

Realta Fusion Jobs TIF Request Finance Committee Overview

June 1, 2026



What is a Jobs TIF?



- A section of the City's TIF Policy adopted in 2014
- Available to employers creating and/or retaining at least 100 full time equivalent jobs, with commitment to maintain this employment for 5 years
- Available to employers constructing a new building or renovating an existing building that will generate new property tax revenue (increment)

How is Jobs TIF Similar to Other TIF?



- The City must determine “but for” TIF, a project won’t occur
- The project must generate enough increment to repay the TIF assistance provided (i.e. the project is “self supporting”)
- An increment guarantee is provided

How is Jobs TIF Different From Other TIF?



- For traditional developer TIF, the City determines the “but for” by analyzing the sources and uses of funding to determine a financial gap
- For Jobs TIF, the City determines the “but for” by examining the potential for the project to locate outside of the City
- Jobs TIF projects are eligible for 40% of the net present value of increment generated by a project, traditional developer TIF projects are eligible for 55%
- Jobs TIF projects must create/retain jobs; not so for other TIF

Where Has the City Used Jobs TIF Before?



- Extreme Engineering in 2017
- Illumina in 2017
- Exact Sciences in 2017 and 2018

- In all cases, jobs created/retained exceeded contracted amount and were maintained for the required 5-year period
- In all cases, TIF loans were repaid by increment as required by the loan agreement

What is Nuclear Fusion?



- A process of combining atoms (such as isotopes of Hydrogen)
- Results in production of energy, Helium, and only a small amount of short-lived, low-level radioactive material
- A safe and clean form of energy production
 - Can only occur in a highly controlled environment; if conditions are not ideal, fusion doesn't occur; no chance for a "runaway reaction" or "meltdown"
 - No long-lived, high-level radioactive waste
- Decades of research at UW-Madison with five active nuclear fusion experiments occurring today

What is Realta Fusion?



- Company formed in 2022 with strong ties to UW-Madison
- Interested in researching electricity generation through nuclear fusion
- Already located on westside of Madison – 43 employees
- Using a demonstrated nuclear fusion technology
- Raising private funds to scale the company's research
- Searching for a location to house this growing company
- Considering the former Oscar Mayer facility in Madison and property in Illinois
- Oscar Mayer facility has long been vacant with added costs

What is Realta Fusion's Proposed Project?



- Former Oscar Mayer facility at 910 Mayer Avenue
- Up to 50,000 square feet of office space
- Up to 110,000 square feet of research and development space
- Up to 45,000 square feet of manufacturing space
- A minimum of 43 full time equivalent jobs retained
- A minimum of 157 full time equivalent jobs created
- Up to \$53.5 million of new property value generated
- A \$67 million investment in physical improvements to the building given its age and former use; this does not include equipment costs, which could exceed \$500 million

What Types of Jobs are Proposed?

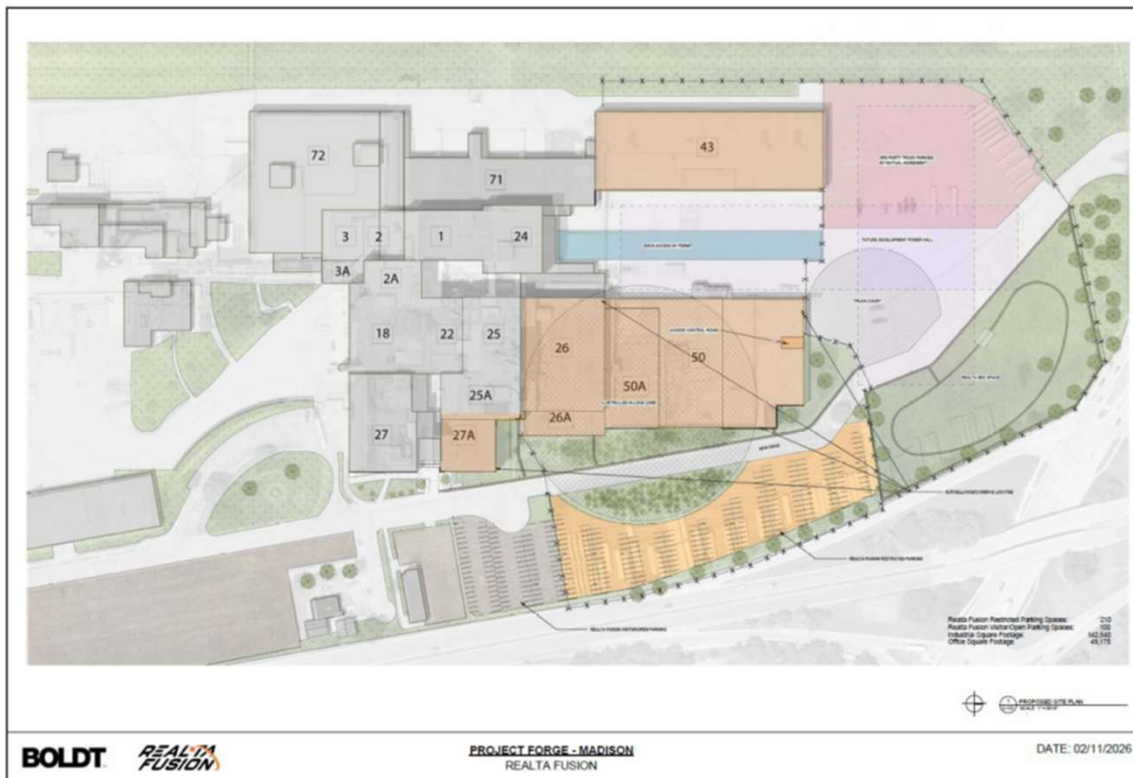


- Number of new jobs and annual salary
 - Management – 16 jobs @ \$182,000
 - Sales – 5 jobs @ \$132,510
 - Lab – 35 jobs @ \$100,464
 - Manufacturing – 30 jobs @ \$80,371
 - Research – 71 jobs @ \$137,238
- Number of retained jobs and annual salary
 - Management – 9 jobs @ \$175,000
 - Research – 34 jobs @ \$148,000

Site Layout



- Realta Fusion is proposing to occupy areas in “orange”



Site Rendering



BOLDT *REALTA FUSION*

PROJECT FORGE - MADISON
REALTA FUSION

DATE: 02/11/2026

What is the Proposed Jobs TIF?



- Up to \$2.8 million invested over six payments after Realta has met the following outcomes (post performance payments):
 - Payment 1 - \$480K at \$17.5M of value
 - Payment 2 - \$480K at \$30.5M of value and 50 jobs
 - Payment 3 - \$240K at \$30.5M of value and 100 jobs
 - Payment 4 - \$400K at \$43.5M of value and 100 jobs
 - Payment 5 - \$400K at \$53.5M of value and 150 jobs
 - Payment 6 - \$800K at \$53.5M of value and 200 jobs
- Jobs created/retained for five years following last payment

What is the Proposed Jobs TIF?



- Three-party agreement between City of Madison, Realta Fusion, and the owner the property, OM Station LLC
- Realta Fusion will lease space (not own) from OM Station LLC
- Loan will flow from City to OM Station LLC to Realta Fusion
- Mortgage will be recorded against the property
- Realta Fusion will also provide a corporate guarantee
- Mortgage and corporate guarantee provide security to City for repayment of TIF loan if increment fails to be sufficient
- Future assistance possible for investment greater than expected
- No exceptions to TIF Policy

Are There Other Land Use Considerations?



- The nuclear fusion experiments proposed by Realta Fusion at the site will require a significant amount of electricity
 - Realta Fusion will need to pay for electric upgrades
 - The experiments require pulses of electricity; MGE working with Realta Fusion to ensure no impact on the grid
- Water isn't used at a significant level in nuclear fusion
- Additional traffic from employees, but not more than existed when Oscar Mayer was operating
- No noise, smells, or other anticipated operational impacts

Why Does Staff Recommend Support?



- Oscar Mayer facility has been largely vacant since 2017 and this is a reasonable investment of TIF to reposition the property for attracting new family-supporting employment
- Realta Fusion is part of a burgeoning industry; other businesses in their supply chain or the broader fusion sector may choose Madison in the years ahead if Realta Fusion locates here
- The City is committed to cleaner forms of energy in its operations; this technology could do so on a larger scale
- Transaction meets City TIF Policy and is structured to both support the business and provide security to the City