly right of way to a point 76.08 feet southwesterly of the northeasterly corner of Lot 9, Block 3, Woodlawn Addition to Madison, also being the southeasterly corner of Warranty Deed<sup>14</sup>; thence easterly, 70 feet, more or less, to the southwesterly corner of Lot 6, Block 4, said Woodlawn Addition to South Madison; thence southeasterly along the south line of said Lot 6, 181.75 feet (179.8 feet per Woodlawn Addn to South Madison), more or less, to the southeast corner of said Lot 6; thence southeasterly along the southeasterly extension of the south line of said Lot 6 to a line parallel with and distant 15 feet westerly, measured radially, from the centerline of the main track of the Chicago and Tomah railroad company (now the Union Pacific Railway Company); thence northeasterly, along said parallel line, to the southeasterly extension of the north line of said Lot 6; thence northwesterly along said southeasterly extension to the northeast corner of said Lot 6 said Woodlawn Addition to South Madison, and to the southeast corner of Lot 5, also being the westerly right of way of aforementioned railroad; thence northerly along said westerly right of way, and along a curve to the left, also being the easterly line of Block 4 of said Woodlawn Addition to South Madison, 300.5 feet, more or less, to the southeasterly corner of Block 2, of Maple Court<sup>15</sup>; thence northerly along the easterly line of said Block 2, also being said railroad westerly right of way, 336.5 feet, more or less, to the northeasterly corner of said Block 2, and the south right of way of W. Olin Avenue; thence easterly along said south right of way to a point 100 feet, more or less, westerly of the intersection of the northerly extension of Warranty Deed<sup>16</sup> with the south right of way line of W. Olin Avenue; thence southerly, 496.50 feet, more or less, to the northwesterly corner of Lot 1, Certified Survey Map 5781<sup>17</sup>; thence easterly along northerly line of said Lot 1, 20.19 feet, more or less, to the northeasterly corner of said Lot 1; thence southerly along the easterly line of said Lot 1, 731.35 feet, more or less, to a southeasterly corner of said C.S.M.; thence westerly along a southerly line of said C.S.M., 37.12 feet, more or less, to an easterly corner of said C.S.M.; thence southerly along an easterly line of said C.S.M. and an easterly line of Lot 2, said Certified Survey Map Number 5781, 308.57 feet, more or less, to the southeasterly corner of Lot 2 of said Certified Survey Map No. 5781; thence westerly along the southerly line of said Lot 2, 452 feet, more or less, to the southwesterly corner of said Lot 2, also being on the easterly right of way of Union Pacific Railroad, also being a point of curvature; thence southwesterly along said easterly right of way, and along a curve to the right, 568.5 feet, more or less, to the northwest corner of Lot 12, Block 2 of Fair View Addition to South Madison<sup>18</sup> and to the easterly right of way of Beld Street; thence southwesterly 76.75 feet, more or less, to the intersection of the southeasterly right of way of Union Pacific Railroad with the westerly right of way of Beld Street as presently located per surplus railroad disposal deed Document No. 1603243; thence southwesterly along the northwesterly line of said disposal deed Document no. 1603243, 259.1 feet, more or less, to the point of intersection with a straight line drawn between the most easterly corners of S Park Street right-of-way acquisition Document Nos. 761131 and 763144 representing the easterly right of way of S. Park Street (U.S.H. 151); thence westerly in a straight line, 167 feet, more or less, to the most easterly

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<sup>14</sup> Warranty Deed, Doc. No. 3184391

<sup>15</sup> Maple Court, recorded in Vol. 1 of Plats, page 33, as Doc. No. 213378

<sup>16</sup> Warranty Deed recorded in Volume 246 of Deeds, page 17, Doc. No. 341754a

<sup>17</sup> Certified Survey Map No. 5781, recorded in Vol. 27 of Certified Survey Maps, page 158-159, as Doc. No. 2129172, and corrected by Affidavit of Correction, recorded in Vol. 12837, page 36, as Doc. No. 2141048, and corrected by Affidavit of Correction, recorded in Vol. 12943, page 58, as Doc. No. 2145714.

<sup>18</sup> Fair View Addition to South Madison, recorded in Vol. 4 of Plats, page 7, as Doc. No. 281472A



corner of that parcel of land described in Trustee Deed<sup>19</sup>, and the northwesterly right of way of Union Pacific Railroad, and to the west right of way of S. Park Street (U.S.H. 151); thence southwesterly along the southeasterly line of said Trustee Deed, and along the northwesterly right of way of said Union Pacific Railroad, 1089.75 feet, more or less, to the southeasterly corner of said Trustee Deed, and to the South line of the Southwest Quarter of Section 26, Township 07 North, Range 09 East; thence westerly along said South line, 206.6 feet, more or less, to the southwesterly corner of said Trustee Deed, also being the east line of Certified Survey Map Number (CSM#) 8380<sup>20</sup>; thence northerly along the westerly line of said parcel, and along the east line of said C.S.M., 218.00 feet, more or less, to a westerly corner of said Trustee Deed; thence northeasterly along the northwesterly line of said Trustee Deed, and the east line of said C.S.M., also being the southeast line of C.S.M.#4420<sup>21</sup>, 732.4 feet (734.8 ft per the platted distance from CSM 4420), more or less, to a westerly corner said Trustee Deed; thence northerly along the westerly line of said parcel, and along the east line of said C.S.M. #4420, 447.6 feet (447.48 ft per the platted distance from CSM 4420), more or less, to the northwest corner of said Trustee Deed, and to the south right of way of Plaenert Drive; thence easterly along said south right of way of Plaenert Drive, 424.0 feet, more or less, to the intersection thereof with the westerly right of way of S. Park Street (U.S.H. 151), also being the northeast corner of said Trustee Deed; thence northerly along the westerly right of way of S. Park Street (U.S.H. 151), 166.0 feet, more or less, to the intersection thereof with the south right of way of Wingra Drive; thence westerly along said south right of way of Wingra Drive, 1019.5 feet, more or less, to the intersection with the southerly extension of the westerly right of way of South Street; thence northerly along said extended west right of way of South Street and along the west right of way of South Street, 294 feet, more or less, to the southeast corner of that parcel described in DEED<sup>22</sup>; thence westerly along southerly line of said parcel and along a line parallel with and 60 feet northerly of and perpendicular measure to the south line of Lot 4, Block 2, Haen Subdivision No. 1<sup>23</sup>, 276.4 feet, more or less, to the southwesterly corner of said DEED and the west line of said Lot 4; thence northerly along the westerly line of said DEED and of said Lot 4, 143.89 feet, more or less, to the northwesterly corner of said Lot 4; thence northwesterly along the southwesterly line of Lot 7, Haen Subdivision No. 1, 131.18 feet (129.65 ft per Haen Subdivision No. 1), more or less, to the western corner of said Lot 7, and to the easterly right of way of Fish Hatchery Road (platted as Fitchburg Street); thence northwesterly, 80.54 feet, more or less, to the southeast corner of Lot 20, Wingra Drive Addition<sup>24</sup>, also being the westerly right of way of Fish Hatchery Road; thence northeasterly and northerly along said westerly right of way of Fish Hatchery Road to the **Point of Beginning**.

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<sup>19</sup> Trustee Deed recorded as Doc. No. 3485185

<sup>20</sup> Certified Survey Map Number 8380, recorded in Vol. 45, pages 234-237, Doc. No. 2805197.

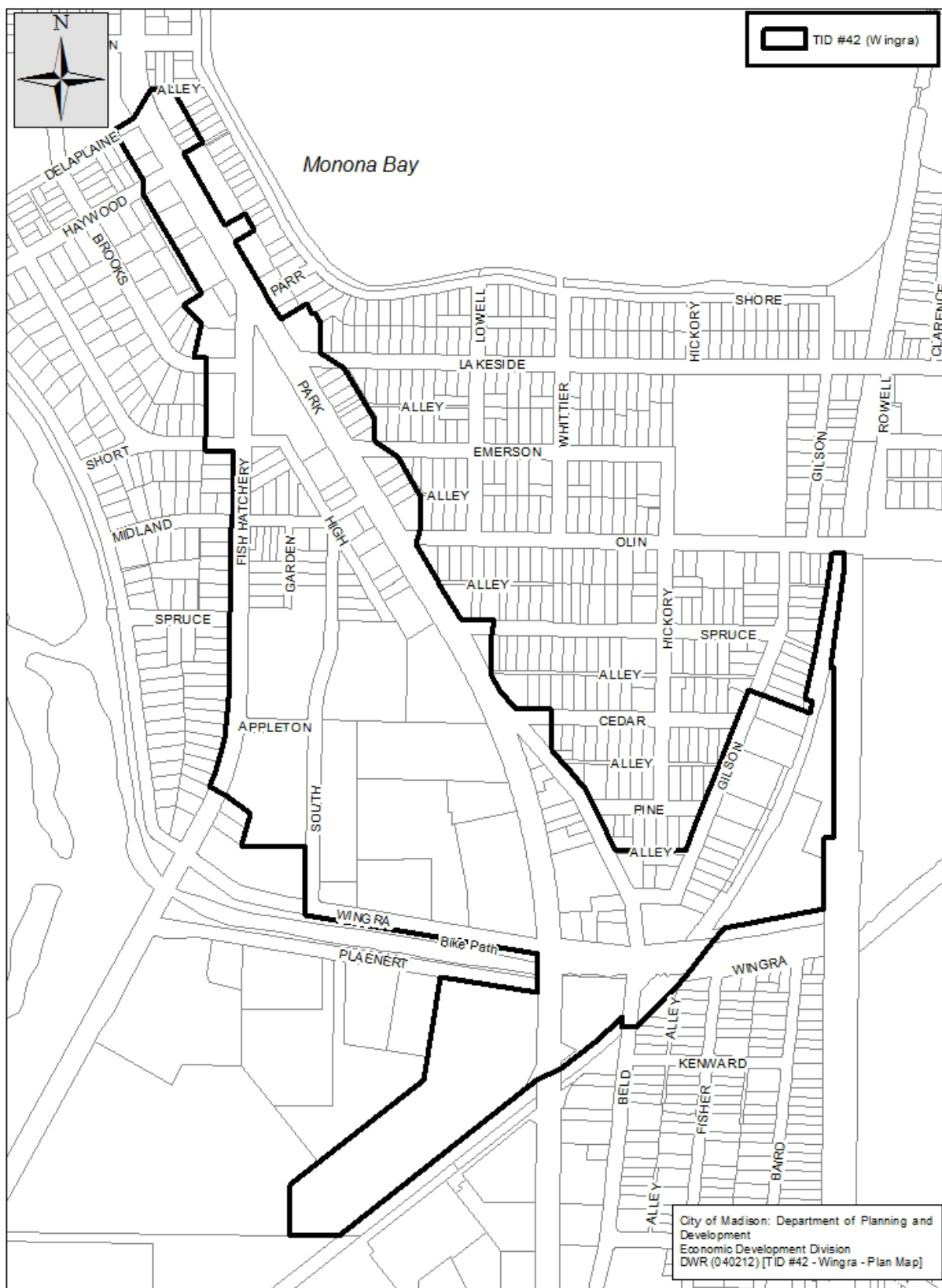
<sup>21</sup> C.S.M.#4420, recorded in Vol. 19, pages 88-89, Doc. No. 1842428

<sup>22</sup> DEED, recorded in Vol. 14527, page 97, Doc. No. 2214469

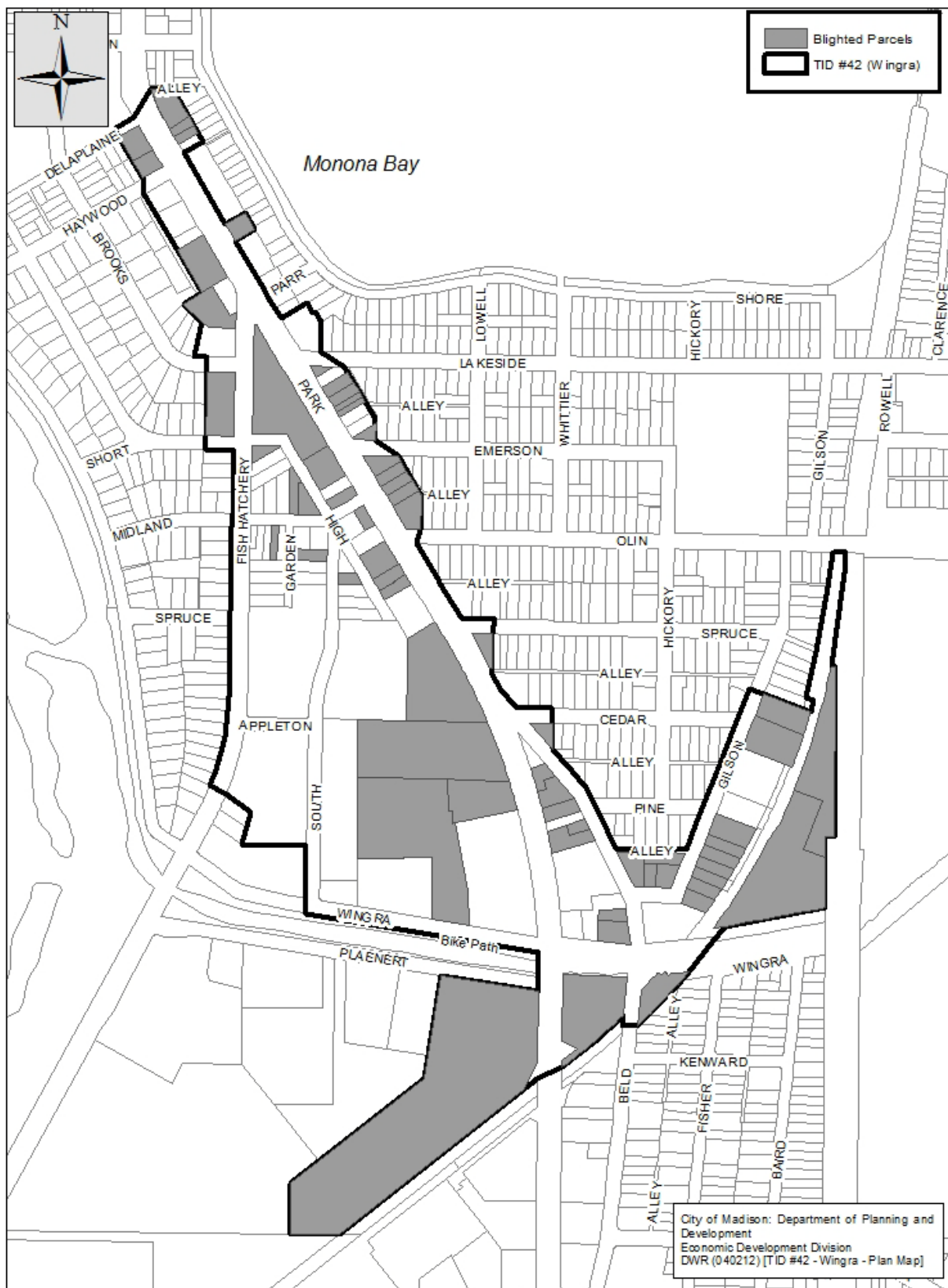
<sup>23</sup> Haen Subdivision No. 1, recorded in Vol. 23 of Plats, on pages 38-39, Doc. No. 998984

<sup>24</sup> Wingra Drive Addition, recorded in Vol. 12 of Plats, page 27, recorded as Doc. No. 754548

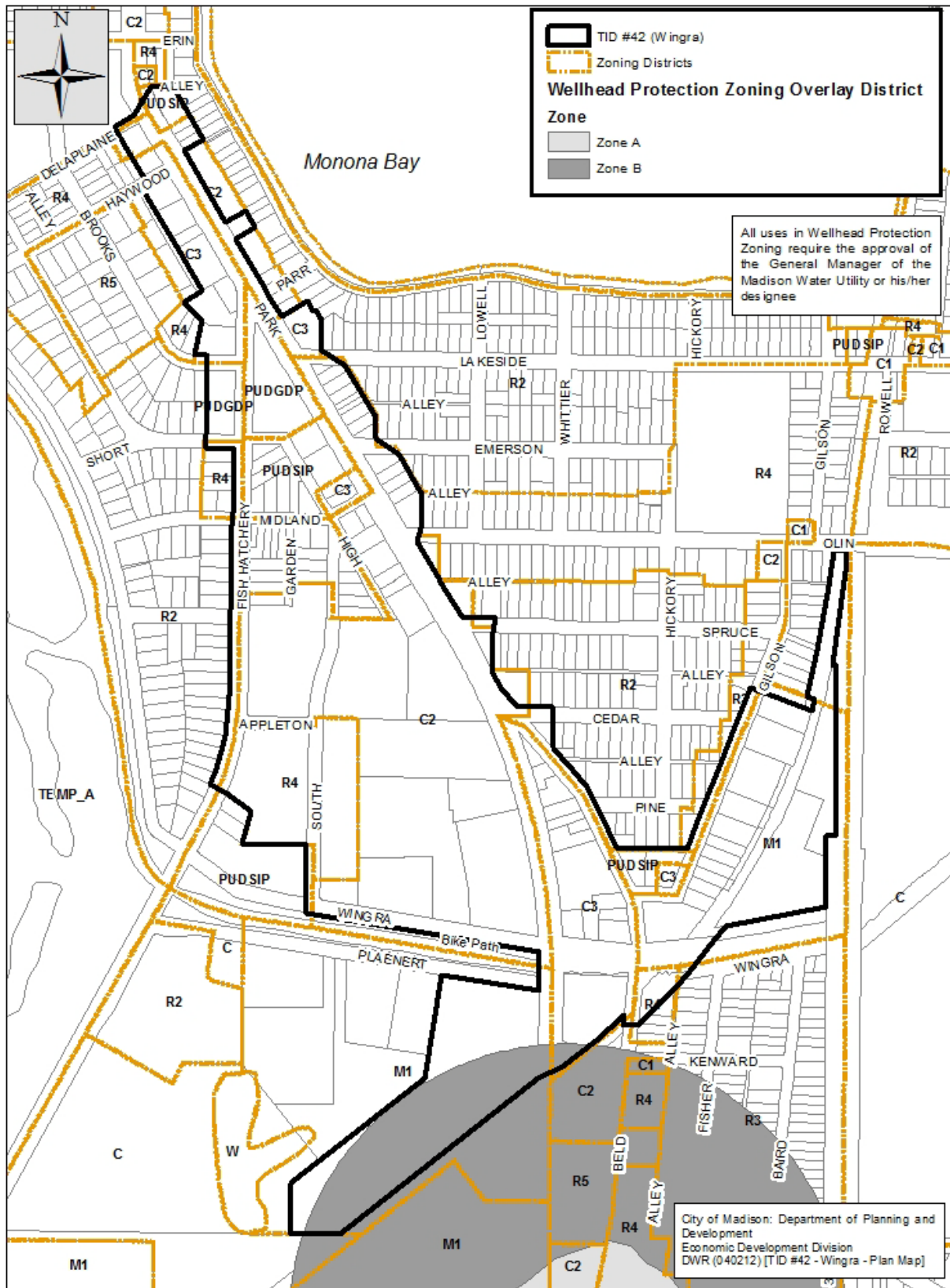
## District Boundary



## Existing Conditions (Blight Map)



## Existing Zoning

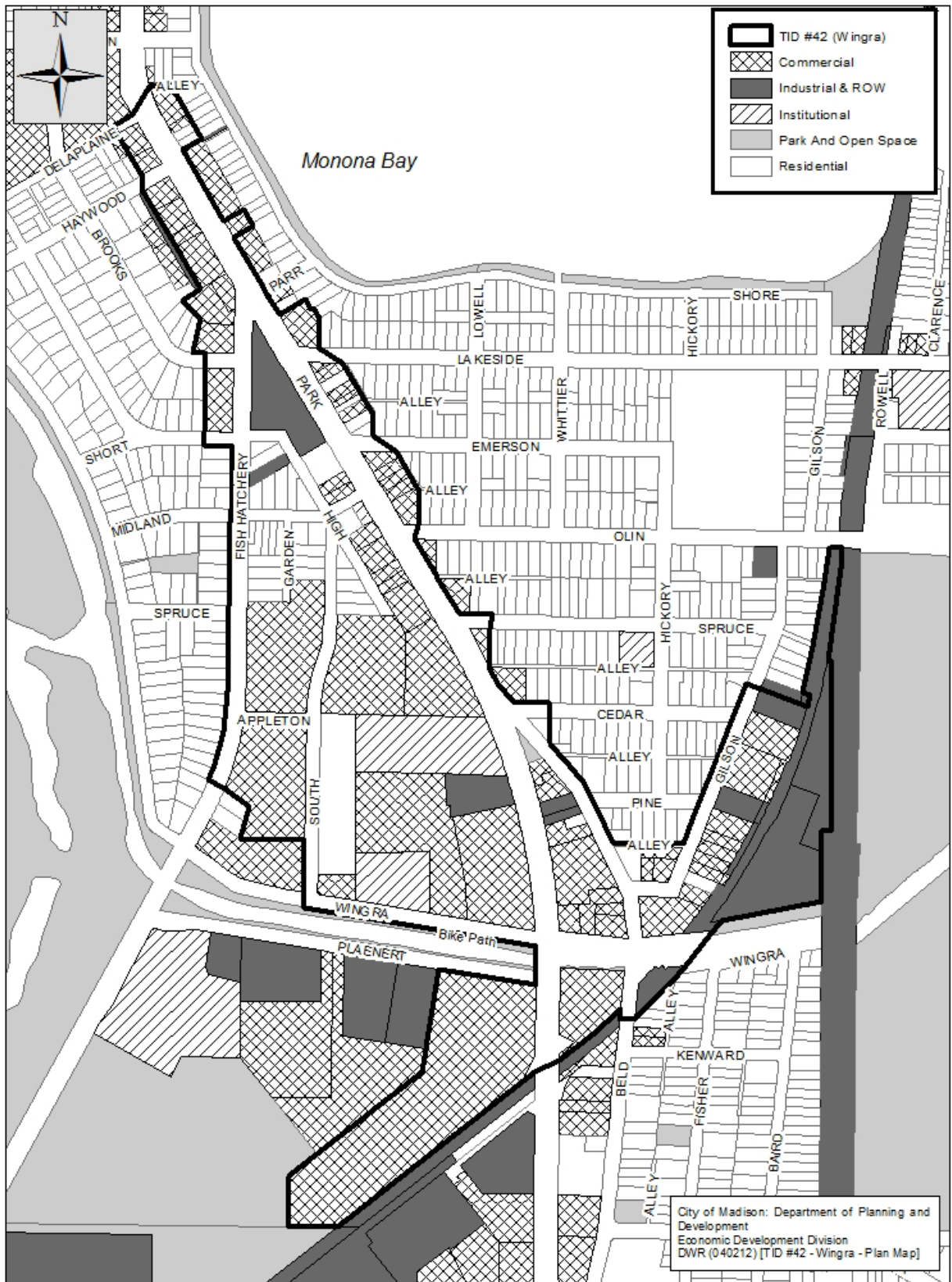


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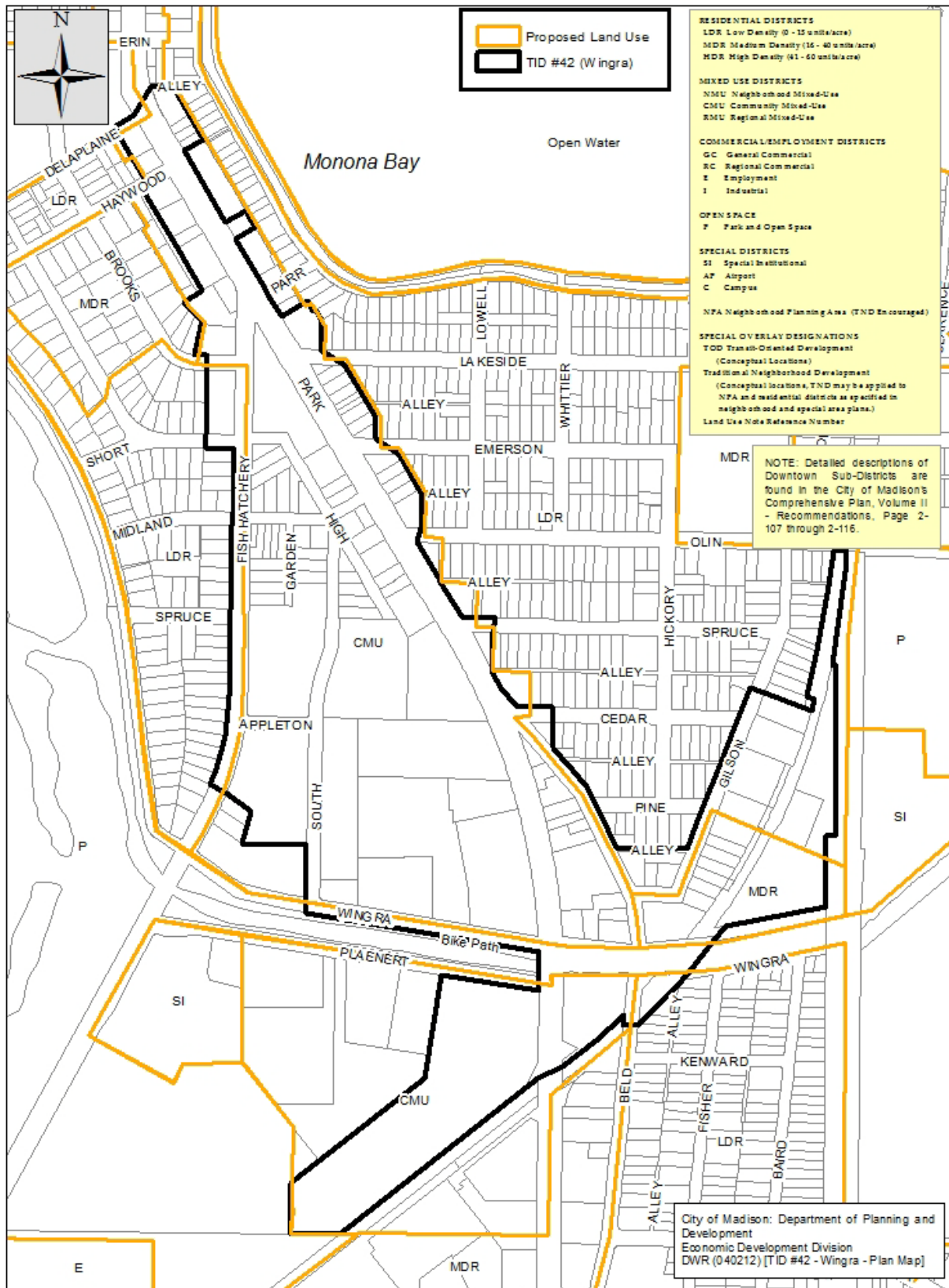




## Existing Land Use



## Proposed Land Use



## City Attorney Opinion Letter

**CITY OF MADISON  
CITY ATTORNEY'S OFFICE  
Room 401, CCB  
266-4511**

April 18, 2012

### MEMORANDUM

TO: Joseph E. Gromacki, TIF Coordinator

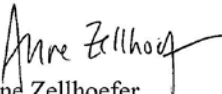
FROM: Anne Zellhoefer, Assistant City Attorney

SUBJECT: **PROJECT PLAN FOR TIF DISTRICT NO. 42 -- CITY OF MADISON  
(WINGRA)**

In my capacity as Assistant City Attorney for the City of Madison, Wisconsin, I have examined the Project Plan for Tax Incremental Finance District No. 42, City of Madison, Wisconsin, dated May 15, 2012. Based on this examination, I am of the opinion that the Project Plan is complete and complies with the provisions of Sec. 66.1105(4)(f), Wis. Stats.

I render no opinion with respect to the accuracy or validity of any statement and/or finding contained in the Project Plan, but refer you to the appropriate reports of City staff in support of the Plan.

Respectfully submitted,

  
Anne Zellhoefer  
Assistant City Attorney

AZ:sob