

Economic Development Division

Capital Improvement Plan

Project Summary: Adopted

	2023	2024	2025	2026	2027	2028
ACRE Program	300,000	-	-	-	-	-
Center for Industry and Commerce	40,000	40,000	40,000	40,000	40,000	40,000
General Land Acquisition Fund	60,000	60,000	60,000	60,000	60,000	60,000
Healthy Retail Access Program	250,000	250,000	250,000	250,000	250,000	250,000
Land Banking	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Public Market	4,500,000	-	-	-	-	-
Small Business Equity and Recovery	2,000,000	500,000	500,000	500,000	500,000	500,000
TID 36 Capitol Gateway Corridor	100,000	100,000	100,000	100,000	100,000	100,000
TID 39 Stoughton Road	30,000	30,000	30,000	30,000	30,000	30,000
TID 42 Wingra	100,000	100,000	100,000	100,000	100,000	100,000
TID 50 State Street	800,000	600,000	600,000	600,000	600,000	600,000
TID 51 South Madison	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
TID 52 E Washington Stoughton Rd	2,350,000	-	-	-	-	-
Truman Olson Grocery Development	3,500,000	-	-	-	-	-
	\$ 18,030,000	\$ 5,680,000				

Changes from 2022 CIP



Major Changes

- ACRE Program
 - \$300,000 project added to the budget via Common Council amendment #2 - SUB to support graduates of the Associates in Commercial Real Estate (ACRE) program with pre-development costs
- Public Market
 - Project budget increased \$4.5 million in TID proceeds via Common Council amendment #3 - SUB to address a \$5.2 million funding gap for the project
 - Common Council amendment #3 - SUB also notes that Dane County included \$1.5 million in financial support for the project in its 2023 budget, which will involve the County taking partial ownership of the property; The amendment supports the utilization of County support
 - The total funding available for the Public Market is \$20.8 million. The total City contribution is \$12.3 million and includes the \$4.5 million appropriated in 2023. The remaining costs are funded from private contributions (\$3.0 million), State grants (\$4.0 million), and support from Dane County (\$1.5 million).
- TID 50 State Street
 - Program budget increased by \$200k in 2023 via Finance Committee amendment #1 to provide additional funding for small business grants
- TID 52 E Washington Stoughton Rd
 - New program added to the CIP via Common Council amendment #4 with \$2.4m in TIF supported borrowing to provide a TIF loan for a development within the district
- Truman Olson Grocery Development
 - Project budget increased \$3.5m in GF GO borrowing via Common Council amendment #5 to support build out and completion of the project
 - Debt service payments associated with the \$3.5m will be recovered through lease payments from a grocer that will operate the grocery store

Economic Development Division

Budget Overview

2023 CIP by Expenditure Type

	2023	2024	2025	2026	2027	2028
Building	8,000,000	-	-	-	-	-
Land	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Loans	2,350,000	-	-	-	-	-
Other	6,680,000	4,680,000	4,680,000	4,680,000	4,680,000	4,680,000
Total Expenditures	\$ 18,030,000	\$ 5,680,000				

2023 CIP by Funding Source

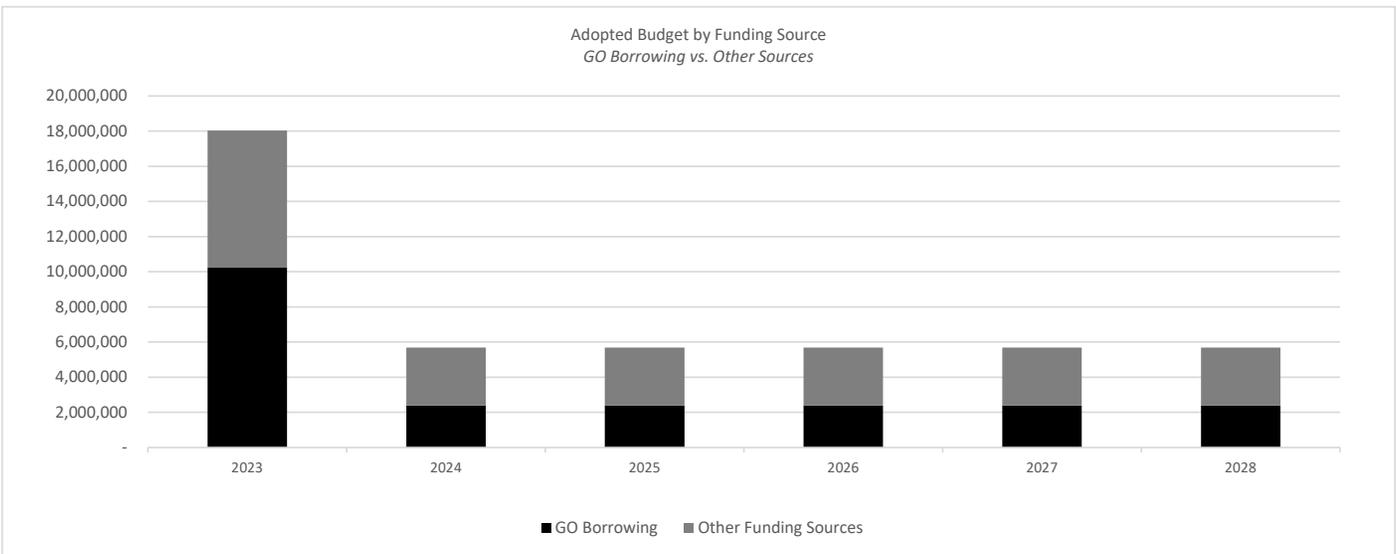
	2023	2024	2025	2026	2027	2028
GF GO Borrowing	7,090,000	1,790,000	1,790,000	1,790,000	1,790,000	1,790,000
Non-GF GO Borrowing	3,150,000	600,000	600,000	600,000	600,000	600,000
Reserves Applied	60,000	60,000	60,000	60,000	60,000	60,000
TIF Increment	7,730,000	3,230,000	3,230,000	3,230,000	3,230,000	3,230,000
Total Funding	\$ 18,030,000	\$ 5,680,000				

Borrowing Summary

	2023	2024	2025	2026	2027	2028
Borrowing Schedule						
General Fund GO Borrowing	7,090,000	1,790,000	1,790,000	1,790,000	1,790,000	1,790,000
Non-General Fund GO Borrowing	3,150,000	600,000	600,000	600,000	600,000	600,000
Total GO Borrowing	\$ 10,240,000	\$ 2,390,000				

Annual Debt Service

General Fund GO Borrowing	921,700	232,700	232,700	232,700	232,700	232,700
Non-General Fund GO Borrowing	409,500	78,000	78,000	78,000	78,000	78,000



Carry Forward GO Borrowing

	Unused Appropriation Authority	Reauthorized GO Borrowing
13984 ARPA-RETAIL BUILDING IMPRV GRANT	500,000	-
63022 CENTER FOR INDUSTRY & COMMERCE	3,292	20,000
17073 COOPERATIVE ENTERPRISE DEVELOPMENT	352,268	-
63050 FACADE IMPROVEMENT GRANTS	13,350	-
63060 GENERAL LAND ACQUISITION FUND	1,367,840	-
63009 HEALTHY RETAIL ACCESS PROGRAM	258,025	250,000
12640 LAND BANKING	3,227,171	-
10069 PUBLIC MARKET	11,204,293	-
13072 SMALL BUSINESS EQUITY AND RECOVERY	2,586,470	-
66000 TAX INCREMENT DIST BORROWING PRJ	16,853,300	3,000,000
13850 TRUMAN OLSON GROCERY DEVELOPMENT	4,700,000	-
	\$ 41,066,009	\$ 3,270,000

Economic Development Division

Project Overview

Project	ACRE Program	Project #	13837
Citywide Element	Economy and Opportunity	Project Type	Project

Project Description

This project supports graduates of the Associates in Commercial Real Estate (ACRE) program with pre-development costs. Economic Development, in cooperation with the Department of Civil Rights, will develop program guidelines to award funds subject to Council approval. Funding in 2023 was added via Common Council amendment #2 - SUB.

Project Budget by Funding Source

	2023	2024	2025	2026	2027	2028
GF GO Borrowing	300,000	-	-	-	-	-
TOTAL	\$ 300,000	\$ -				

Project	Center for Industry and Commerce	Project #	63022
Citywide Element	Economy and Opportunity	Project Type	Program

Project Description

This program funds the annual holding, maintenance, and marketing costs for the Center for Industry and Commerce (CIC). The goal of the program is to attract and retain companies within the City of Madison and to increase the tax base of the CIC and the City. Planned projects for 2023 include property maintenance and marketing of parcels owned by the City.

Project Budget by Funding Source

	2023	2024	2025	2026	2027	2028
GF GO Borrowing	40,000	40,000	40,000	40,000	40,000	40,000
TOTAL	\$ 40,000					

Project	General Land Acquisition Fund	Project #	63060
Citywide Element	Land Use and Transportation	Project Type	Program

Project Description

This program funds land purchases for future municipal purposes. Purchases from the fund can only be completed to the extent that funds are available and specific Common Council approval is obtained. The primary revenue source for the fund is from the sale of surplus property and sites within City-owned business parks. Funding in 2023 is for property holding costs for parcels currently owned by the City.

Project Budget by Funding Source

	2023	2024	2025	2026	2027	2028
Reserves Applied	60,000	60,000	60,000	60,000	60,000	60,000
TOTAL	\$ 60,000					

Project **Healthy Retail Access Program** Project # **63009**
 Citywide Element **Health and Safety** Project Type **Program**

Project Description

This program provides grant opportunities for projects that aim to improve access to affordable, healthy, and culturally appropriate food within areas of focus, as identified in the Food Access Improvement Map. The goal of the program is to ensure increased access to healthy food. Planned projects for 2023 include (1) capital and infrastructure grants that proliferate healthy food access, with priority given to food retail establishments, (2) technical assistance for entities that want to increase healthy food access, with priority given to assisting food retail establishments, (3) data collection initiatives focused on discerning the needs and desires of business owners and community residents, which will aid city staff in efficient and targeted program outreach, and (4) evaluation of both programmatic structure and individual program grants.

Project Budget by Funding Source

	2023	2024	2025	2026	2027	2028
GF GO Borrowing	250,000	250,000	250,000	250,000	250,000	250,000
TOTAL	\$ 250,000					

Project **Land Banking** Project # **12640**
 Citywide Element **Neighborhoods and Housing** Project Type **Program**

Project Description

This program is for the acquisition of land and buildings that could be used for future economic development, affordable housing projects, and other City uses in accordance with the City’s Land Banking Fund Policy. The goal of this program is to acquire strategic properties for future purposes that might include: assisting displaced businesses, reducing blight, stabilizing housing markets, improving the quality of life for residents and neighborhoods, and preserving land for City purposes. Projects planned for 2023 include the acquisition of new property, property maintenance and management of newly acquired and previously acquired properties through this program, and predevelopment costs associated with future redevelopment of acquired properties.

Project Budget by Funding Source

	2023	2024	2025	2026	2027	2028
GF GO Borrowing	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
TOTAL	\$ 1,000,000					

Project **Public Market** Project # **10069**
 Citywide Element **Economy and Opportunity** Project Type **Project**

Project Description

This project provides funding for costs associated with the land acquisition, planning, design, site preparation, and construction of the Madison Public Market at First Street. The goal of the project is to: create opportunities for diverse entrepreneurs to start and grow food-based businesses and other enterprises, to strengthen Madison’s food economy, to promote local food, and to create a welcoming and inclusive public gathering space for the community. Common Council amendment #3 – SUB adds \$4.5 million in TID 36 proceeds and supports utilizing \$1.5 million from Dane County to address a \$5.2 million funding gap for the project. The Common Council amendment also directs staff to continue seeking new sources of funding, as well as reviewing options to cut project costs in an attempt to reduce the \$4.5 million of additional City support.

Project Budget by Funding Source

	2023	2024	2025	2026	2027	2028
TIF Increment	4,500,000	-	-	-	-	-
TOTAL	\$ 4,500,000	\$ -				

Project **Small Business Equity and Recovery** Project # **13072**
 Citywide Element **Economy and Opportunity** Project Type **Program**

Project Description

This program combines several programs and initiatives aimed at supporting small business development, with a particular emphasis on businesses owned by historically underrepresented entrepreneurs. The goal of this program is to build back to a better post-COVID-19 economy with greater access to financial support to small business owners, especially those who are historically underrepresented. Projects planned in 2023 include the following existing and new programs and initiatives: Façade Grant Program, Commercial Ownership Assistance Program, Building Improvement Grant Program, Madison Pop Up Shop Program, BusinessReady Program, entrepreneur of color organization support, Kiva Madison, entrepreneur of color survey/census, entrepreneur of color directory/purchasing program, and similar programs and initiatives approved by the Common Council.

Project Budget by Funding Source

	2023	2024	2025	2026	2027	2028
GF GO Borrowing	2,000,000	500,000	500,000	500,000	500,000	500,000
TOTAL	\$ 2,000,000	\$ 500,000				

Project **TID 36 Capitol Gateway Corridor** Project # **99002**
 Citywide Element **Land Use and Transportation** Project Type **Program**

Project Description

This program supports projects within TID 36, created in 2005. The district is located in downtown Madison and includes the area generally bounded by First Street, Dayton Street, and Blount and East Wilson Streets. The goal of this program is to attract employers and residents to the Capitol East District and grow the City’s tax base. Progress is measured by the number of residential units available, the number of businesses in the district, the total size of retail and office space available, and the growth of the district’s tax base. The estimated incremental value of the district is \$489 million. Projects planned for 2023 include continued implementation of the Capitol Gateway Corridor BUILD Plan through a study to identify and prioritize future public projects in the District.

Project Budget by Funding Source

	2023	2024	2025	2026	2027	2028
TIF Increment	100,000	100,000	100,000	100,000	100,000	100,000
TOTAL	\$ 100,000					

Project **TID 39 Stoughton Road** Project # **99004**
 Citywide Element **Economy and Opportunity** Project Type **Program**

Project Description

This program supports projects within TID 39, created in 2008. The district is located within an area generally bounded by South Stoughton Road, Cottage Grove Road, Interstate 39/90 and the property line between Voges Road and the Beltline. The goal of the program is to attract and retain employers within the district and grow its tax base. Progress is measured by the sale and development of city-owned property, the number of businesses located within the district, and the district’s total tax base. The estimated incremental value of the district is \$175 million. Funding in 2023 is for property maintenance and marketing of City-owned parcels.

Project Budget by Funding Source

	2023	2024	2025	2026	2027	2028
TIF Increment	30,000	30,000	30,000	30,000	30,000	30,000
TOTAL	\$ 30,000					

Project **TID 42 Wingra** Project # **99005**
 Citywide Element **Land Use and Transportation** Project Type **Program**

Project Description

This program supports projects within TID 42, created in 2012. The district is located on Madison’s south side with the general boundaries of South Park Street, West Wingra Drive, and Fish Hatchery Road. The goal of the program is to develop residential and commercial space in accordance with the Wingra BUILD Plan. Progress is measured by implementation of the Wingra BUILD Plan, the number of residential units constructed, the amount of commercial space constructed, and the district’s total tax base. The estimated incremental value of the district is \$118 million. Funding in 2023 is for property maintenance, management, and pre-development costs for City-owned property within the boundaries of TID 42 and within one-half mile of TID 42.

Project Budget by Funding Source

	2023	2024	2025	2026	2027	2028
TIF Increment	100,000	100,000	100,000	100,000	100,000	100,000
TOTAL	\$ 100,000					

Project **TID 50 State Street** Project # **99012**
 Citywide Element **Land Use and Transportation** Project Type **Program**

Project Description

This program funds private development loans, public infrastructure, streetscape improvements, business retention and recruitment efforts, marketing programs, affordable housing, planning and market studies, and related economic development initiatives. The goal of this project is to support a diverse and thriving State Street neighborhood where all Madisonians and visitors feel welcome, grow a stable retail district, enhance residential and living-wage employment options, and increase the tax base. Funding in 2023 is for Building Improvement Grants, Facade Grants, Madison Pop Up Shop Program, BusinessReady Program, Commercial Ownership Assistance Program, furniture and fixture repair/upgrades, marketing efforts, planning and market studies, and related economic development initiatives.

Project Budget by Funding Source

	2023	2024	2025	2026	2027	2028
Non-GF GO Borrowing	800,000	600,000	600,000	600,000	600,000	600,000
TOTAL	\$ 800,000	\$ 600,000				

Project **TID 51 South Madison** Project # **99011**
 Citywide Element **Neighborhoods and Housing** Project Type **Program**

Project Description

This program funds land banking, private development loans, public infrastructure, economic and community development initiatives, affordable housing, pre-development costs, appraisals, and related planning and market studies. The goal of this project is to guide investment in South Madison that supports this existing diverse community. Funding in 2023 will be used for costs associated with purchasing and maintaining property through the City's Land Banking Program, business development programs (Building Improvement Grant Program, Facade Grant Program, Madison Pop-Up Shop Program, BusinessReady Program, and Commercial Ownership Assistance Program), UW South Madison study, and related economic development initiatives. Funding for projects will be supported through donation of tax increment revenues from TID 36.

Project Budget by Funding Source

	2023	2024	2025	2026	2027	2028
TIF Increment	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
TOTAL	\$ 3,000,000					

Project
Citywide Element

**TID 52 E Washington Stoughton Rd
Economy and Opportunity**

Project # **99013**
Project Type **Program**

Project Description

This program will fund the redevelopment of the property at 3401 E. Washington Avenue (File #74372). This program will also likely fund other infrastructure improvements, housing, and business development projects, which will be identified in a TIF Project Plan to be prepared and adopted in 2023. The goal of this program will be to assist with public improvements and private investment within the area near the intersection of E. Washington Avenue and Stoughton Road.

Project Budget by Funding Source

	2023	2024	2025	2026	2027	2028
Non-GF GO Borrowing	2,350,000	-	-	-	-	-
TOTAL	\$ 2,350,000	\$ -				

Project
Citywide Element

**Truman Olson Grocery Development
Neighborhoods and Housing**

Project # **13850**
Project Type **Project**

Project Description

This project funds the purchase and build out of space at the Truman Olson development with the intent to secure a long-term grocery for South Madison residents. The 2021 Adopted Capital budget was amended through a resolution (File # 66789) to add \$4.7 million for the purchase of the space. Funding in 2023, added via Common Council amendment #5, will support improvements to the space including updates to the loading dock and entry areas as well as build out of the grocery store itself. This additional borrowing is dependent on securing a leasee to operate the grocery and debt service from borrowing will be recovered through lease payments.

Project Budget by Funding Source

	2023	2024	2025	2026	2027	2028
GF GO Borrowing	3,500,000	-	-	-	-	-
TOTAL	\$ 3,500,000	\$ -				

Economic Development Division

2023 Appropriation Schedule

2023 Appropriation

Adopted Budget

	Request	Executive	GO Borrowing	Other	Total
ACRE Program	-	-	300,000	-	300,000
Center for Industry and Commerce	40,000	40,000	40,000	-	40,000
General Land Acquisition Fund	60,000	60,000	-	60,000	60,000
Healthy Retail Access Program	250,000	250,000	250,000	-	250,000
Land Banking	1,000,000	1,000,000	1,000,000	-	1,000,000
Public Market	-	-	-	4,500,000	4,500,000
Small Business Equity and Recovery	2,000,000	2,000,000	2,000,000	-	2,000,000
TID 36 Capitol Gateway Corridor	100,000	100,000	-	100,000	100,000
TID 39 Stoughton Road	30,000	30,000	-	30,000	30,000
TID 42 Wingra	100,000	100,000	-	100,000	100,000
TID 50 State Street	600,000	600,000	800,000	-	800,000
TID 51 South Madison	3,000,000	3,000,000	-	3,000,000	3,000,000
TID 52 E Washington Stoughton Rd	-	-	2,350,000	-	2,350,000
Truman Olson Grocery Development	-	-	3,500,000	-	3,500,000
	\$ 7,180,000	\$ 7,180,000	\$ 10,240,000	\$ 7,790,000	\$ 18,030,000